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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 05-01-2013 , 2013, and ending 04-30-2014

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

C Name of organization
COLUMBUS COMMUNITY HOSPITAL INC

Doing Business As

Number and street (or P O box if mail is not delivered to street address) Room/suite
PO BOX 1800
Suite

City or town, state or province, country, and ZIP or foreign postal code
COLUMBUS, NE 68602

D Employer identification number
47-0542043

E Telephone number
(402) 562-3357

G Gross receipts $ 80,292,003

F Name and address of principal officer
J Joseph Barbaglia
4600 38th Street
Columbus, NE 68601

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 columbushosp org

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

L Year of formation 1972

M State of legal domicile NE

Part I Summary

1 Briefly describe the organization's mission or most significant activities
OUR MISSION IS TO IMPROVE THE HEALTH OF THE COMMUNITIES WE SERVE

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

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**	11
5	Total number of individuals employed in calendar year 2013 (Part V, line 2a)	**5**	662
6	Total number of volunteers (estimate if necessary)	**6**	323
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	18,606
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	-44,222

		Prior Year	Current Year
Revenue **8**	Contributions and grants (Part VIII, line 1h)	117,549	61,455
9	Program service revenue (Part VIII, line 2g)	72,520,573	79,026,667
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	321,804	364,263
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	1,025,030	839,618
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	73,984,956	80,292,003
Expenses **13**	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	1,469,342	1,510,490
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)	33,905,776	35,614,672
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶0		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	29,781,927	31,211,175
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	65,157,045	68,336,337
19	Revenue less expenses Subtract line 18 from line 12	8,827,911	11,955,666

		Beginning of Current Year	End of Year
Net Assets or Fund Balances **20**	Total assets (Part X, line 16)	97,892,656	108,463,254
21	Total liabilities (Part X, line 26)	6,956,170	6,261,385
22	Net assets or fund balances Subtract line 21 from line 20	90,936,486	102,201,869

Part II Signature Block

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

Sign Here

****** 2014-12-08
Signature of officer Date

MICHAEL T HANSEN CHIEF EXECUTIVE OFFICER
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Donald Neal Jr				P00798244

Firm's name ▶ KPMG LLP — Firm's EIN ▶

Firm's address ▶ 1212 North 96th Street Suite 300
Omaha, NE 68114

Phone no (402) 562-3357

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

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission

OUR MISSION IS TO IMPROVE THE HEALTH OF THE COMMUNITIES WE SERVE

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

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

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

If "Yes," describe these changes on Schedule O

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code) (Expenses $ 64,945,322 including grants of $ 52,500) (Revenue $ 79,576,037)

General hospital and health care Columbus Community Hospital ("CCH") is a 47 bed acute care hospital which currently employs over 600 people It is a significant, positive economic force for the Columbus area, returning dollars into the economy through local purchases by the organization, and salaries that return to the community It is also a needed asset for the local communities where patients can obtain quality healthcare without the need to drive over 50 miles for care In providing the care necessary for local communities, CCH has a variety of services Following is a brief summary of some of the areas of service provided by CCH a) The main focus is acute care services for patients All 47 acute care beds at CCH are also certified as swing beds b) To assist our non-English speaking patients, CCH uses competent, certified, dedicated Medical Interpreters as a liaison between the care providers and the patient Since this is the interpreters' full time job at the hospital, they are available when needed, in house or on call 24/7 c) To make the patient's stay successful and comfortable, CCH provides ICU, Medical Surgical, OB, and an Orthopedic Service Line along with a variety of complimentary ancillary services (Wound Care, Diabetic Education, Cardiac Rehab) and Clinical Pharmacy Services CCH uses Bar-Coded Medication Administrated, Smart Pumps, and Computerized Physician Order Entry to enhance safety d) CCH offers Rehabilitative Services such as Physical Therapy, Speech Therapy, Occupational Therapy and Drivers Rehab Therapy, so patients don't have to travel so far to get adult therapy Pediatric Physical Therapy, Speech Therapy, and Occupational Therapy are offered at our off-site location, Wiggles & Giggles Therapy (includes Physical, Speech, and Occupational Therapies) for kids CCH has Physical Therapists, Occupational Therapists and Speech Therapists with specialized certification in cancer rehab We launched our certified Star Program at Columbus Community Hospital in November of 2012 We are one of only three hospitals in Nebraska to have achieved the star program certification for Cancer Rehabilitation Star stands for Survivorship Training and Rehab We have had at least 74 formal Star Program referrals resulting in consultations for potential rehabilitation needs Many of our Star Program Participants have needed physical therapy, speech therapy or occupational therapy and some have needed nutritional consults as well as psychosocial referrals Some patients who have participated have had pulmonary concerns and cardiovascular factors There also have been some Star Program graduates that have transitioned to medical wellness here at CCH Star Program co-coordinators are Jill Jakub MOTR/L, CLT, and Michell Ruskamp MS, CCC-SLP They are joined by 23 other clinicians including Physicians, Nurses, Respiratory Therapists, Dieticians, Social Workers, and therapists who are Star Program certified at CCH The star program cancer rehab certification at CCH is funded by the Columbus Community Hospital Foundation Our certified Provider Team for the Star Program is made up of 3 physicians, 6 Physical Therapists, 4 Occupational Therapists, 2 Speech Therapists, 5 Nurses, 1 Respiratory Therapist, 2 Social Workers and 2 Nutritionists CCH has a Specialized Parkinson's Treatment approach which facilitates support groups for Parkinson's, plus a support group for TBI and Stroke Patients In March 2014 CCH added an Oncology Nurse Specialist who is now also a STAR Certified Clinician e) Nurses in the Same Day Services Department prepare patients for surgery and, if going home the same day, care for them after surgery The department oversees several outpatient procedures, including 90 to 100 Endoscopy Procedures each month, blood transfusions, and Chemotherapy Infusions f) CCH offers some of the most advanced imaging services including MRI, CT, Digital Mammography, Ultrasound, etc Radiologists are on campus and/or available 24-7 to read the various scans The dictation used by the Radiologists is voice recognized and becomes part of the digital image All images are digital, meaning there are no films g) CCH has an up to date Laboratory which performs over 13,000 tests on average per month, for both Inpatients and Outpatients h) CCH has highly trained, employed Emergency Physicians and Nurses in their Emergency Department (ED) and offers 24-7 care The Department includes support from qualified staff in Respiratory Care, Social Work, Laboratory, Medical Interpreting, and Diagnostic Imaging The ED was designated as a Level III Trauma Center in May, 2006 The Medical Staff and Personnel in the Trauma Center have received specialized training to resuscitate and stabilize trauma patients The trauma program provides systematic review of the trauma care and participates in injury prevention activities throughout the community i) CCH opened Wound Care Services in August of 2008 The identified service area includes a 45-mile radius around Columbus By January, 2009 a second day was added to support the demand This service has taken off far beyond what was expected Previously, patients seeking this specialized treatment were required to travel on average 75 miles to see a wound clinic specialist It was a much needed service for the local communities Columbus Community Hospital currently sees about 100 patients per month for wound care j) Centering on services outside the Hospital, the larger services are Home Health and Hospice Services Home Health is skilled health services for patients at their place of residence The program is medically directed, therefore, it must be ordered by the attending physician The Program is Medicare and Medicaid certified and meets the requirements of the Joint Commission Services provided within the Program are 1 Supervision and administration of medications 2 Intravenous Therapy 3 Teaching diabetic management 4 Nutritional Assessments 5 Home Health aides 6 Personal Care Services 7 Occupational, Speech and Physical Therapies 8 Hospice services are provided to persons who are no longer receiving curative treatment and whose life expectancy is six months or less Care is provided by an interdisciplinary team which consists of the Physician, Nurse, Social Worker, Therapist, Home Health Aide, Spiritual Advisor, Volunteer and other health professionals k) Our local Healthy Family Nebraska program (HFN) targets young, primarily single, pregnant mothers and their families Our Voluntary HFN Home Visitation Program targets the most vulnerable young women and their families by offering them, intense, in home education, support and resources This Home Visiting Program covers families in a four county area The HFN requires each mother/family to actively participate in building an individualized family plan This strength based approach promotes self- improvement, and enhances self-esteem and independence for our young parents that will help them make better decisions, and break out of destructive cycles l) CCH's Sleep Lab offers complete Polysomnographic Sleep Testing for the purpose of diagnosing obstructive/central sleep apnea by trained and licensed Sleep Technicians Both daytime and night sleep studies are performed m) Occupational Health Services (OHS) offers a menu of health care services designed to prevent and treat injuries in the workplace Partnering with employers in more than 800 companies and with other health care professionals, OHS provides the Columbus and regional area business and industry with a comprehensive range of services designed to support and maintain a healthy, safe workforce while assisting to meet OSHA and DOT compliance regulations Their full range of services include 1 A comprehensive testing procedure called the Physical Capacity Profile (PCP) that matches employees to the job and is designed to accommodate individuals with handicaps The PCP System was developed by an Orthopedic Physician Through use of this testing, musculoskeletal imbalances are detected which helps employers place employees in the appropriate job to minimize the potential of injury 2 Drug and Alcohol Testing Services 24/7 3 DOT Physicals 4 Pre Employment/Post Job Offer Physical Assessments 5 On Site Nursing Services 6 Hearing/Vision Testing 7 Hearing Conservation Program Management 8 Respiratory Fit Testing 9 Respiratory Evaluation Services 10 Flu Shots and Immunization Programs 11 Wellness Programs n) Lifeline, an in home emergency response program, provides the vital safety net that many people need to continue living at home in familiar and comforting surroundings The program is completely focused on ensuring the patient's independence, safety and well-being in their home It operates with a bracelet worn by the patient with a button that can be pressed if help is needed Predetermined responders are summoned to their home or emergency transfer can be called if n

4b (Code) (Expenses $ 1,370,490 including grants of $ 1,370,490) (Revenue $ 0)

Charity Care CCH offers a Charity/Financial Aid Program to provide uncompensated services to people who are unable to pay CCH Charity/Financial Aid Policy reflects the Mission, Vision and Values of CCH It is intended to assist low-income, underinsured, and uninsured individuals whose financial status, under the Hospital's qualification criteria, makes it impractical or Impossible to pay for necessary medical services CCH has a fiduciary responsibility to seek payment for services from those who can pay, and every effort will be made to apply consistent, fair and equitable financial aid practices in a manner consistent with all applicable Federal and State Laws and Regulations CCH follows the Federal Poverty Guidelines (FPG) to determine both eligibility for free care, 100% of FPG, and discounted care, 200% FPG CCH also offers Catastrophic Charity Assistance If the applicant qualifies for partial charity/financial assistance and the total balance after all write-off's is greater than $1,200, an additional write-off will be done as outlined below Reduce to $1,200, adjustments will be done from oldest to newest

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** ▶ 66,315,812

Part IV Checklist of Required Schedules

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

Part IV Checklist of Required Schedules *(continued)*

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable . .	1a	32		
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	662		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? **Note.** If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	2b		Yes	
3a	Did the organization have unrelated business gross income of $1,000 or more during the year? . . .	3a		Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No" to line 3b, provide an explanation in Schedule O* . . .	3b		Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a			No
b	If "Yes," enter the name of the foreign country ▶ _____ See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . .	5a			No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b			No
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c			
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions? . . .	6a			No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b			
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?	7a			No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b			
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c			No
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e			No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .	7f			No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g			
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h			
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8			
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?	9a			
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b			
10	**Section 501(c)(7) organizations.** Enter				
a	Initiation fees and capital contributions included on Part VIII, line 12 . . .	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?	12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**				
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** See the instructions for additional information the organization must report on Schedule O	13a			
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b			
c	Enter the amount of reserves on hand	13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a			No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O* . .	14b			

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

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

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	**1a**	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**	11		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	**2**			No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? .	**3**			No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	**4**			No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .	**5**			No
6	Did the organization have members or stockholders?	**6**			No
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	**7a**			No
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	**7b**			No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body?	**8a**		Yes	
b	Each committee with authority to act on behalf of the governing body?	**8b**		Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*	**9**			No

