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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 07-01-2013 , 2013, and ending 06-30-2014

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

C Name of organization
ASPIRUS MEDFORD HOSPITAL & CLINICS INC
(FKA MEMORIAL HEALTH CENTER INC)

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
135 SOUTH GIBSON

City or town, state or province, country, and ZIP or foreign postal code
MEDFORD, WI 54451

D Employer identification number
39-0964813

E Telephone number
(715) 748-8100

G Gross receipts $ 81,186,413

F Name and address of principal officer
BRUCE CZECH
135 SOUTH GIBSON STREET
MEDFORD, WI 54451

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 ASPIRUS ORG/ASPIRUSMEDFORDHOSPITAL

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

L Year of formation 1958

M State of legal domicile WI

Part I Summary

1 Briefly describe the organization's mission or most significant activities
ASPIRUS MEDFORD HOSPITAL & CLINICS, INC (AMH) IS A CRITICAL ACCESS, LEVEL III, TRAUMA CARE HOSPITAL AMH OFFERS COMPREHENSIVE PRIMARY CARE THROUGH OUR CLINICS IN GILMAN, MEDFORD, PHILLIPS, PRENTICE, AND RIB LAKE AMH HAS THERAPY CENTERS IN PRENTICE AND MEDFORD, AN ACUTE CARE SWING BED PROGRAM, A KIDNEY CARE CENTER (DIALYSIS CENTER), A PUBLIC FITNESS CENTER, A RETAIL PHARMACY IN MEDFORD, PLUS A CONTINUUM OF SENIOR CARE SERVICES FROM ASSISTED LIVING TO RESTORATIVE NURSING SERVICES YOU WILL FIND A WIDE RANGE OF SERVICES, SOME OF WHICH PATIENTS MIGHT NOT NORMALLY EXPECT TO FIND IN A RURAL SETTING AMH WAS ASPIRUS HEART & VASCULAR INSTITUTE'S FIRST SATELITE CAMPUS, HAS ORTHOPEDIC SURGEONS PERFORMING TOTAL KNEE REPLACEMENTS, OFFERS CHEMOTHERAPY SERVICES FIVE DAYS A WEEK IN OUR CANCER SERVICES CENTER, AND HAS A FULL-ARRAY OF OTHER ASPIRUS NETWORK SPECIALISTS ON-STAFF AND ON-SITE PROVIDING PATIENTS THE HIGHEST VALUE AND QUALITY OF HEALTH CARE SERVICES

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**	12
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	6
5	Total number of individuals employed in calendar year 2013 (Part V, line 2a)	**5**	700
6	Total number of volunteers (estimate if necessary)	**6**	98
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	1,618,329
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	-403,982

Revenue

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	307,780	236,624
9	Program service revenue (Part VIII, line 2g)	62,842,508	69,732,280
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	1,964,787	1,754,622
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	103,567	82,211
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	65,218,642	71,805,737

Expenses

13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	26,671	34,468
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)	34,539,289	36,147,264
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)	24,030,336	25,540,370
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	58,596,296	61,722,102
19	Revenue less expenses Subtract line 18 from line 12	6,622,346	10,083,635

Net Assets or Fund Balances

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	84,344,708	96,800,583
21	Total liabilities (Part X, line 26)	28,237,566	27,967,403
22	Net assets or fund balances Subtract line 21 from line 20	56,107,142	68,833,180

Part II Signature Block

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

Sign Here

****** | 2015-02-09
Signature of officer | Date

PATRICK TINCHER INTERIM CFO
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
KATHLEEN J LABRAKE CPA		2015-02-09		P00164006

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

Firm's address ▶ PO BOX 8010
WAUSAU, WI 544028010 | Phone no (715) 845-3111

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

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission

THE MISSION OF ASPIRUS MEDFORD HOSPITAL & CLINICS, INC IS AN INTEGRATED, COMMUNITY GOVERNED HEALTH CARE SYSTEM, WHICH LEADS BY ADVANCING INITIATIVES DEDICATED TO IMPROVING THE HEALTH OF ALL WE SERVE OUR VISION IS TO BE CHOSEN BY AREA RESIDENTS BECAUSE OF EASILY ACCESSIBLE CUSTOMER-FOCUSED SERVICES DELIVERED WITH A PERSONAL TOUCH THROUGH COLLABORATION WITH OUR COMMUNITY, PHYSICIAN PARTNERS, AND ASPIRUS, SERVCIES ARE RECOGNIZED AS BEING SUPERIOR VALUE