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

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

▶MIKE ADAMY 4600 38TH STREET
COLUMBUS, NE 68601 (402) 562-3382

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) JAMES PILLEN DVM DIRECTOR	1 0 0 0	X						0	0	0
(2) ANTHONY RAIMONDO JR DIRECTOR	1 0 0 0	X						0	0	0
(3) JEFFREY GOTSCHALL MD CHAIR	1 0 0 0	X		X				0	0	0
(4) RONALD ERNST MD DIRECTOR	1 0 0 0	X						0	0	0
(5) JOHN C MCCLURE DIRECTOR	1 0 0 0	X						0	0	0
(6) REBECCA RAYMAN DIRECTOR	1 0 0 0	X						0	0	0
(7) BONNIE MCPHILLIPS DIRECTOR	1 0 0 0	X						0	0	0
(8) BRIAN SCHMIDT VICE CHAIR	1 0 0 0	X		X				0	0	0
(9) CLARK LEHR TREASURER	1 0 0 0	X		X				0	0	0
(10) BETH PRZYMUS DIRECTOR	1 0 0 0	X						0	0	0
(11) KIPTON ANDERSON MD DIRECTOR/MED STAFF PRES	1 0 0 0	X						0	0	0
(12) MICHAEL HANSEN PRESIDENT/CEO/SECRETARY	39 0 1 0			X				353,520	0	58,664
(13) AMY BLASER VP BUSINESS DEVELOPMENT	40 0 0 0			X				131,886	0	34,611
(14) J JOSEPH BARBAGLIA VP FINANCE	40 0 0 0			X				201,239	0	29,975
(15) LINDA WALLINE VP NURSING	40 0 0 0			X				195,596	0	27,760
(16) JAMES GOULET VP OPERATIONS	40 0 0 0			X				197,792	0	29,814
(17) ROBERT MILLER MD PHYSICIAN	40 0 0 0					X		289,212	0	23,698

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(18) MICHAEL MCGUIRE MD	40 0					X		574,777	0	16,882
PHYSICIAN	0 0									
(19) RICHARD CIMPL MD	40 0					X		647,167	0	26,164
PHYSICIAN	0 0									
(20) EDWARD FEHRINGER MD	40 0					X		569,295	0	30,142
PHYSICIAN	0 0									
(21) MARK HOWERTER MD	40 0					X		462,500	0	30,142
PHYSICIAN	0 0									
1b Sub-Total										
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)								3,622,984	0	307,852

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 ▶ 22

			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
INPATIENT PHYSICIAN ASSOC, 3200 PINE LAKE RD STE A LINCOLN NE 68516	HOSPITALIST SVCS	523,246
TSP CONSTRUCTION SERVICES INC, 1112 N WEST AVE SIOUX FALLS SD 571041333	CONSTRUCTION SVCS	795,668
RENOVO SOLUTIONS LLC, 1801 E PARK COURT PLAZA STE 206 SANTA ANA CA 92701	EQUIPMENT MAINT	112,698
MCKESSON TECHNOLOGIES INC, PO Box 98347 CHICAGO IL 60693	IT Consulting	815,109

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 of compensation from the organization ▶ 4

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	61,455			
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f				
	g	Noncash contributions included in lines 1a-1f $					
	h	**Total.** Add lines 1a-1f . . . . . ▶		61,455			
Program Service Revenue			Business Code				
	2a	NET PATIENT SVC REVENUE	621110	77,687,200	77,687,200		
	b	MEANINGFUL USE PAYMENT	900099	1,339,467	1,339,467		
	c						
	d						
	e						
	f	All other program service revenue					
	g	**Total.** Add lines 2a–2f . . . . . ▶		79,026,667			
	3	Investment income (including dividends, interest, and other similar amounts) . . . . . ▶		284,463			284,463
	4	Income from investment of tax-exempt bond proceeds . . ▶		0			
	5	Royalties . . . . . ▶		0			
			(i) Real	(ii) Personal			
	6a	Gross rents					
	b	Less rental expenses					
	c	Rental income or (loss)	0	0			
	d	Net rental income or (loss) . . . . . ▶			0			
			(i) Securities	(ii) Other			
	7a	Gross amount from sales of assets other than inventory		79,800			
	b	Less cost or other basis and sales expenses		0			
	c	Gain or (loss)		79,800			
	d	Net gain or (loss) . . . . . ▶			79,800			79,800
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 . . ▶			0			
	9a	Gross income from gaming activities See Part IV, line 19 . . . a					
	b	Less direct expenses . . . b					
	c	Net income or (loss) from gaming activities . . ▶			0			
	10a	Gross sales of inventory, less returns and allowances . a					
	b	Less cost of goods sold . . b					
	c	Net income or (loss) from sales of inventory . . ▶			0			
		Miscellaneous Revenue		Business Code				
	11a	MEALS ON WHEELS		900099	56,141	56,141		
	b	CAFETERIA		722100	271,642			271,642
	c	HEALTH WATCH		900099	56,262	56,262		
	d	All other revenue			455,573	436,967	18,606	
	e	**Total.** Add lines 11a–11d . . . . . ▶			839,618			
	12	**Total revenue.** See Instructions . . . . . ▶			80,292,003	79,576,037	18,606	635,905

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	140,000	140,000		
2 Grants and other assistance to individuals in the United States See Part IV, line 22	1,370,490	1,370,490		
3 Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16	0			
4 Benefits paid to or for members	0			
5 Compensation of current officers, directors, trustees, and key employees	1,080,033		1,080,033	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7 Other salaries and wages	28,316,154	28,316,154		
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	1,053,018	1,053,018		
9 Other employee benefits	3,191,396	3,191,396		
10 Payroll taxes	1,974,071	1,974,071		
11 Fees for services (non-employees)				
a Management	0			
b Legal	24,478		24,478	
c Accounting	198,141		198,141	
d Lobbying	5,966		5,966	
e Professional fundraising services See Part IV, line 17	0			
f Investment management fees	0			
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	1,407,577	1,407,577		
12 Advertising and promotion	162,267		162,267	
13 Office expenses	10,867,164	10,624,254	242,910	
14 Information technology	1,571,297	1,571,297		
15 Royalties . .	0			
16 Occupancy	1,086,641	1,086,641		
17 Travel	197,408		197,408	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19 Conferences, conventions, and meetings	109,322		109,322	
20 Interest	0			
21 Payments to affiliates	0			
22 Depreciation, depletion, and amortization	4,935,220	4,935,220		
23 Insurance	192,756	192,756		
24 Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24e If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O)				
a PROVISION FOR BAD DEBTS	5,512,231	5,512,231		
b MINOR EQUIP & FINANCING AGRMT	1,788,872	1,788,872		
c PURCHASED SERVICES	1,605,145	1,605,145		
d RECRUITING	243,212	243,212		
e All other expenses	1,303,478	1,303,478		
25 **Total functional expenses.** Add lines 1 through 24e	68,336,337	66,315,812	2,020,525	0
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

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

				(A) Beginning of year		(B) End of year
Assets	1	Cash–non-interest-bearing		1,933,467	1	5,961,224
	2	Savings and temporary cash investments		0	2	0
	3	Pledges and grants receivable, net		0	3	0
	4	Accounts receivable, net		9,233,671	4	9,015,656
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		0	5	0
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L		0	6	0
	7	Notes and loans receivable, net		0	7	0
	8	Inventories for sale or use		1,077,673	8	1,348,807
	9	Prepaid expenses and deferred charges		1,512,950	9	1,828,137
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 92,315,034			
	b	Less accumulated depreciation	10b 53,664,675	37,701,715	10c	38,650,359
	11	Investments—publicly traded securities		46,218,318	11	51,402,269
	12	Investments—other securities See Part IV, line 11		0	12	0
	13	Investments—program-related See Part IV, line 11		0	13	0
	14	Intangible assets		0	14	0
	15	Other assets See Part IV, line 11		214,862	15	256,802
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		97,892,656	16	108,463,254
Liabilities	17	Accounts payable and accrued expenses		6,956,170	17	6,261,385
	18	Grants payable		0	18	0
	19	Deferred revenue		0	19	0
	20	Tax-exempt bond liabilities		0	20	0
	21	Escrow or custodial account liability Complete Part IV of Schedule D		0	21	0
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L		0	22	0
	23	Secured mortgages and notes payable to unrelated third parties		0	23	0
	24	Unsecured notes and loans payable to unrelated third parties		0	24	0
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		0	25	0
	26	**Total liabilities.** Add lines 17 through 25		6,956,170	26	6,261,385
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		90,936,486	27	102,201,869
	28	Temporarily restricted net assets		0	28	0
	29	Permanently restricted net assets		0	29	0
		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		90,936,486	33	102,201,869
	34	Total liabilities and net assets/fund balances		97,892,656	34	108,463,254

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	80,292,003
2	Total expenses (must equal Part IX, column (A), line 25)	2	68,336,337
3	Revenue less expenses Subtract line 2 from line 1	3	11,955,666
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	90,936,486
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	-690,283
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	102,201,869

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
COLUMBUS COMMUNITY HOSPITAL INC

Employer identification number
47-0542043

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Section A. Public Support

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

Section B. Total Support

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

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

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

Section C. Computation of Public Support Percentage

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

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

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

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

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

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

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

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

Section A. Public Support

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

Section B. Total Support

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

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

Section C. Computation of Public Support Percentage

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

Section D. Computation of Investment Income Percentage

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

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

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

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

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

Facts And Circumstances Test		
Return Reference	Explanation	

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SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

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

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

OMB No 1545-0047

2013

Open to Public Inspection

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

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

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

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

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

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

Name of the organization	Employer identification number
COLUMBUS COMMUNITY HOSPITAL INC	47-0542043

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

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

2 Political expenditures ▶ $ _____

3 Volunteer hours _____

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

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

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

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

4a Was a correction made? ☐ Yes ☐ No

b If "Yes," describe in Part IV

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

For each "Yes" response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.		(a) Yes	(a) No	(b) Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?		No	
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		No	
c	Media advertisements?		No	
d	Mailings to members, legislators, or the public?		No	
e	Publications, or published or broadcast statements?		No	
f	Grants to other organizations for lobbying purposes?		No	
g	Direct contact with legislators, their staffs, government officials, or a legislative body?		No	
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	Other activities?	Yes		5,966
j	Total Add lines 1c through 1i			5,966
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

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

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

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

Part IV Supplemental Information

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

Return Reference	Explanation
SCHEDULE C, PART II-B, LINE 1I	DUES PAID TO AMERICAN HOSPITAL ASSOCIATION ALLOCATED TO LOBBYING $3,108 DUES PAID TO NEBRASKA HOSPITAL ASSOCIATION ALLOCATED TO LOBBYING $2,858

Part IV Supplemental Information *(continued)*

Return Reference	Explanation

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SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b
▶ Attach to Form 990. ▶ See separate instructions. ▶ Information about Schedule D (Form 990) and its instructions is at *www.irs.gov/form990*.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
COLUMBUS COMMUNITY HOSPITAL INC

Employer identification number
47-0542043

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

		(a) Current year	(b) Prior year	b (c) Two years back	(d) Three years back	(e) Four years back
1a	Beginning of year balance	1,742,125	1,667,736	1,573,063	1,506,660	1,426,826
b	Contributions	56,121	74,389	94,673	66,403	79,844
c	Net investment earnings, gains, and losses					-10
d	Grants or scholarships					
e	Other expenditures for facilities and programs					
f	Administrative expenses					
g	End of year balance	1,798,246	1,742,125	1,667,736	1,573,063	1,506,660

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 ▶ 100 000 %
- 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)		No
(ii) related organizations	3a(ii)	Yes	
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b	Yes	

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		1,279,072		1,279,072
b Buildings		44,122,186	20,225,508	23,896,678
c Leasehold improvements				
d Equipment		40,630,741	31,491,864	9,138,877
e Other		6,283,035	1,947,303	4,335,732
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				38,650,359

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

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

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

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

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

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

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

1 (a) Description of liability	(b) Book value
Federal income taxes	0
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	0

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

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

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

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

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

Part XIII Supplemental Information

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

Return Reference	Explanation
FIN 48 FOOTNOTE	SCHEDULE D, PART X The Hospital adopted Financial Accounting Standards Board (FASB) Interpretation No 48, Accounting for Uncertainty in Income Taxes - an Interpretation of FASB Statement No 109 (FIN 48) FIN 48 provides specific guidance on how to address uncertainty in accounting for income tax assets and liabilities, prescribing recognition thresholds and measurement attributes The adoption of FIN 48 by Columbus Community Hospital did not have a material impact on the Hospital's financial position, results of operations, or cash flows In Fiscal Years Ending 2014 and 2013, management determined that there are no income tax positions requiring recognition in the financial statements
SCHEDULE D, Part V, Line 4	ENDOWMENT FUNDS ARE HELD AND MAINTAINED BY COLUMBUS COMMUNITY HOSPITAL FOUNDATION THE ENDOWMENT FUNDS EXIST IN SUPPORT OF IMPROVED HEALTH SERVICES BY COLUMBUS COMMUNITY HOSPITAL

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
COLUMBUS COMMUNITY HOSPITAL INC

Employer identification number
47-0542043

Part I Financial Assistance and Certain Other Community Benefits at Cost

			Yes	No
1a	Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	1a	Yes	
b	If "Yes," was it a written policy?	1b	Yes	
2	If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year ☑ Applied uniformly to all hospital facilities ☐ Applied uniformly to most hospital facilities ☐ Generally tailored to individual hospital facilities			
3	Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year			
a	Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing *free* care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for *free* care ☑ 100% ☐ 150% ☐ 200% ☐ Other _____ %	3a	Yes	
b	Did the organization use FPG as a factor in determining eligibility for providing *discounted* care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care ☑ 200% ☐ 250% ☐ 300% ☐ 350% ☐ 400% ☐ Other _____ %	3b	Yes	
c	If the organization used factors other than FPG in determining eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care			
4	Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	4	Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a	Yes	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	5b		No
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligibile for free or discounted care?	5c		
6a	Did the organization prepare a community benefit report during the tax year?	6a	Yes	
b	If "Yes," did the organization make it available to the public?	6b	Yes	

Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)		761	761,444		761,444	1 210 %
b Medicaid (from Worksheet 3, column a)			4,775,514	1,507,026	3,268,488	5 200 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d **Total** Financial Assistance and Means-Tested Government Programs		761	5,536,958	1,507,026	4,029,932	6 410 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)		77,619	465,978	3,550	462,428	0 740 %
f Health professions education (from Worksheet 5)		848	804,395	10,470	793,925	1 260 %
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)		132	99,867		99,867	0 160 %
j **Total.** Other Benefits		78,599	1,370,240	14,020	1,356,220	2 160 %
k **Total.** Add lines 7d and 7j		79,360	6,907,198	1,521,046	5,386,152	8 570 %

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

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1 Physical improvements and housing						
2 Economic development						
3 Community support		1	1,950		1,950	
4 Environmental improvements			2,360		2,360	
5 Leadership development and training for community members						
6 Coalition building		1,560	27,531	11,959	15,572	0 020 %
7 Community health improvement advocacy						
8 Workforce development		3,512	8,780	1,085	7,695	0 010 %
9 Other						
10 **Total**		5,073	40,621	13,044	27,577	0 030 %

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

				Yes	No
1	Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No 15?		1		No
2	Enter the amount of the organization's bad debt expense Explain in Part VI the methodology used by the organization to estimate this amount	2	5,512,231		
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit	3			
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements				

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	20,400,882	
6	Enter Medicare allowable costs of care relating to payments on line 5	6	21,641,103	
7	Subtract line 6 from line 5 This is the surplus (or shortfall)	7	-1,240,221	
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 HEALTHPARK LLC	PROPERTY MANAGEMENT			72 790 %
2 ZARZ LLC	PROPERTY MANAGEMENT			55 550 %
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 COLUMBUS COMMUNITY HOSPITAL INC

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

			Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years begining 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 12			
3	In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	**3**	Yes	
4	Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	**4**	Yes	
5	Did the hospital facility make its CHNA report widely available to the public?	**5**	Yes	
	If "Yes," indicate how the CHNA report was made widely available (check all that apply)			
a	☑ Hospital facility's website (list url) SEE SECTION C			
b	☐ Other website (list url)			
c	☑ Available upon request from the hospital facility			
d	☑ Other (describe in Part VI)			
6	If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply as of the end of the tax year)			
a	☑ Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA			
b	☑ Execution of the implementation strategy			
c	☑ Participation in the development of a community-wide plan			
d	☑ Participation in the execution of a community-wide plan			
e	☑ Inclusion of a community benefit section in operational plans			
f	☐ Adoption of a budget for provision of services that address the needs identified in the CHNA			
g	☑ Prioritization of health needs in its community			
h	☑ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i	☐ Other (describe in Part VI)			
7	Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	**7**		No
8a	Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	**8a**		No
b	If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	**8b**		
c	If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? $			

Part V Facility Information *(continued)*

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

Part V Facility Information *(continued)*

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

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

Policy Relating to Emergency Medical Care

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

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

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

Part V Facility Information *(continued)*

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

Form and Line Reference	Explanation
PART V, SECTION B, LINE 3	MOBILIZING FOR ACTION THROUGH PLANNING AND PARTNERSHIP (MAPP) PROCESS WAS DEVELOPED BY AND IS RECOMMENDED FOR COMMUNITY ASSESSMENT BY THE NATIONAL ASSOCIATION OF CITY AND COUNTY HEALTH OFFICIALS (NACCHO) AND CENTER FOR DISEASE CONTROL (CDC) MAPP WAS ALSO A RECOMMENDED COMMUNITY ASSESSMENT BY THE NEBRASKA RURAL HEALTH ASSOCIATION IN ITS "COMMUNITY HEALTH ASSESSMENT COLLABORATIVE PRELIMINARY RECOMMENDATIONS FOR NEBRASKA'S COMMUNITY, NONPROFIT HOSPITALS TO COMPLY WITH NEW REQUIREMENTS FOR TAX EXEMPT STATUS ENACTED BY THE PATIENT PROTECTION AND AFFORDABLE CARE ACT" (SEPTEMBER OF 2011) MAPP allows for input from parties who represent broad interests in the communities Input from diverse sectors including medically underserved, low-income, minority populations and individuals from diverse age groups was obtained through surveys, targeted focus groups, open public meetings and target invitations to community leaders and agencies The Hospital's participation in the current MAPP assessment is the most thorough to date with over 100 individuals in the District participating in the process This does not count the 1,000 individual surveys or focus group participants
PART V, SECTION B, LINE 4	-ALEGENT HEALTH MEMORIAL HOSPITAL, SCHUYLER - GENOA COMMUNITY HOSPITAL -BOONE COUNTY HEALTH CENTER
PART V, SECTION B, LINE 5A & 5D	THE DETAILED ASSESSMENT AND RELATED COMPONENTS ARE AVAILABLE VIA LINK ON https //www columbushosp org/news_events/community_health_needs_assessment_chna aspx OR AVAILABLE ON REQUEST AND AVAILABLE FOR REVIEW AT COLUMBUS COMMUNITY HOSPITAL THE IMPLEMENTATION STRATEGY IS AVAILABLE VIA LINK ON https //www columbushosp org/news_events/chip_implementation_plan aspx
PART V, SECTION B, LINE 7	We have identified priorities for areas that we are not directly addressing We will maintain active partnerships with and remain supportive of the lead organizations focused on these priorities
PART V, SECTION B, LINE 14G	INFORMATION BROCHURES ON FINANCIAL/CHARITY ASSISTANCE (F/C) ARE AVAILABLE IN KEY AREAS OF THE HOSPITAL THE CCH WEBSITE HAS INFORMATION REGARDING F/C ASSISTANCE, AS WELL AS APPLICATIONS IN BOTH SPANISH AND ENGLISH THE PATIENT STATEMENTS HAve INFORMATION REGARDING F/C ASSISTANCE THE F/C APPLICATIONS ARE AVAILABLE TO ALL STAFF ON THE H DRIVE UNDER FORMS THE EMERGENCY REGISTRATION, MAIN REGISTRATION, PATIENT ACCOUNTS AND SOCIAL SERVICES DEPARTMENTS HAVE THE F/C APPLICATIONS IN BOTH ENGLISH AND SPANISH AVAILABLE
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? **9**

	Name and address	Type of Facility (describe)
1	PREMIER PHYSICAL THERAPY OF CCH US 30 CTR BLDG 3100-23RD st ste 15 COLUMBUS,NE 686013161	PHYSICAL & AQUATIC THERAPY, SPORTS TRAINING SERVICES
2	WIGGLES & GIGGLES THERAPY FOR KIDS 2108-13TH STREET COLUMBUS,NE 686015100	PEDIATRIC THERAPY SERVICES
3	OCCUPATIONAL HEALTH SERVICES OF CCH 3005-19TH ST SUITE 300 COLUMBUS,NE 686014252	EMP HEALTH CARE SVCS TO PREVENT & TREAT WORK INJURIES
4	WOUND HEALING CENTER 4600-38TH STREET SUITE 165 COLUMBUS,NE 68601	WOUND TREATMENT CENTER
5	HUMPHREY CLINIC OF CCH 3003 MAIN STREET HUMPHREY,NE 686423155	CLINIC IN SMALL TOWN TO OFFER MEDICAL SVCS TO RESIDENTS
6	HOSPICE OF COLUMBUS COMMUNITY HOSPITAL 3005-19TH STREET SUITE 600 COLUMBUS,NE 686014248	HOSPICE SERVICES
7	COLUMBUS COMMUNITY HOSPITAL SLEEP LAB 3020-19TH STREET SUITE 100 COLUMBUS,NE 686014252	POLYSOMNOGRAPHIC SLEEP TESTING
8	HOME HEALTH OF COLUMBUS COMMUNITY HOSP 3005-19TH STREET SUITE 600 COLUMBUS,NE 686014248	HOME HEALTH SERVICES
9	COLUMBUS ORTHOPEDIC & SPORTS MED CLINIC 4508 38TH STREET STE 133 COLUMBUS,NE 686011668	FREE STANDING CLINIC
10		

Part VI Supplemental Information

Provide the following information

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

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

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

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

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

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

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

Form and Line Reference	Explanation
PART I, LINE 3C	N/A
PART I, LINE 6A	A Community Benefit report is included each year in the Hospital's quarterly newsletter "Housecall" with an electronic version of the newsletter housed on the Hospital's website A separate landing page on the website was also created for the report to provide easy access to the report

Form and Line Reference	Explanation
PART I, LINE 7B	The revenue generated by Medicaid patients is multiplied by the cost to charge ratio developed in worksheet 2 The remaining product is the calculated cost associated with the charges from Medicaid patients These costs are reduced by the reimbursements collected for the Medicaid charges The remaining number is the net community benefit expense Part I, Line 7e Expenses represent wages along with services and supplies purchased by the Hospital Direct offsetting revenues represent cash collected for these services Part I, Line 7f Expenses represent wages along with services and supplies purchased by the Hospital Direct offsetting revenues represent cash collected for these services Part I, Line 7i Cash donations represent the majority of these donations, the largest amount, $87,500, going to the East Central District Health Department to support Community Health Programs Other cash donations were made to smaller organizations for programs or events relating to health The in-kind donations, $369, were items like boxes of gloves, bottles of hand sanitizer to Special Olympics Teams, etc Part I, Line 7, Column (f) The amount of 62,824,106 used as the denominator to compute Column (f) is calculated by taking total functional expenses of 68,336,337 minus Bad Debt expense of 5,512,231
PART II	COMMUNITY BUILDING ACTIVITIES - The Hospital continues to collaborate with the local Chamber of Commerce to recruit skilled professionals to fill job openings in the community The Hospital also provides support and staff time to assist in highlighting the healthcare community, providing specific department or Hospital tours in order to recruit skilled professionals to live and work here in the community - The Hospital donated land to the City of Columbus providing space for a twelve-acre urban lake and 20 acres of land for a future fire station on this property The urban lake is equipped with a nice wooden dock making it very accessible for strollers, wheelchairs and other assistive devices to fish or watch the water fowl on the lake Local assisted living and nursing care centers can drive to the accessible dock, allowing their residents to have convenient access to the lake as well This urban lake, waterfowl area provides a community space within the City limits for the whole community, young and old alike - The Hospital continues to partner with our local District Public Health Department and Community Health Center (CHC) on several projects and community disease prevention initiatives The Hospital provides financial support and professional staff time as liaisons to these community partnerships throughout the year working on multiple chronic disease and accident prevention strategies Some of these community initiatives include Type II Diabetes, Hypertension and Heart Disease, Pre and Post Natal Newborn care, Physical Activity and Exercise, Colon Cancer Prevention and Early Detection as well as Community Preparedness to natural and manmade disasters Several other initiatives are addressed throughout the year as community health issues arise Thousands of community members are reached with these community initiative campaigns each year and making a real difference in the lives of people living with chronic health issues The Hospital also provides free flu shots to residents of Harbor of Hope, a homeless shelter - Additionally, CCH participates in over a dozen community health fairs/community events each year, providing medical screenings and information for all community members - CCH also partners with local day cares, schools and colleges to provide speakers and hands on learning events for students to encourage entry into the medical professions Additionally, the CCH Board has approved the construction of a day care center that will provide not only day care, but pre-school learning using the Educare Model - The CCH Board of Directors has approved the construction of a $21 0 million, 85,723 square feet Community Wellness Facility that will be leased, below fair market value, to the YMCA The Wellness Center will be available for use by the entire community and include 2 gyms, pool, weights and exercise equipment, all in 62,397 square feet Classes for wellness and fitness will be provided by healthcare professionals from the Hospital and YMCA staff The facility will also house the Hospital's Adult Therapies and Pediatric Therapy in separate areas

Form and Line Reference	Explanation
PART III, Section A, LINE 2	The methodology used to estimate the bad debt expense is to take the private pay write-offs for the year and divide them by the total revenue generated from self-pay patients and multiply the product by the self-pay accounts receivable This gives the amount of reserve necessary to cover the potential bad debt in current self-pay accounts receivable Bad debt expense for the fiscal year is the amount of additional expense necessary to bring that reserve account to the calculated (estimated) balance Part III, Section A, Line 3 N/A Part III, Section A, Line 4 Financial statements do not include any text for bad debt The amount in Line 2 is the book bad debt amount Charity care is kept separate from bad debt
PART III, Section B, LINE 8	In accordance with 42 CFR 413 24, Columbus Community Hospital uses the "step-down method" as its costing methodology Departments within a provider are usually divided into two types 1) those that produce patient care revenue (e g , routing services, radiology), and 2) those that do not directly generate patient care revenue, but are utilized as a service by other departments (e g , laundry and linen, dietary) The two types of departments are commonly referred to as "revenue-producing cost centers" and "nonrevenue-producing cost centers", respectively Although nonrevenue-producing cost centers do not directly produce patient care revenue, they contribute indirectly to patient care revenue generated by "serving" as a service to the revenue-producing centers and also to other nonrevenue-producing centers Therefore, for the purpose of proper matching of revenue and expenses, the cost of the revenue-producing centers should include both its direct expenses and its proportionate share of the costs of each nonrevenue-producing center (indirect costs) based on the amount of services received The process of allocating the cost of a particular nonrevenue-producing center to other nonrevenue-producing centers and revenue-producing centers is performed by utilizing a set of statistics (e g , pounds of laundry for allocating "laundry and linen" costs, square feet for allocating "depreciation building" costs) Every nonrevenue-producing cost center has the potential of being allocated to every other nonrevenue-producing cost centers in addition to the revenue-producing cost centers This precludes a simple allocation of the direct expense of the nonrevenue-producing cost center because the indirect costs derived from allocation of other nonrevenue-producing cost centers must be computed in determining the "full cost" (direct and indirect costs) of the nonrevenue-producing cost center being allocated The "step-down method" recognizes that services furnished by certain nonrevenue-producing departments are utilized by certain other nonrevenue-producing centers as well as by the revenue-producing centers All costs of nonrevenue-producing centers are allocated to all centers that they serve, regardless of whether or not these centers produce revenue The cost of the nonrevenue-producing center serving the greatest number of other centers, while receiving benefits from the least number of centers, is apportioned first Following the apportionment of the cost of the nonrevenue-producing center, that center will be considered "closed" and no further costs are apportioned to that center This applies even though it may have received some service from a center whose cost is apportioned later Generally, if two centers furnish services to an equal number of centers while receiving benefits from an equal number, that center which has the greatest amount of expense should be allocated first

Form and Line Reference	Explanation
PART III, Section C, LINE 9B	Charity (financial aid) program policy/procedure Columbus Community Hospital (CCH) offers a charity/financial aid program to provide uncompensated services to people who are unable to pay CCH charity/financial aid policy reflects the mission, vision and values of CCH It is intended to assist low-income, underinsured and uninsured individuals whose financial status, under the Hospital's qualification criteria, makes it impractical or impossible to pay for necessary medical services CCH has a fiduciary responsibility to seek payment for services from those who can pay, and every effort will be made to apply consistent, fair and equitable financial aid practices in a manner consistent with all applicable Federal and State laws and regulations 1 Charity Policy A Our charity/financial aid policy does not eliminate the personal responsibility and financial discounts are always secondary to other Government-sponsored programs However, CCH is committed serving those without the means to pay and works with Good Neighbor Community Health Center and Medicaid services to provide services to this segment 2 Health Insurance A If a patient or guarantor has access to employer-based or Government-sponsored health insurance, yet elected not to enroll or failed to maintain eligibility, they may be considered They will be encouraged to obtain coverage at the next eligible period B If a patient or guarantor has a medical savings account, this must be expended before they are eligible for assistance C "Presumptive" financial assistance may be taken into consideration when a patient has expired and there is no estate An incomplete financial assistance form may be on file because documentation was lacking that would support the provision of financial aid In this case I A family member is contacted to ensure no estate exists II A family member may be asked to sign and date a statement to the effect that no estate exists III The County in which the deceased patient resided in is contacted to verify that no estate exists D CCH's charity/financial aid is not a substitute for employer-sponsored, public or individually-purchased insurance, nor is CCH's financial aid policy a substitute for the responsibility of Government and employers to expand access to healthcare coverage for all persons 3 Accounts with a balance A Charity/financial aid may apply to balances due from insured patients for deductibles, co-payments, or co-insurance, or other types of patient payment responsibility 4 Receiving an application A CCH is diligent in its efforts to determine, at the earliest point in time, the patient's ability to pay Information on charity/financial assistance is available in key areas of the Hospital and how to apply or obtain further information, as well as information on the Hospital website and patient statements I Hospital staff who work closely with patients are well educated on communicating financial aid availability and how to direct patients to staff responsible for the financial aid application process II Staff members are trained to treat financial aid applicants with courtesy, confidentiality and cultural sensitivity III These principles and guidelines are for those patients who truly cannot afford healthcare services B Any person requesting financial aid information is directed to the Patient Accounts or Social Services departments An application for the charity/financial aid program is completed prior to making an eligibility determination The application is also available in Spanish Once the application is submitted with written proof of income, a determination is made in a timely manner One of more of the following is required as verification of income I A letter or rejection from the Department of Social Services (Medicaid) if applicable II Signed copy of previous year's tax return III Copy of most recent pay stub, with accumulative earnings IV Copy of recent three months of bank statements with an explanation of all deposits V Copy of any compensation received, e g , unemployment, if applicable VI Social Security determination if applicable C A family is defined as anyone living together in a household, this will include college students who received financial support from their parents, regardless of their residence 5 Review process A All completed applications are reviewed and approved by the Patient Financial Services Director and overseen by the Vice-President of Finance B Any applications that are in need of further assistance are taken to the Vice-President of Finance C All write-offs greater than $5,000 are reviewed by the Vice-President of Finance D The Vice-President of Finance oversees the charity and Medicare bad debt statistical reports on a monthly basis E If the applicant's income is above poverty guidelines, but is still in need of assistance, a sliding scale is used This scale is adjusted according to the current year's poverty guidelines If the applicant qualifies for partial charity/financial assistance, acceptable monthly payment arrangements must be agreed upon F If the applicant qualifies for partial charity/financial assistance and the total balance, after all write-off's, is $1,200 or greater, an additional write-off will be done as outlined below - Reduce to $1,200, adjustments will be done from the oldest to the newest G A letter will be sent to the guarantor informing them of the determination for charity/financial assistance along with a monthly payment agreement for those who qualified for partial approval or denied applicants This agreement is signed and returned to the Patient Accounts Department within 10 days 6 Documentation of processed accounts A The Patient Financial Services Director will maintain an annual log of all applicants Documentation is also maintained for those accounts which have been approved or written off 7 Archived applications A All charity applications are scanned into MPF under document type `Charity Applications`
NEEDS ASSESSMENT	In 2010, Columbus Community Hospital began implementing a five year strategic plan The plan includes a thorough assessment of the organization's external environment in terms of opportunities and threats, as well as an assessment of the organizations internal strengths and weaknesses The plan also includes strategic issues, goals, and related strategies for future organizational effectiveness Six organizational pillars were identified Quality, Culture, People, Service, Facilities and Finance 1)Quality - Quality efforts have been focused on Evidence Based Processes (EBP) and educating staff on the importance of using and integrating these processes in daily operations CCH has implemented an electronic medical record to afford ease of information access and communication across the continuum of care The Clinical Leadership Group for Nursing and Respiratory Therapy have initiated a review of how to integrate EBP into the clinical areas and will be starting classes to educate staff within and outside nursing 2)Culture - In an effort to achieve a high performance organization, CCH is in the process of implementing a 4-part culture improvement initiative including TeamSTEPPS, Just Culture, Studer and Lean/Six Sigma Process Improvement The Hospital continues to work with the Studer Group to hardwire appropriate tools, focusing on improving patient outcomes and creating a culture/environment where staff want to work and physicians want to bring their patients 3)People - CCH has continued to be aggressive in its recruitment efforts to attract and retain the workforce needed to support strategic growth initiatives across all service lines CCH is initiating a new onboarding process for new employees In addition, nursing has updated their orientation program and has trained preceptors and nurse mentors/coaches 4)Services - CCH performs an annual, comprehensive program review of existing and new services and has ranked priority service line development to begin in the areas of hospital medicine, orthopedics, cardiology, cancer and rehab services 5)Facilities - CCH has developed a comprehensive master facilities plan that can adapt to current and future patient care needs An emergency department expansion was completed in 2012 and we now are in the process of building a new Medical Office Building which will house our Visiting Physicians and W O C Health Center (Wound, Ostomy and Continence Care) 6)Finance - CCH will work diligently to maintain financial stability Their approach includes work to extend the Demonstration Project with a plan in place if the program is discontinued, maintain a conservative successful investment strategy and grow the CCH Foundation/Auxiliary

Form and Line Reference	Explanation
PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE	Here is a sample of what is available on our CCH web site with detailed links A hard copy with information is also available in a special wall unit located inside each patient room as well as in brochures located in outpatient areas There is also a tutorial listing each step and letting the patient know what they will need to bring along or have available for copying purposes A) Monthly Payment Option 1 If you are unable to pay your balance in full, please call the Patient Accounts Department to set up an acceptable payment arrangement B) Patient Charity/Financial Assistance Program 1 If you feel your income is not sufficient to pay for your services at Columbus Community Hospital, please contact the Patient Accounts Department and/or Social Workers for information regarding charity/financial assistance 2 Further information about Medicare/Medicaid/Charity Care is provided in both English and Spanish The State has Medicaid applications available online Our Patient Accounts and Social Services staff have financial/charity applications available in both English and Spanish to provide to our patients 3 Additionally, signage is posted directing patients to call as needed for financial help, and referrals are built into the medical admission software, so if patients voice concerns about the cost, or their lack of coverage a referral is generated to Social Services staff who will see patients individually and counsel on specific circumstances 4 Monthly statements have the following information on them a Payment Plans b Charity/Financial Assistance Program c 27/7 online business office, which includes information on payment plans, charity/financial assistance, and downloadable financial/charity applications (available in English and Spanish)
COMMUNITY INFORMATION	The local economy- Columbus Community Hospital is located in Columbus, Nebraska, which is the largest city in Platte County With a growing population of 33,066, Platte County is the largest county of the seven county service areas From July 31, 2013 to July 31, 2014, unemployment in the City of Columbus decreased slightly from 3 9% rate or 756 and Jobless to 3 3% rate or 610 jobless During this same period of time, the Nebraska jobless rate was 3 6% and the National average was reported at 6 2% As reported in Money Magazine, Columbus is listed as the third best place in the U S to find employment and in the "Top 100 best small towns to live" Three counties in Nebraska were listed in the top ten counties in the U S to live and work, including Platte, Madison (which is contiguous to Platte County) and Sarpy County near Lincoln, Nebraska Our local economy is based on agriculture and manufacturing, with many industrial companies attracted by plentiful, low-priced hydroelectric power Among the major employers are Archer Daniels Midland (ADM), an ethanol manufacturing company, Flex-Con, Central Confinement Service, Pillen Family Farms, Vishay, BD Medical Plants, a medical equipment company, Behlen Manufacturing, which manufactures steel buildings, and Nebraska Public Power, with headquarters located in Columbus Due to successful economic and industrial development in our area, this large manufacturing base remains intact A hard-working, well-educated workforce, low energy costs and a local environment friendly to business, provide encouragement for strong economic and industrial development within our service area According to the Nebraska Department of Labor, Columbus is considered a major hub for the manufacturing industry and has a greater share of manufacturing employment than other Nebraska metropolitan areas We continue to see an influx of single and young families moving into our area seeking employment Our community growth correlates to our continuing increase in Hospital outpatient visits Outpatient visits reached 44,613 visits for the fiscal year ending April 2014 In 2005, our outpatient visits over a twelve month period totaled 38,129 This 17% increase in our outpatient visits over the past nine years is a reflection of the significant impact the Demonstration Project has had on our Hospital SERVICE CAPACITY The W O C Health Center opened August of 2008 It has grown to 1,107 patients/visits as of April 30, 2014 The identified service area includes a 45-mile radius around Columbus The W O C Health Center is located in the Visiting Physician office suite of the attached medical office building The Center has scheduled visits two days per week Additional nurse staff time is spent each week assisting outpatient clients with wound applications, as well as assisting with applications of wound vacs in surgery or on our medical floor, scheduling appointments and other responsibilities such as ordering supplies and maintaining compliance with National Standards Previously, patients seeking this specialized treatment were required to travel on average 75 miles to see a Wound Center Specialist The volume we are seeing at this W O C Health Center reinforces the amount of community need that existed for this service and has greatly increased the local access to for so many of our higher acuity patients and their families Our nurses are WCOM certified, so in addition to wound care, our patients who have challenges with ostomy appliances and continence problems can be addressed CCH installed a new CT Scanner, new Radiologic/Fluoroscopy System and Nuclear Medicine Camera These replaced existing systems We recently opened a Women's Imaging Area within the Hospital which is separate from the Radiology Department A new registration area recently opened which provides patient privacy We reduced our Mammography procedure pricing 21% on February 8, 2012 and sought and received a Susan G Komen Grant, which the Hospital Foundation matched, to promote mammography screening for women in the community In 2010 we changed our Bone Density Service from contracting with a mobile service unit to purchasing our own Bone Density stationary equipment, the necessary support equipment and trained staff The benefits to the community include increased access for patients and providers who no longer have to wait diagnosis with the mobile units' intermittent service This is another new program made possible by the Demonstration Project that increases access and eliminates the need to travel to out of town for prompt diagnosis Columbus Community Hospital is a 47 bed, acute care hospital serving needs offering a variety of surgical procedures and short term hospitalizations All 47 beds are licensed for either acute care or swing bed patients In addition, we provide comprehensive outpatient Laboratory, Radiology, Respiratory and Rehabilitative services We also provide free interpreter services 24/7 Our facility offers comprehensive care, including Intensive Care, Medical-Surgical Care, Inpatient and Outpatient Surgical Procedures (General, ENT, Urology, Podiatry, Orthopedic), as well as other complimentary ancillary services including Respiratory, Wound Care, Diabetes Education, Endoscopies and Cardiopulmonary Rehabilitation In 2006, the Hospital's Emergency Department was designated as a Level III Trauma Center with nurses certified in TNCC, ACLS and PALS Eight of the Emergency Department nurses are also certified in ENPC A 30,000 square foot, addition in 2012 provided the Emergency Department with expanded space The ED added two trauma bays, a two-bay ambulance garage, a dedicated decontamination area, a dedicated family grief and counseling room, covered drive-up access and a negative air-pressure room, which allows patients with communicable diseases to be treated while protecting other patients and staff Our Home Health/Hospice Interdisciplinary Services are provided to patients within a 30 mile radius of Columbus and can provide in home telehealth monitoring The Hospital's Sleep Lab provides Polysomnographic Sleep Testing In addition, we have available both daytime and home sleep tests In January 2010, the Hospital hired a fulltime RN as the Orthopedic Service Line Coordinator A multi-disciplinary team was organized to review, standardize and improve the patient's Total Joint Process from diagnosis to post-surgical recovery and in November In March, 2012 the Hospital acquired Columbus Orthopedic and Sports Medicine Clinic, enabling the Hospital to expand the service line and ensure the community's aging population Orthopedic Services close to home In May 2013, we expanded the RN Coordinators responsibility into case management in the Transitional Care Department This expansion of her duties enables us to plan for continuity of care post hospitalization Three Cardiologists have relocated to Columbus, providing full time Cardiology Services to the area Since 2010, 63 Physicians in total have been recruited to service the needs of our Primary and Secondary Service Areas to include 55 MDs, 1 DPM and 7 Midlevels, 34 are full time providers and the other 29 are serving the community is a visiting capacity The Hospital has completed construction on three road projects on and around the campus to increase access to the facility Two clinic buildings, one for a Family Practice Group and one for a Pharmacy have been completed as well The Hospital's Board of Directors has authorized the construction of a $21 0 million, 85,723 square feet Community Wellness Center for use by the entire community The facility will be leased to the YMCA, with 62,397 square feet containing 2 gyms, pool, weights and exercise equipment promoting exercise and wellness in our community The facility will also house the Hospital's adult therapies and pediatric therapy