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

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

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

If "Yes," describe these changes on Schedule O

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

4a (Code) (Expenses $ 32,156,683 including grants of $ 34,468) (Revenue $ 45,523,174)

HOSPITAL SERVICES - ASPIRUS MEDFORD HOSPITAL & CLINICS, INC (AMH) OPERATES A 25-BED CRITICAL ACCESS HOSPITAL IN MEDFORD, WISCONSIN DURING THE YEAR ENDED JUNE 30, 2014, THE HOSPITAL HAD 1,919 INPATIENT DAYS AND 69,050 OUTPATIENT VISITS SURGERY, EMERGENCY CARE, RADIOLOGY, LABORATORY, CHEMOTHERAPY/INFUSION, DIALYSIS, AND THERAPIES ARE JUST SOME OF THE OTHER SERVICES THAT AMH PROVIDES WITHIN THE HOSPITAL AS A CRITICAL ACCESS HOSPITAL, AMH PROVIDES ACCESS TO LOCAL HEALTH CARE FOR THE COMMUNITIES OF WHICH WE SERVE AMH ALSO PROMISES TO THE COMMUNITY TO PROVIDE HEALTH CARE SERVICES TO THOSE IN NEED REGARDLESS OF THEIR ABILITY TO PAY AS DEFINED IN AMH'S CHARITY AND COMMUNITY CARE POLICIES AND PROGRAMS DURING FISCAL YEAR 2014, AMH'S CHARITY CARE PROGRAM AWARDED APPROXIMATLEY $1,872,474 IN FINANCIAL ASSISTANCE THROUGH CHARGE REDUCTIONS TO PATIENTS WHO COULD NOT OTHERWISE AFFORD CARE ADDITIONAL INFORMATION ON THE COST OF PROVIDING CHARITY CARE TO PATIENTS CAN BE FOUND IN SCHEDULE H OF THE FORM 990 IN ADDITION TO PROVIDING CHARITY CARE SERVICES, AMH ALSO PROVIDES A SIGNIFICANT AMOUNT OF SERVICES TO BENEFICIARIES OF THE MEDICARE AND MEDICAID PROGRAMS DURING FISCAL YEAR 2014, APPROXIMATELY 56 PERCENT OF THE PATIENT SERVICES PROVIDED BY AMH WERE PROVIDED TO MEDICARE AND MEDICAID PROGRAM BENEFICIARIES THESE SERVICES ARE CONSIDERED A LARGE NEED IN THE COMMUNITY AND AMH IS OFTEN REIMBURSED AT RATES BELOW THE COST OF PROVIDING THE CARE FOR THESE PATIENTS

4b (Code) (Expenses $ 10,508,799 including grants of $) (Revenue $ 11,362,117)

CLINIC SERVICES - AMH OPERATES FIVE OUTPATIENT CLINICS IN THE COMMUNITIES OF MEDFORD, GILMAN, RIB LAKE, PRENTICE, AND PHILLIPS (ALL LOCATED WITHIN THE STATE OF WISCONSIN) DURING THE YEAR ENDED JUNE 30, 2014, THE CLINICS HAD 51,471 VISITS AMH PROVIDES ACCESS TO PRIMARY CARE PHYSICIANS IN THESE RURAL AND MEDICALLY UNDERSERVED AREAS THE CLINICS ALSO SERVES A LARGE PORTION OF ELDERLY, DISABLED, AND LOW INCOME PATIENTS WHO ARE COVERED UNDER THE MEDICARE AND WISCONSIN MEDICAID PROGRAMS PATIENTS OF THE AMH CLINICS ARE ALSO ELIGIBLE FOR CHARITY CARE AS DEFINED BY AMH'S CHARITY CARE POLICY CHARITY CARE AMOUNTS FOR THE CLINICS ARE INCLUDED IN THE TOTAL NOTED UNDER 4A ABOVE

4c (Code) (Expenses $ 5,855,786 including grants of $) (Revenue $ 6,645,846)

SENIOR CARE SERVICES - AMH OPERATES A 101-BED SKILLED NURSING FACILITY (SNF), 10 CBRF APARTMENTS, AND A 28-UNIT RCAC DURING THE YEAR ENDED JUNE 30, 2014, THE SNF HAD A DAILY CENSUS OF 87 5 AND THE RCAC HAD A DAILY CENSUS OF 26 2 THROUGH THESE SENIOR CARE SERVICES, AMH PROVIDES CARE AND ASSISTANCE TO THE ELDERLY IN OUR COMMUNITY A MAJORITY OF THE RESIDENTS RECEIVING SENIOR CARE SERVICES AT AMH RECEIVE CARE UNDER THE WISCONSIN MEDICAID OR FAMILY CARE PROGRAMS AMH RECOGNIZES THAT THE COST OF CARING FOR THESE INDIVIDUALS OFTEN EXTENDS BEYOND THE AMOUNT THAT IS PAID TO AMH BY THE MEDICAID PROGRAM ADDITIONAL INFORMATION ON THE COST OF PROVIDING SERVICES TO MEDICAID PROGRAM BENEFICIARIES CAN BE FOUND IN SCHEDULE H OF THE FORM 990

(Code) (Expenses $ 3,456,744 including grants of $) (Revenue $ 3,553,351)

RETAIL PHARMACY - AMH OPERATES A RETAIL PHARMACY THAT PROVIDES ACCESS TO PRESCRIPTION MEDICATION FOR PATIENTS OF AMH AND THE COMMUNITY DURING THE YEAR ENDED JUNE 30, 2014, A TOTAL OF 92,831 PRESCRIPTIONS WERE PROVIDED TO PATIENTS

4d Other program services (Describe in Schedule O)

(Expenses $ 3,456,744 including grants of $) (Revenue $ 3,553,351)

4e **Total program service expenses** ▶ 51,978,012

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	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X*	11f	Yes	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI and XII*	12a	Yes	
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional*	12b		No
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If "Yes," complete Schedule F, Parts I and IV*	14b		No
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or other assistance to or for any foreign organization? *If "Yes," complete Schedule F, Parts II and IV*	15		No
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or other assistance to or for foreign individuals? *If "Yes," complete Schedule F, Parts III and IV*	16		No
17	Did the organization report a total of more than $15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I (see instructions)*	17		No
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18		No
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		No
20a	Did the organization operate one or more hospital facilities? *If "Yes," complete Schedule H*	20a	Yes	
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	Yes	

Part IV Checklist of Required Schedules *(continued)*

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable . .	1a	136		
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	700		
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** 12		
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O			
b	Enter the number of voting members included in line 1a, above, who are independent	**1b** 6		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	**2**	Yes	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? .	**3**		No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	**4**	Yes	
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .	**5**		No
6	Did the organization have members or stockholders?	**6**	Yes	
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	**7a**	Yes	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	**7b**	Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
a	The governing body?	**8a**	Yes	
b	Each committee with authority to act on behalf of the governing body?	**8b**	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*	**9**		No