Form and Line Reference	Explanation
PROMOTION OF COMMUNITY HEALTH	-THE HOSPITAL REINVESTS CAPITAL TO IMPROVE PATIENT CARE, ATTRACT THE BEST QUALIFIED STAFF TO PROVIDE QUALITY CARE FOR OUR PATIENTS, PROVIDE MEDICAL EDUCATION AND PREVENTION ACTIVITIES IN THE COMMUNITY -OUR HOSPITAL IS LIVING OUR MISSION AND VISION WITHIN THE COMMUNITY *OUR MISSION IS TO IMPROVE THE HEALTH OF THE COMMUNITIES WE SERVE *OUR VISION IS TO COMPASSIONATELY DELIVER THE STATE'S HIGHEST QUALITY PATIENT CARE -CORE VALUES CCH CORE VALUES ARE *INTEGRITY *COMPASSION (CHANGED FROM "COMMITMENT" AS PART OF THE COMMUNICATION OF THIS STRATEGIC PLAN) *ACCOUNTABILITY *RESPECT *EXCELLENCE -THE HOSPITAL HAS PRIORITIZED OUR CAPITAL REINVESTMENT BY ALIGNING IT TO THE STRATEGIC PLAN OUR PLAN CONSISTS OF SIX ORGANIZATIONAL PILLARS WITH GOALS AND STRATEGIES ASSOCIATED WITH EACH THE SIX PILLARS OF EXCELLENCE CONSIST OF *QUALITY *CULTURE *PEOPLE *SERVICES *FACILITIES *FINANCE MEASUREMENT OF ONGOING OPERATIONAL PERFORMANCE IS ORGANIZED AROUND THESE PILLARS OF EXCELLENCE THESE PILLARS WERE STRATEGICALLY IDENTIFIED AS COMMON MEASURES AROUND WHICH OPERATIONAL PERFORMANCE IS ORGANIZED IN MANY HEALTH CARE INSTITUTIONS AND ADAPTED FOR CCH COLUMBUS COMMUNITY HOSPITAL HAS AN INDEPENDENT BOARD OF DIRECTORS MADE UP OF COMMUNITY LEADERS WITH DIVERSE BACKGROUNDS COLUMBUS COMMUNITY HOSPITAL HAS AN OPEN EMERGENCY ROOM AVAILABLE TO ALL IN NEED NO MATTER OF RACE, CREED, AGE, OR ABILITY TO PAY THE HOSPITAL ALSO HAS AN OPEN MEDICAL STAFF
AFFILIATED HEALTH CARE SYSTEM	N/A

Form and Line Reference	Explanation
STATE FILING OF COMMUNITY BENEFIT REPORT	NONE

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Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

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

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

▶ **Attach to Form 990**

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
COLUMBUS COMMUNITY HOSPITAL INC

Employer identification number
47-0542043

Part I General Information on Grants and Assistance

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

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

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

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

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) East Central District HEALTH DEpt 1453 29th AVENUE COLUMBUS,NE 68601	47-0835183		87,500				Support Community
(2) COLUMBUS COMMUNITY HOSPITAL FOUNDATION 4600 38TH STREET COLUMBUS,NE 68601	47-0836747	501(C)(3)	52,500				TO SUPPORT EXEMPT

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

3 Enter total number of other organizations listed in the line 1 table . . . ▶ 0

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

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
(1) CHARITY CARE TO PATIENTS	761		1,370,490	BOOK	WRITE-OFF OF MED EXP

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

Return Reference	Explanation
GENERAL INFORMATION ON GRANTS AND ASSISTANCE	Schedule I, Part I, Line 2 COLUMBUS COMMUNITY HOSPITAL DOES NOT TYPICALLY GIVE OUT DONATIONS, BUT OCCASIONALLY A REQUEST IS BROUGHT FORWARD AND THE BOARD DETERMINES THAT IT IS IN THE BEST INTEREST OF THE COMMUNITY TO PROVIDE A PARTICULAR GRANT PRIOR TO PROVIDING THE GRANT, THE HOSPITAL DETERMINES THAT THE ORGANIZATION IT GIVES TO IS A 501(C)(3) ORGANIZATION OR A GOVERNMENT AGENCY THE HOSPITAL WILL ALSO MAKE GRANTS TO THEIR RELATED ORGANIZATIONS AS NECESSARY TO SUPPORT THEIR EXEMPT PURPOSE

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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
COLUMBUS COMMUNITY HOSPITAL INC

Employer identification number
47-0542043

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**	Yes	
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**	Yes	
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**	Yes	
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**	Yes	
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				
See Additional Data Table							

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
QUESTIONS REGARDING COMPENSATION	PART I, LINE 1A THE ORGANIZATION PAID FOR SOCIAL AND HEALTH CLUB DUES AS PART OF THE CEO'S EMPLOYMENT AGREEMENT These amounts were reflected on the CEO's W-2
PART I, LINE 4B	The following reportable individuals participated in a supplemental nonqualified retirement plan during the 2013 calendar year Amounts deferred from the plan were included in Column C of the Schedule J Michael Hansen - $32,500 Amy Blaser - $9,440
PART I, LINE 6A	WITH THE ASSISTANCE OF IHSTRATEGIES, EXECUTIVE COMPENSATION CONSULTANTS, THE BOARD AUTHORIZED PAYING AN INCENTIVE TO THE EXECUTIVES FOR MEETING SPECIFIC BOARD- ESTABLISHED DIRECTIVES THE BOARD AUTHORIZED PAYING 25% OF BASE COMPENSATION FOR Michael Hansen and 20% FOR THE following VPS JOSEPH BARBAGLIA JIM GOULET LINDA WALLINE AMY BLASER THE INCENTIVE IS BASED ON GOALS ESTABLISHED BY THE BOARD WHICH ARE NOW REVIEWED ANNUALLY ONE OF THE GOALS IS THE HOSPITALS OPERATING MARGIN THE BOARD DETERMINES THE ASSOCIATED METRICS FOR EACH INDIVIDUAL GOAL EACH OF THE GOALS IS THEN ASSIGNED A WEIGHT BASED ON THE LEVEL OF IMPORTANCE, AS DETERMINED BY THE BOARD THE RESULTS ARE ENTERED AND THE METRIC IS TABULATED THAT NUMBER IS MULTIPLIED BY THE CORRESPONDING WEIGHT ONCE WEIGHTED, THE FIGURES ARE ADDED IN TOTAL TO ESTABLISH A SCORE BETWEEN 1-5 NO INCENTIVE IS PAID IF THE HOSPITALS OPERATING MARGIN FALLS BELOW 5 0%, REGARDLESS OF THE OUTCOMES OF THE OTHER MEASURES THE INCENTIVES WERE PAID IN THIS FISCAL YEAR FOR WORK DONE IN THE PREVIOUS FISCAL YEAR THE BONUSES PAID WERE MICHAEL HANSEN - $37,500 JOE BARBAGLIA - $17,873 JIM GOULET - $29,563 LINDA WALLINE - $27,118 AMY BLASER - $11,569

Additional Data

Software ID:
Software Version:
EIN: 47-0542043
Name: COLUMBUS COMMUNITY HOSPITAL INC

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
MICHAEL HANSEN PRESIDENT/CEO/SECRETARY	(I) (II)	298,520 0	37,500 0	17,500 0	42,700 0	21,013 0	417,233 0	0 0
AMY BLASER VP BUSINESS DEVELOPMENT	(I) (II)	120,317 0	11,569 0	0 0	14,669 0	21,958 0	168,513 0	0 0
J JOSEPH BARBAGLIA VP FINANCE	(I) (II)	165,866 0	17,873 0	17,500 0	10,033 0	22,946 0	234,218 0	0 0
LINDA WALLINE VP NURSING	(I) (II)	150,978 0	27,118 0	17,500 0	7,818 0	22,495 0	225,909 0	0 0
JAMES GOULET VP OPERATIONS	(I) (II)	133,731 0	29,563 0	34,498 0	9,872 0	22,726 0	230,390 0	0 0
ROBERT MILLER MD PHYSICIAN	(I) (II)	289,212 0	0 0	0 0	9,034 0	18,516 0	316,762 0	0 0
MICHAEL MCGUIRE MD PHYSICIAN	(I) (II)	574,777 0	0 0	0 0	10,200 0	13,377 0	598,354 0	0 0
RICHARD CIMPL MD PHYSICIAN	(I) (II)	629,667 0	0 0	17,500 0	10,200 0	22,716 0	680,083 0	0 0
EDWARD FEHRINGER MD PHYSICIAN	(I) (II)	551,795 0	0 0	17,500 0	10,200 0	27,444 0	606,939 0	0 0
MARK HOWERTER MD PHYSICIAN	(I) (II)	462,500 0	0 0	0 0	10,200 0	25,645 0	498,345 0	0 0

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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
COLUMBUS COMMUNITY HOSPITAL INC

Employer identification number
47-0542043

990 Schedule O, Supplemental Information

Return Reference	Explanation
GOVERNANCE, MANAGEMENT AND DISCLOSURE	
RECONCILIATION OF NET ASSETS	PART XI, LINE 9 CHANGE IN INTEREST IN HEALTHPARK LLC & ZARZ LLC (690,283)

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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
COLUMBUS COMMUNITY HOSPITAL INC

Employer identification number
47-0542043

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) COLUMBUS COMMUNITY HOSPITAL FOUNDATION 4600 38TH STREET COLUMBUS, NE 68601 47-0836747	FUNDRAISING	NE	501(c)(3)	LINE 11, I	CCH	Yes	
(2) HEALTHPARK TITLE CO 4600 38TH STREET COLUMBUS, NE 68601 47-0830945	HOLDING CO	NE	501(c)(2)	N/A	CCH	Yes	

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
(1) ZARZ LLC PO BOX 1800 COLUMBUS, NE 68602 27-3676428	PROPERTY MGMT	NE	HLTHPK TITLE CO	RELATED	0	0		No	0		No	44 450 %
(2) HEALTHPARK LLC PO BOX 1800 COLUMBUS, NE 68602 47-0836733	PROPERTY MGMT	NE	HLTHPK TITLE CO	RELATED	0	0		No	0		No	27 210 %

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

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

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

		Yes	No
Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule			
1 During the tax year, did the orgranization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?			
a Receipt of **(i)** interest **(ii)** annuities **(iii)** royalties or **(iv)** rent from a controlled entity	1a		No
b Gift, grant, or capital contribution to related organization(s)	1b	Yes	
c Gift, grant, or capital contribution from related organization(s)	1c	Yes	
d Loans or loan guarantees to or for related organization(s)	1d		No
e Loans or loan guarantees by related organization(s)	1e	Yes	
f Dividends from related organization(s)	1f		No
g Sale of assets to related organization(s)	1g		No
h Purchase of assets from related organization(s)	1h		No
i Exchange of assets with related organization(s)	1i		No
j Lease of facilities, equipment, or other assets to related organization(s)	1j	Yes	
k Lease of facilities, equipment, or other assets from related organization(s)	1k	Yes	
l Performance of services or membership or fundraising solicitations for related organization(s)	1l		No
m Performance of services or membership or fundraising solicitations by related organization(s)	1m	Yes	
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n	Yes	
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
(1) COLUMBUS COMMUNITY HOSPITAL FOUNDATION	b	52,500	Cash
(2) COLUMBUS COMMUNITY HOSPITAL FOUNDATION	c	61,455	cash
(3) COLUMBUS COMMUNITY HOSPITAL FOUNDATION	e	94,809	BOOK
(4) HEALTHPARK TITLE COMPANY	k	295,772	BOOK

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
Part V, Line 2 (3)	COLUMBUS COMMUNITY HOSPITAL FOUNDATION IS LISTED AS BACKING THE COLUMBUS COMMUNITY HOSPITAL, INC 'S TAX EXEMPT BOND THIS IS COVERED WITH THE FOUNDATION'S NON-ENDOWED FUNDS The bonds were paid off In January, 2013

KPMG

COLUMBUS COMMUNITY HOSPITAL, INC. AND AFFILIATES
COLUMBUS, NEBRASKA

Consolidated Financial Statements
and Supplemental Schedules

April 30, 2014 and 2013

(With Independent Auditors' Report Thereon)

KPMG LLP
Suite 300
1212 N 96th Street
Omaha, NE 68114-2274

Suite 1600
233 South 13th Street
Lincoln, NE 68508-2041

Independent Auditors' Report

The Board of Directors
Columbus Community Hospital, Inc

We have audited the accompanying consolidated financial statements of Columbus Community Hospital, Inc and affiliates, which comprise the consolidated balance sheets as of April 30, 2014 and 2013, and the related consolidated statements of operations, changes in net assets, and cash flows for the years then ended, and the related notes to the consolidated financial statements

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the consolidated 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 consolidated financial statements

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Columbus Community Hospital, Inc and affiliates as of April 30, 2014 and 2013, and the results of their operations and their cash flows for the years then ended, in accordance with U S generally accepted accounting principles

KPMG

Other Matter

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole The 2014 consolidating supplementary information is presented for purposes of additional analysis and is not a required part of the consolidated financial statements Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole

KPMG LLP

Omaha, Nebraska
July 24, 2014

COLUMBUS COMMUNITY HOSPITAL, INC. AND AFFILIATES
COLUMBUS, NEBRASKA

Consolidated Balance Sheets

April 30, 2014 and 2013

Assets	2014	2013
Current assets		
Cash and cash equivalents	$ 6,080,110	2,121,184
Patient accounts receivable, net of allowance for doubtful accounts of approximately $5,515,000 in 2014 and $4,585,000 in 2013	8,382,269	8,780,656
Other receivables	633,379	453,015
Inventories	1,368,041	1,092,001
Prepaid expenses	1,828,145	1,512,950
Total current assets	18,291,944	13,959,806
Assets limited as to use		
Board-designated investments	90,459,172	80,325,365
Total assets limited as to use	90,459,172	80,325,365
Property and equipment		
Land and improvements	5,034,497	4,298,131
Buildings	42,593,741	41,701,943
Equipment and furnishings	41,077,899	38,126,738
Medical office property and equipment	1,892,739	2,520,625
Construction in progress	1,716,158	79,008
Total property and equipment	92,315,034	86,726,445
Less accumulated depreciation	53,664,677	49,024,728
Total property and equipment, net	38,650,357	37,701,717
Investment in Healthpark, LLC and ZARZ, LLC	1,737,787	1,047,503
Other assets	381,856	328,630
Total assets	$ 149,521,116	133,363,021

(Continued)

COLUMBUS COMMUNITY HOSPITAL, INC. AND AFFILIATES
COLUMBUS, NEBRASKA

Consolidated Balance Sheets

April 30, 2014 and 2013

Liabilities and Net Assets		2014	2013
Current liabilities			
Accounts payable	$	722,763	359,257
Accrued salaries, wages, and payroll taxes		4,285,699	3,945,290
Estimated third-party payor settlements		1,259,443	2,659,013
Total current liabilities		6,267,905	6,963,560
Net assets			
Unrestricted		140,723,987	124,096,293
Temporarily restricted		730,978	561,043
Permanently restricted		1,798,246	1,742,125
Total net assets		143,253,211	126,399,461
Total liabilities and net assets	$	149,521,116	133,363,021

See accompanying notes to consolidated financial statements

COLUMBUS COMMUNITY HOSPITAL, INC. AND AFFILIATES
COLUMBUS, NEBRASKA

Consolidated Statements of Operations

Years ended April 30, 2014 and 2013

	2014	2013
Unrestricted revenues, gains, and other support		
Patient service revenue (net of contractual allowance and discounts)	$ 76,316,708	70,909,693
Provision for bad debts	(5,512,231)	(3,963,281)
Net patient service revenue less provision for bad debts	70,804,477	66,946,412
Other revenue	2,268,293	1,199,456
Total revenues, gains, and other support	73,072,770	68,145,868
Expenses		
Salaries and wages	30,097,015	28,672,779
Employee benefits	6,558,773	6,217,530
Professional medical fees	1,702,194	1,343,252
Purchased services, supplies, and other	18,218,564	18,017,715
Depreciation and amortization	4,935,219	5,341,079
Interest	—	216,286
Gain on disposal of assets	(79,800)	(3,373)
Total expenses	61,431,965	59,805,268
Operating income	11,640,805	8,340,600
Other income		
Investment income	1,614,371	1,065,490
Other	43,763	154,522
Total other income	1,658,134	1,220,012
Excess of revenues over expenses	13,298,939	9,560,612
Other changes in unrestricted net assets		
Change in unrealized gains and losses on investments, net	3,321,956	3,359,250
Net assets released from restrictions for the purchase of property and equipment	59,299	129,166
Reclassification of net assets due to donor matching	(52,500)	(59,383)
Total other changes in unrestricted net assets	3,328,755	3,429,033
Increase in unrestricted net assets	$ 16,627,694	12,989,645

See accompanying notes to consolidated financial statements

COLUMBUS COMMUNITY HOSPITAL, INC. AND AFFILIATES
COLUMBUS, NEBRASKA

Consolidated Statements of Changes in Net Assets

Years ended April 30, 2014 and 2013

	Unrestricted	Temporarily restricted	Permanently restricted	Total
Balance, April 30, 2012	$ 111,106,648	507,032	1,667,736	113,281,416
Excess of revenues over expenses	9,560,612	—	—	9,560,612
Change in net unrealized gains and losses on investments, net	3,359,250	72,501	—	3,431,751
Interest and dividends	—	16,529	—	16,529
Net assets released from restrictions for operations	—	(9,945)	—	(9,945)
Net assets released from restrictions for the purchase of property and equipment	129,166	(129,166)	—	—
Change in value of charitable remainder trusts	—	(1,047)	—	(1,047)
Reclassification of net assets due to donor matching	(59,383)	30,940	28,443	—
Restricted contributions	—	74,199	45,946	120,145
Increase in net assets	12,989,645	54,011	74,389	13,118,045
Balance, April 30, 2013	124,096,293	561,043	1,742,125	126,399,461
Excess of revenues over expenses	13,298,939	—	—	13,298,939
Change in net unrealized gains and losses on investments, net	3,321,956	67,127	—	3,389,083
Interest and dividends	—	27,998	—	27,998
Net assets released from restrictions for the purchase of property and equipment	59,299	(59,299)	—	—
Change in value of charitable remainder trusts	—	11,286	—	11,286
Reclassification of net assets due to donor matching	(52,500)	22,500	30,000	—
Restricted contributions	—	100,323	26,121	126,444
Increase in net assets	16,627,694	169,935	56,121	16,853,750
Balance, April 30, 2014	$ 140,723,987	730,978	1,798,246	143,253,211

See accompanying notes to consolidated financial statements

COLUMBUS COMMUNITY HOSPITAL, INC. AND AFFILIATES
COLUMBUS, NEBRASKA

Consolidated Statements of Cash Flows

Years ended April 30, 2014 and 2013

	2014	2013
Cash flows from operating activities		
Increase in net assets	$ 16,853,750	13,118,045
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Depreciation and amortization	4,935,219	5,242,113
Amortization of deferred financing costs	—	98,966
Provision for bad debts	5,512,231	3,963,281
Restricted contributions	(26,121)	(45,946)
Change in value of charitable remainder trusts	(11,286)	1,047
Gain on sale of property and equipment	(79,800)	(3,373)
Realized and unrealized gains and losses on investments, net	(3,899,100)	(3,359,250)
Equity in earnings of Healthpark, LLC and ZARZ, LLC	(86,584)	(206,042)
Changes in assets and liabilities		
Patient accounts receivable	(5,113,844)	(4,110,046)
Other receivables	(180,364)	(89,704)
Inventories	(276,040)	378,224
Prepaid expenses	(315,195)	(94,613)
Other assets	(41,940)	(916)
Accounts payable	363,506	231,621
Accrued salaries, wages, and payroll taxes	340,409	(260,946)
Estimated third-party payor settlements	(1,399,570)	327,010
Accrued interest	—	(42,002)
Net cash provided by operating activities	16,575,271	15,147,469
Cash flows from investing activities		
Purchases of assets limited as to use	(49,344,707)	(37,050,180)
Sales and maturities of assets limited as to use	43,110,000	34,980,000
Additions to property and equipment	(5,804,059)	(5,078,641)
Capital contributions to Healthpark, LLC and ZARZ, LLC	(682,000)	(51,638)
Distributions from Healthpark, LLC and ZARZ, LLC	78,300	90,388
Net cash used in investing activities	(12,642,466)	(7,110,071)
Cash flows from financing activities		
Repayment of long-term debt	—	(11,631,855)
Restricted contributions and investment income	26,121	45,946
Net cash provided by (used in) financing activities	26,121	(11,585,909)
Net increase (decrease) in cash and cash equivalents	3,958,926	(3,548,511)
Cash and cash equivalents, beginning of year	2,121,184	5,669,695
Cash and cash equivalents, end of year	$ 6,080,110	2,121,184
Supplemental disclosure of cash flow information		
Cash paid during the year for		
Interest	$ —	258,288

See accompanying notes to consolidated financial statements

(1) Organization

Columbus Community Hospital, Inc (the Hospital) operates a 47-bed acute care not-for-profit hospital located in Columbus, Nebraska

The Hospital also sponsors and is the sole corporate member of the Columbus Community Hospital Foundation (the Foundation) The Foundation was incorporated for the sole benefit of the Hospital to promote and support the Hospital's charitable purpose In addition, the Hospital incorporated Healthpark Title Company, which owns an interest in a medical office building that is adjacent to the Hospital facility and a second medical office building on the Hospital's east campus (note 8) The accompanying consolidated financial statements include the Hospital, the Foundation, and Healthpark Title Company All significant intercompany accounts and transactions have been eliminated in consolidation

(2) Summary of Significant Accounting Policies

The following is a summary of significant accounting policies of the Hospital and its affiliates described above These policies are in accordance with U S generally accepted accounting principles

(a) Use of Estimates

The preparation of consolidated financial statements in conformity with U S 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period Actual results could differ from those estimates

(b) Cash and Cash Equivalents

Cash and cash equivalents include certain investments in highly liquid financial instruments with original maturities of three months or less, excluding those amounts included as part of the investment portfolio

(c) Inventories

Inventories are stated at the lower of cost or market Cost is determined principally using the first-in, first-out method

(d) Investments

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the accompanying consolidated balance sheets Investment income or loss (including realized gains and losses on investments, interest, and dividends) is included in the excess of revenues over expenses unless the income or loss is restricted by donor or law Changes in unrealized gains and losses on investments are excluded from the excess of revenues over expenses unless the investments are trading securities The Hospital periodically reviews its investment portfolio to determine whether any unrealized losses are other than temporary No investment declines were determined to be other than temporary as of April 30, 2014 and 2013

(e) Assets Limited as to Use

Assets limited as to use primarily include designated 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

(f) Property and Equipment

Property and equipment acquisitions are recorded at cost Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed using the straight-line method based on the following useful lives

Land improvements	10 to 15 years
Buildings	5 to 40 years
Equipment and furnishings	3 to 40 years
Medical office property and equipment	3 to 20 years