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

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

Section C. Disclosure

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

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

▶ PATRICK TINCHER INTERIM CFO 135 SOUTH GIBSON STREET
MEDFORD, WI 54451 (715) 748-8100

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) GRAHAM COURTNEY BOARD MEMBER	9 00 1 00	X						0	0	0
(2) SUSAN FRAZIER PHYSICIAN/BOARD MEMBER	32 00	X						191,911	0	15,336
(3) MICHAEL RIGGLE BOARD MEMBER	1 00 1 00	X						0	0	0
(4) MATTHEW HEYWOOD BOARD MEMBER	1 00	X						0	0	0
(5) F DEAN DANNER JR BOARD MEMBER	1 00	X						0	0	0
(6) RICK NEVERS BOARD MEMBER	1 00	X						0	0	0
(7) TROY D SENNHOLZ CHIEF OF STAFF/BOARD MEMBER	45 00	X						332,246	0	38,703
(8) TERRIE FLANDERMEYER PHYSICIAN/BOARD MEMBER	31 00	X						164,485	0	14,944
(9) ALECIA HYLTON PHYSICIAN/TERMED BOARD MEMBER	40 00	X						252,211	0	21,066
(10) JEANNE SCINTO TERMED BOARD MEMBER	1 00	X						0	0	0
(11) BRUCE CZECH CHAIR	1 00 1 00	X		X				0	0	0
(12) MARITA HATTEM VICE CHAIR	1 00	X		X				0	0	0
(13) DEBBIE WOODS TREASURER	1 00 1 00	X		X				0	0	0
(14) ERIK T BRANSTETTER PHYSICIAN/SECRETARY	40 00	X		X				586,730	0	36,842
(15) GREGORY A OLSON PRESIDENT/CEO	40 00 2 00			X				340,186	0	27,331
(16) LORI P PECK VP FINANCE/CFO	40 00			X				185,127	0	6,769
(17) SCOTT T BUSKERUD ANESTHETIST	40 00					X		259,213	0	35,617

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) AMY A FALKENBERG PHYSICIAN	40 00					X		325,246	0	36,113
(19) RYAN DIEGEL ANESTHETIST	40 00					X		258,455	0	36,646
(20) MARGARET S YOUNG PHYSICIAN	40 00					X		350,640	0	29,901
(21) MICHELLE M ROIGER PHYSICIAN	37 00					X		253,735	0	21,467
1b **Sub-Total** . . . . . ▶										
c **Total from continuation sheets to Part VII, Section A** . . . . ▶										
d **Total (add lines 1b and 1c)** . . . . . ▶								3,500,185	0	320,735

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 of reportable compensation from the organization ▶ 45

			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
ASPIRUS INC 333 PINE RIDGE BLVD WAUSAU WI 54401	CORPORATE SERVICES	1,547,646
ASPIRUS WAUSAU HOSPITAL INC 333 PINE RIDGE BLVD WAUSAU WI 54401	ECHO, SLEEP LAB, PHYSICIAN, AND OTHER	1,216,691
MIRON CONTRUCTION COMPANY INC 1471 MCMANON DRIVE NEENAH WI 54956	CONSTRUCTION SERVICES	731,982
COMPUTERIZED MEDICAL IMAGING 719 W HAMILTON AVE SUITE B EAU CLAIRE WI 54701	CONTRACTED IMAGING SERVICES	396,277
SHARED MEDICAL SERVICES INC 209 LIMESTONE PASS COTTAGE GROVE WI 53527	CONTRACTED IMAGING SERVICES	393,739

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 ▶ 11

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	76,222			
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	160,402			
	g	Noncash contributions included in lines 1a-1f $					
	h	**Total.** Add lines 1a-1f . . . . . ▶		236,624			
Program Service Revenue			Business Code				
	2a	PATIENT SERVICE REVENUE	621110	62,608,709	62,590,582	18,127	
	b	PHARMACY REVENUE	446110	6,094,108	4,493,906	1,600,202	
	c	OTHER OPERATING REVENUE	621110	564,728			564,728
	d	CAFETERIA	621990	242,355			242,355
	e	CONTRACT SERVICE REVENUE	621110	222,380			222,380
	f	All other program service revenue					
	g	**Total.** Add lines 2a–2f . . . . . ▶		69,732,280			
	3	Investment income (including dividends, interest, and other similar amounts) . . . . . ▶		996,268			996,268
	4	Income from investment of tax-exempt bond proceeds . . ▶					
	5	Royalties . . . . . ▶					
			(i) Real	(ii) Personal			
	6a	Gross rents	140,294				
	b	Less rental expenses	58,083				
	c	Rental income or (loss)	82,211				
	d	Net rental income or (loss) . . . . . ▶			82,211		82,211
			(i) Securities	(ii) Other			
	7a	Gross amount from sales of assets other than inventory	10,056,408	24,539			
	b	Less cost or other basis and sales expenses	9,286,529	36,064			
	c	Gain or (loss)	769,879	-11,525			
	d	Net gain or (loss) . . . . . ▶			758,354		758,354
Other Revenue	8a	Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18 . . a					
	b	Less direct expenses . . . b					
	c	Net income or (loss) from fundraising events . . ▶					
	9a	Gross income from gaming activities See Part IV, line 19 . . . a					
	b	Less direct expenses . . . b					
	c	Net income or (loss) from gaming activities . . ▶					
	10a	Gross sales of inventory, less returns and allowances . a					
	b	Less cost of goods sold . . b					
	c	Net income or (loss) from sales of inventory . . ▶					
		Miscellaneous Revenue	Business Code				
	11a						
	b						
	c						
	d	All other revenue					
	e	**Total.** Add lines 11a–11d . . . . . ▶					
	12	**Total revenue.** See Instructions . . . . . ▶		71,805,737	67,084,488	1,618,329	2,866,296