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

(g) Impairment of Long-Lived Assets

Long-lived assets, such as property and equipment, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized to the extent the carrying amount of the asset exceeds its fair value

(h) Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are those assets whose use by the Hospital has been limited by donors to a specific time period or purpose Permanently restricted net assets have been restricted by donors to be maintained by the Hospital in perpetuity

(i) Excess of Revenues over Expenses

The consolidated statements of operations include excess of revenues over expenses Changes in unrestricted net assets, which are excluded from excess of revenues over expenses, consistent with industry practice, include changes in unrealized gains and losses on investments other than trading

securities, and contributions of long-lived assets (including assets acquired using contributions, which by donor restriction were to be used for the purposes of acquiring such assets)

(j) Estimated Malpractice Costs

The provision for estimated medical malpractice claims includes estimates of the ultimate costs for both reported claims and claims incurred but not reported

(k) Fair Value of Financial Instruments

The fair value of a financial instrument is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date The Hospital utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible when determining fair value The Hospital determines fair value based on assumptions that market participants would use in pricing an asset or liability in the principal or most advantageous market When considering market participant assumptions in fair value measurements, the following fair value hierarchy distinguishes between observable and unobservable inputs, which are categorized in one of the following levels

- Level 1 Inputs Unadjusted quoted prices in active markets for identical assets or liabilities accessible to the reporting entity at the measurement date
- Level 2 Inputs Other than quoted prices included in Level 1 inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability
- Level 3 Inputs Unobservable inputs for the asset or liability used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at measurement date

(l) Net Patient Service Revenue

The Hospital has agreements with third-party payors that provide for payments to the Hospital at amounts different from its established rates Payment arrangements include prospectively determined rates per discharge, reimbursed costs, discounted charges, and per diem payments Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party 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

(m) Provision for Uncollectible Patient Accounts

The provision for uncollectible patient accounts is based upon the Hospital's management's assessment of expected net collections considering the accounts receivable aging, historical collections experience, economic conditions, trends in healthcare coverage, and other collection indicators Management periodically assesses the adequacy of the allowances for uncollectible accounts and contractual adjustments based upon historical write-off experience The results of these

reviews are used to establish the net realizable value of patient accounts receivable The Hospital follows established guidelines for placing certain patient balances with collection agencies Self-pay accounts are written off as bad debt at the time of transfer to the collection agency Deductibles and coinsurance are classified as either third-party or self-pay receivables on the basis of which party has the primary remaining financial responsibility, while the total gross revenue remains classified based on the primary payor at the time of service There are various factors that can impact collection trends, such as changes in the economy, which in turn may have an impact on unemployment rates and the number of uninsured and underinsured patients, the increased burden of copayments and deductibles to be made by patients with insurance, and business practices related to collection efforts These factors continuously change and can have an impact on collection trends and the estimation process Net patient accounts receivable have been adjusted to the estimated amounts expected to be collected and do not bear interest

(n) Charity Care

The Hospital provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates Because the Hospital does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue Costs related to charges foregone calculated on a cost-to-charge method were approximately $716,000 and $705,000, in 2014 and 2013, respectively

(o) 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 a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the consolidated statements of operations and changes in net assets as assets released from restrictions Donor-restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions in the accompanying consolidated financial statements

The Foundation has entered into legally binding agreements with certain donors, which require matching of donor contributions and thus restrict unrestricted net assets of the Foundation for specific purposes (donor matching funds) During 2014, $30,000 of endowment and $22,500 of temporary restricted net assets have been reclassified as either permanently or temporarily restricted in the accompanying consolidated financial statements During 2013, $28,443 of endowment and $30,940 of temporary restricted net assets have been reclassified as either permanently or temporarily restricted in the accompanying consolidated financial statements

(p) Income Taxes

The Hospital and the Foundation have been recognized as not-for-profit organizations by the Internal Revenue Service (IRS) as described in Section 501(c)(3) of the Internal Revenue Code (the Code) and are exempt from federal income taxes on related income pursuant to Section 501(a) of the Code

The Healthpark Title Company has been recognized as a not-for-profit organization by the IRS as described in Section 501(c)(2) of the Code and is exempt from federal income taxes on related income pursuant to Section 501(a) of the Code

The Hospital recognizes the effect of income tax positions only if those positions are more likely than not of being sustained Recognized income tax positions are measured at the largest amount that is greater than 50% likely of being realized Changes in recognition or measurement are reflected in the period in which the change in judgment occurs During 2014 and 2013, management determined that there are no income tax positions requiring recognition in the consolidated financial statements

(3) Net Patient Service Revenue

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

(a) Medicare

The Hospital continues to be reimbursed the cost of its inpatient services provided to Medicare beneficiaries through their participation in the Medicare-sponsored "Rural Community Hospital Demonstration Program" (the Demonstration Program) The Demonstration Program is aimed at increasing the capability of selected rural hospitals to meet the needs of their service areas The Hospital is reimbursed at tentative rates with a final settlement determined after submission of annual cost reports by the Hospital and audits thereof by the Medicare Audit Contractors (MACs) Prior to that time, the Hospital was reimbursed under the Inpatient Prospective Payment System (IPPS) based on service groups called diagnostic related groups (DRGs)

Effective March 11, 2010, the Hospital was approved for Sole Community Hospital (SCH) status Sole community hospitals are acute-care facilities eligible for protected status under Medicare regulations and, therefore, can receive additional payments from Medicare under both IPPS and Outpatient Prospective Payment System (OPPS) The Hospital's reimbursement for inpatient Medicare services still defaults to the Demonstration Program, however, the financial impact between the Demonstration Program and IPPS is reduced due to the SCH payments

The estimated impact of the Demonstration Program for the years ended April 30, 2014 and 2013 was an increase in reimbursement from the Medicare program of approximately $3,500,000 and $2,500,000, respectively, as compared to what would have been paid under IPPS with the SCH designation

Outpatient services continue to be reimbursed under the Outpatient Prospective Payment System (OPPS) based on service groups called ambulatory payment classifications (APCs) Until January 1,

2013, the Hospital qualified under the outpatient hold harmless provision, which provides temporary additional reimbursement for certain rural hospitals under 100 beds The estimated impact of the Outpatient Hold Harmless Payments for the year ended April 30, 2013 was an increase in reimbursement from the Medicare program of approximately $1,100,000, as compared to what would have been paid under OPPS

(b) Nebraska Medicaid

Inpatient services rendered to Medicaid program beneficiaries are paid at prospectively determined rates per discharge Certain outpatient services are reimbursed based on a percentage rate representing the average ratio of cost to charges discounted by 27%

Revenue from the Medicare and Medicaid programs accounted for approximately 39% and 7%, respectively, of the Hospital's gross charges for the year ended April 30, 2014 and 41% and 8%, respectively, of the Hospital's gross charges for the year ended April 30, 2013 Laws and regulations governing Medicare and Medicaid programs are extremely complex and subject to interpretation As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term The 2014 net patient service revenue increased by approximately $1,299,000 due to the removal of allowances previously estimated that are no longer necessary as a result of final settlements, and years that are no longer subject to audits, investigations, and reviews The 2013 net patient service revenue increased by approximately $281,600 due to the removal of allowances previously estimated that are no longer necessary as a result of final settlements, and years that are no longer subject to audits, investigations, and reviews

The Hospital also has entered into payment agreements with certain commercial insurance carriers The basis for payment to the Hospital under these agreements includes primarily discounts from established charges

Patient service revenue (net of contractual allowances and discounts) as reflected in the accompanying consolidated statements of operations consists of the following

		2014	2013
Gross patient charges			
Inpatient changes	$	36,209,709	35,837,948
Outpatient charges		81,773,980	72,523,263
Gross patient charges		117,983,689	108,361,211
Less			
Deductions from gross patient charges			
Contractual adjustments – Medicare, Medicaid, and other		41,666,981	37,451,518
Patient service revenue (net of contractual allowances and discounts)	$	76,316,708	70,909,693

(Continued)

Patient service revenue (net of contractual allowances, discounts, and provision for bad debts), recognized in 2014 and 2013 from major payor sources, is as follows

	2014	2013
Medicare	$ 18,159,680	18,087,802
Commercial insurance and other third-party payors	54,017,812	45,918,418
Patient (self-pay)	4,139,216	6,903,473
Patient service revenue (net of contractual) allowance and discounts)	76,316,708	70,909,693
Provision for bad debt	5,512,231	3,963,281
Net patient service revenue less provision for bad debts	$ 70,804,477	66,946,412

(4) Retirement Plan

The Hospital participates in a contributory retirement plan covering substantially all eligible employees The retirement plan is a Defined-Contribution Money Purchase Plan, and the minimum benefit provision of the retirement plan is fully funded Funding is based on a salary contribution factor (4% in 2014 and 2013) for all eligible employees, which is approved by the board of directors Total retirement expense for the years ended April 30, 2014 and 2013 was $1,053,018 and $920,503, respectively

(5) Insurance Coverage

The Hospital has a claims-made policy for its professional liability insurance coverage, which expires May 1, 2015 The policy provides coverage of $1,000,000 per claim with a $3,000,000 annual aggregate limit with no deductible requirement Additionally, the Hospital has a $9,000,000 umbrella policy with no deductible requirement In the event that the current policy is not replaced with equivalent insurance, claims based on occurrences during its term, but reported subsequently, will be uninsured

The Hospital also carries a workers' compensation policy that expires June 1, 2015 and provides coverage of $500,000 per claim with no deductible requirement

The Hospital has provided for claims, including estimates of the ultimate costs of both reported claims and claims incurred, but not reported at year-end Management is presently not aware of any incidents that would result in probable losses that would have a material adverse impact on the accompanying consolidated financial statements

(Continued)

(6) Assets Limited as to Use

The following is a summary of assets limited as to use as of April 30, 2014 and 2013 (at fair value)

	2014			
	Cash and cash equivalents	Certificates of deposit	Mutual funds	Total
Board designated	$ 131,500	51,271,967	39,055,705	90,459,172

	2013			
	Cash and cash equivalents	Certificates of deposit	Mutual funds	Total
Board designated	$ 211,989	46,050,738	34,062,638	80,325,365

Unrestricted investment income for assets limited as to use and cash and cash equivalents comprise the following for the years ended April 30, 2014 and 2013

	2014	2013
Income		
Investment income	$ 1,614,371	1,065,490
Other changes in unrestricted net assets		
Changes in unrealized gains and losses on investments, net	3,321,956	3,359,250

Total unrealized losses at April 30, 2014 and 2013 were nominal

(Continued)

(7) Fair Value Measurements

Fair Value of Financial Instruments

The following table presents the carrying amounts and estimated fair values of the Hospital's financial instruments at April 30, 2014 and 2013

	2014		2013	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Cash and cash equivalents	$ 6,080,110	6,080,110	2,121,184	2,121,184
Patient accounts receivable	8,382,269	8,382,269	8,780,656	8,780,656
Other receivables	633,379	633,379	453,015	453,015
Assets limited as to use	90,459,172	90,459,172	80,325,365	80,325,365
Charitable remainder trusts	125,054	125,054	113,768	113,768
Financial liabilities				
Accounts payable	$ 722,763	722,763	359,257	359,257
Accrued salaries, wages, and payroll taxes	4,285,699	4,285,699	3,945,290	3,945,290
Estimated third-party payer settlements	1,259,443	1,259,443	2,659,013	2,659,013

The carrying amounts shown in the table are included in the consolidated balance sheets under the indicated captions The fair values of the financial instruments represent management's best estimates of the amounts that would be received to sell those assets or that would be paid to transfer those liabilities in an orderly transaction between market participants at that date Those fair value measurements maximize the use of observable inputs However, in situations where there is little, if any, market activity for the asset or liability at the measurement date, the fair value measurement reflects the Hospital's own judgments about the assumptions that market participants would use in pricing the asset or liability Those judgments are developed by the Hospital based on the best information available in circumstances

The following methods and assumptions were used to estimate the fair value of each class of financial instruments

Cash and cash equivalents, patient accounts receivable, other receivables, estimated third-party payor settlements, accounts payable and accrued salaries, wages and payroll taxes – the carrying amount approximates fair value because of the short maturity of these instruments

Assets limited as to use and charitable remainder trusts are recorded at fair value The fair value of investments is based on quoted market prices, if available, or estimated quoted market prices for similar securities The valuation of charitable remainder trusts is based on fair value information received from external trustees and is calculated based upon the information received from the trustee multiplied by the Foundation's percentage of ownership

Fair Value Hierarchy

The following tables present the financial instruments that are measured at fair value on a recurring basis (including items that are required to be measured at fair value) at April 30, 2014 and 2013

	2014 Fair value	Level 1	Level 2	Level 3
Assets				
Cash and cash equivalents	$ 6,080,110	6,080,110	—	—
Charitable remainder trusts	125,054	—	125,054	—
Assets limited as to use				
Cash and cash equivalents	$ 131,500	131,500	—	—
Certificates of deposit	51,271,967	—	51,271,967	—
Mutual funds				
Indexed	17,647,329	17,647,329	—	—
Mid Cap	3,875,399	3,875,399	—	—
Small Cap	1,937,362	1,937,362	—	—
International	7,840,308	7,840,308	—	—
Bond	7,755,307	7,755,307	—	—
Total assets limited as to use	$ 90,459,172	39,187,205	51,271,967	—

	2013 Fair value	Level 1	Level 2	Level 3
Assets				
Cash and cash equivalents	$ 2,121,184	2,121,184	—	—
Charitable remainder trusts	113,768	—	113,768	—
Assets limited as to use				
Cash and cash equivalents	$ 211,989	211,989	—	—
Certificates of deposit	46,050,738	—	46,050,738	—
Mutual funds				
Indexed	15,725,100	15,725,100	—	—
Mid Cap	3,681,168	3,681,168	—	—
Small Cap	1,823,829	1,823,829	—	—
International	5,778,004	5,778,004	—	—
Bond	7,054,537	7,054,537	—	—
Total assets limited as to use	$ 80,325,365	34,274,627	46,050,738	—

(Continued)

The Hospital's accounting policy is to recognize transfers between levels of the fair value hierarchy on the date of the event or change in circumstances that caused the transfer There were no transfers into or out of Level 1 or Level 2 for the years ended April 30, 2014 and 2013

(8) Investment in Healthpark, LLC and ZARZ, LLC

The Hospital has entered into an agreement with certain investors to operate a medical office building adjacent to the existing hospital campus The Hospital's ownership interest of approximately 27% and 29% at April 30, 2014 and 2013, respectively, is reflected as an investment in the LLC in the accompanying consolidated balance sheets Profits and losses are allocated among the members in accordance with their ownership interests The Hospital has entered into a second agreement with certain investors to operate a medical office building on the Hospital's east campus The Hospital's ownership interest of approximately 44% and 50% at April 30, 2014 and 2013, respectively, is reflected as an investment in the LLC in the accompanying consolidated balance sheets Profits and losses are allocated among the members in accordance with their ownership interests The Hospital owns these investments through its wholly owned subsidiary, Healthpark Title Company The Hospital accounts for its Investment in Healthpark, LLC and ZARZ, LLC under the equity method

(9) Temporarily and Permanently Restricted Net Assets

Temporarily restricted assets are available for the following purposes at April 30, 2014 and 2013

		2014	2013
Scholarships	$	26,803	17,453
Charitable remainder trust (primarily time restriction)		125,054	113,768
Capital equipment		579,121	429,822
	$	730,978	561,043

Permanently restricted net assets include endowment funds, which are to be held in perpetuity The income on such funds is expendable for the following purposes at April 30, 2014 and 2013

		2014	2013
General healthcare (unrestricted)	$	1,195,465	1,139,344
Capital		521,109	521,109
Other healthcare programs		81,672	81,672
	$	1,798,246	1,742,125

(10) Commitments

Leases

Certain equipment and building space is being leased under long-term noncancelable operating leases The total rent expense under operating leases for 2014 and 2013 was $728,401 and $765,853, respectively Future minimum lease payments for noncancelable lease terms in excess of one year as of April 30, 2014 were as follows

2015	$ 258,643
2016	127,436
2017	107,547
	$ 493,626

Construction Commitments

At April 30, 2014, the wellness center had remaining construction commitments of approximately $20 0 million

(11) Concentrations of Credit Risk

The Hospital grants credit without collateral to its patients, most of whom are local residents of Nebraska and are insured under third-party payor agreements The mix of receivables from patients and third-party payors at April 30, 2014 and 2013 is as follows

	2014	2013
Medicare	20%	21%
Medicaid	5	6
Other	75	73
	100%	100%

(12) Contingencies

The healthcare industry is subject to numerous laws and regulations of federal, state, and local governments These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government healthcare program participation requirements, reimbursements for patient services, and Medicare and Medicaid fraud and abuse Government activity has increased with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by healthcare providers Violations of these laws and regulations could result in expulsion from government healthcare programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed Management believes that the Hospital is in compliance with fraud and abuse, as well as other applicable government laws and regulations While no regulatory inquiries have been made that are expected to have a material effect on the Hospital's

consolidated financial statements, compliance with such laws and regulations can be subject to future government review and interpretation as well as regulatory actions unknown or unasserted at this time

(13) Guarantees

Consistent with its policy on physician relocation and recruitment, the Hospital provides income guarantee agreements to certain physicians who agree to relocate to its community to fill a need in the Hospital's service area and commit to remain in practice there Under such agreements, the Hospital is required to make payments to the physicians in excess of the amounts they earn in their practice up to the amount of the income guarantee The income guarantee periods are typically 12 months Such payments are recoverable from the physicians if they do not fulfill their commitment period to the community, which is typically three years The Hospital also provides minimum revenue guarantees to physician groups providing certain services at its hospitals with terms ranging from one to three years As of April 30, 2014 and 2013, the Hospital had outstanding advances of approximately $352,000 and $247,000, respectively, under the agreements The Hospital is currently not committed to any future guarantees

(14) Functional Expenses

The Hospital provides general healthcare services to residents within its geographic location Expenses related to providing these services are as follows

	2014	2013
Healthcare services	$ 52,335,920	51,279,681
General and administrative	9,096,045	8,525,587
	$ 61,431,965	59,805,268

(15) Endowments

The Foundation's endowment consists of 28 individual funds established for a variety of purposes As required by U S generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the board of directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions

The Foundation has interpreted the State Uniform Prudent Management of Institutional Funds Act (SUPMIFA) as allowing the Foundation to appropriate for expenditure or accumulate so much of an endowment fund as the Foundation determines is prudent for the uses, benefits, purposes, and duration for which the endowment is established, subject to the intent of the donor as expressed in the gift instrument As a result of this interpretation, the Foundation classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by

SUPMIFA In accordance with SUPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds

(1) The duration and preservation of the fund

(2) The purposes of the Foundation and the donor-restricted endowment fund

(3) General economic conditions

(4) The possible effect of inflation and deflation

(5) The expected total return from income and the appreciation of investments

(6) Other resources of the Foundation

(7) The investment policies of the Foundation

The following sets forth the endowment by type of fund as of April 30, 2014 and 2013

	Unrestricted	Temporarily restricted	Permanently restricted	Total
2014				
Donor-restricted endowment funds	$ —	172,417	1,798,246	1,970,663
2013				
Donor-restricted endowment funds	$ —	114,871	1,742,125	1,856,996

(Continued)

Changes in endowment net assets

	Unrestricted	Temporarily restricted	Permanently restricted	Total
Endowment net assets, April 30, 2012	$ —	45,773	1,667,736	1,713,509
Investment return				
Investment gain	—	89,678	—	89,678
Contributions	—	—	74,389	74,389
Appropriation of endowment assets for expenditure	—	(20,580)	—	(20,580)
Endowment net assets, April 30, 2013	—	114,871	1,742,125	1,856,996
Investment return				
Investment gain	—	95,632	—	95,632
Contributions	—	—	56,121	56,121
Appropriation of endowment assets for expenditure	—	(38,086)	—	(38,086)
Endowment net assets, April 30, 2014	$ —	172,417	1,798,246	1,970,663

(a) Return Objectives and Risk Parameters

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets Endowment assets include those assets of donor-restricted funds that the Foundation must hold in perpetuity or for donor-specified periods Under this policy, as approved by the board of directors, the endowment assets are invested in a manner that is a conservative level of investment risk Actual returns in any given year may vary

(b) Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends) The Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints

(c) Appropriation Policy and How the Investment Objectives Relate to Appropriation Policy

The spending policy for endowed funds is determined by the board of directors In establishing this policy, the Foundation considers the long-term expected return on its endowment Accordingly, over the long term, the Foundation is generally focusing on finding securities that demonstrate the ability for price appreciation and earnings momentum equal to major stock index performance This is consistent with the Foundation's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return

(16) Subsequent Events

The Hospital has evaluated subsequent events from the consolidated balance sheet date through July 24, 2014, the date at which the consolidated financial statements were available to be issued, and determined there are no other material items to disclose

Schedule I

COLUMBUS COMMUNITY HOSPITAL, INC. AND AFFILIATES
COLUMBUS, NEBRASKA

Consolidating Balance Sheet Information

April 30, 2014

Assets	Hospital	Foundation	Eliminations	Consolidated
Current assets				
Cash and cash equivalents	$ 5,961,224	118,886	—	6,080,110
Patient accounts receivable, net of allowance for doubtful accounts	8,382,269	—	—	8,382,269
Other receivables	633,379	—	—	633,379
Inventories	1,348,807	19,234	—	1,368,041
Prepaid expenses	1,828,145	—	—	1,828,145
Total current assets	18,153,824	138,120	—	18,291,944
Assets limited as to use				
Board-designated investments	51,402,271	39,056,901		90,459,172
Total assets limited as to use	51,402,271	39,056,901	—	90,459,172
Beneficial interest in net assets of the Foundation	39,313,555		(39,313,555)	—
Property and equipment				
Land and improvements	5,034,497	—	—	5,034,497
Buildings	42,593,741	—	—	42,593,741
Equipment and furnishings	41,077,899	—	—	41,077,899
Medical office property and equipment	1,892,739	—	—	1,892,739
Construction in progress	1,716,158	—	—	1,716,158
Total property and equipment	92,315,034	—	—	92,315,034
Less accumulated depreciation	53,664,677	—	—	53,664,677
Total property and equipment, net	38,650,357	—	—	38,650,357
Investment in Healthpark, LLC and ZARZ, LLC	1,737,787	—	—	1,737,787
Other assets	256,802	125,054	—	381,856
Total assets	$ 149,514,596	39,320,075	(39,313,555)	149,521,116

(Continued)

Schedule I

COLUMBUS COMMUNITY HOSPITAL, INC. AND AFFILIATES
COLUMBUS, NEBRASKA

Consolidating Balance Sheet Information

April 30, 2014

Liabilities and Net Assets		Hospital	Foundation	Eliminations	Consolidated
Current liabilities					
Accounts payable	$	716,243	6,520	—	722,763
Accrued salaries, wages, and payroll taxes		4,285,699	—	—	4,285,699
Estimated third-party payor settlements		1,259,443	—	—	1,259,443
Total current liabilities		6,261,385	6,520	—	6,267,905
Net assets					
Unrestricted		140,723,987	36,784,331	(36,784,331)	140,723,987
Temporarily restricted		730,978	730,978	(730,978)	730,978
Permanently restricted		1,798,246	1,798,246	(1,798,246)	1,798,246
Total net assets		143,253,211	39,313,555	(39,313,555)	143,253,211
Total liabilities and net assets	$	149,514,596	39,320,075	(39,313,555)	149,521,116

See accompanying independent auditors' report

Schedule II

COLUMBUS COMMUNITY HOSPITAL, INC. AND AFFILIATES
COLUMBUS, NEBRASKA

Consolidating Statement of Operations Information

Year ended April 30, 2014

	Hospital	Foundation	Eliminations	Consolidated
Unrestricted revenues, gains, and other support				
Patient service revenue (net of contractual allowance and discounts)	$ 76,316,708	—	—	76,316,708
Provision for bad debts	(5,512,231)	—	—	(5,512,231)
Net patient service revenue less provision for bad debts	70,804,477	—	—	70,804,477
Other revenue	2,075,450	192,843	—	2,268,293
Total revenues, gains, and other support	72,879,927	192,843	—	73,072,770
Expenses				
Salaries and wages	30,097,015	—	—	30,097,015
Employee benefits	6,558,773	—	—	6,558,773
Professional medical fees	1,702,194	—	—	1,702,194
Purchased services, supplies, and other	18,048,040	170,524	—	18,218,564
Depreciation and amortization	4,935,219	—	—	4,935,219
Interest	—	—	—	—
Gain on disposal of assets	(79,800)	—	—	(79,800)
Total expenses	61,261,441	170,524	—	61,431,965
Operating income	11,618,486	22,319	—	11,640,805
Other income				
Investment income	284,463	1,329,908	—	1,614,371
Other	43,763	—	—	43,763
Total other income, net	328,226	1,329,908	—	1,658,134
Excess of revenues over expenses	11,946,712	1,352,227	—	13,298,939
Other changes in unrestricted net assets				
Change in unrealized gains and losses on investments, net	—	3,321,956	—	3,321,956
Change in beneficial interest in net assets of Foundation	4,672,027	—	(4,672,027)	—
Transfer between entities	61,455	(61,455)	—	—
Net assets released from restrictions for the purchase of property and equipment	—	59,299	—	59,299
Reclassification of net assets due to donor matching	(52,500)	—	—	(52,500)
Total other changes in unrestricted net assets	4,680,982	3,319,800	(4,672,027)	3,328,755
Increase in unrestricted net assets	$ 16,627,694	4,672,027	(4,672,027)	16,627,694

See accompanying independent auditors' report