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	34,468	34,468		
2 Grants and other assistance to individuals in the United States See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	1,882,340	1,319,242	563,098	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	25,967,378	21,920,342	4,047,036	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	1,388,706	1,180,282	208,424	
9 Other employee benefits	5,123,298	3,923,678	1,199,620	
10 Payroll taxes	1,785,542	1,483,399	302,143	
11 Fees for services (non-employees)				
a Management				
b Legal	60,983		60,983	
c Accounting	29,865		29,865	
d Lobbying				
e Professional fundraising services See Part IV, line 17				
f Investment management fees				
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	6,634,165	4,651,467	1,982,698	
12 Advertising and promotion	413,615	28	413,587	
13 Office expenses	297,475	151,769	145,706	
14 Information technology	675,005		675,005	
15 Royalties . .				
16 Occupancy	1,989,398	1,355,712	633,686	
17 Travel	171,683	113,805	57,878	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	285,108	216,534	68,574	
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	3,452,391	2,888,370	564,021	
23 Insurance	279,221	129,900	149,321	
24 Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24e If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O)				
a MEDICAL SUPPLIES	9,628,934	9,472,766	156,168	
b EQUIPMENT RENTAL/MAINTE	643,416	385,347	258,069	
c LICENSES AND FEES	609,618	311,905	297,713	
d BAD DEBT EXPENSE	310,244	310,244		
e All other expenses	59,249	2,128,754	-2,069,505	
25 **Total functional expenses.** Add lines 1 through 24e	61,722,102	51,978,012	9,744,090	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		7,342,662	1	6,056,529
	2	Savings and temporary cash investments		233,334	2	
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		7,940,856	4	7,684,715
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L			6	
	7	Notes and loans receivable, net			7	
	8	Inventories for sale or use		873,013	8	1,072,258
	9	Prepaid expenses and deferred charges		597,758	9	535,743
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 57,272,126			
	b	Less accumulated depreciation	10b 25,017,993	24,133,515	10c	32,254,133
	11	Investments—publicly traded securities		39,826,191	11	43,187,850
	12	Investments—other securities See Part IV, line 11		1,645,720	12	2,006,044
	13	Investments—program-related See Part IV, line 11			13	
	14	Intangible assets		198,818	14	188,728
	15	Other assets See Part IV, line 11		1,552,841	15	3,814,583
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		84,344,708	16	96,800,583
Liabilities	17	Accounts payable and accrued expenses		7,594,620	17	7,908,083
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities		18,750,509	20	18,157,497
	21	Escrow or custodial account liability Complete Part IV of Schedule D			21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L			22	
	23	Secured mortgages and notes payable to unrelated third parties			23	
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		1,892,437	25	1,901,823
	26	**Total liabilities.** Add lines 17 through 25		28,237,566	26	27,967,403
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		54,819,537	27	67,127,265
	28	Temporarily restricted net assets		1,167,605	28	1,585,915
	29	Permanently restricted net assets		120,000	29	120,000
		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		56,107,142	33	68,833,180
	34	Total liabilities and net assets/fund balances		84,344,708	34	96,800,583

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	71,805,737
2	Total expenses (must equal Part IX, column (A), line 25)	2	61,722,102
3	Revenue less expenses Subtract line 2 from line 1	3	10,083,635
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	56,107,142
5	Net unrealized gains (losses) on investments	5	2,224,093
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	418,310
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	68,833,180

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
ASPIRUS MEDFORD HOSPITAL & CLINICS INC
(FKA MEMORIAL HEALTH CENTER INC)

Employer identification number
39-0964813

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*.**

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2013

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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
ASPIRUS MEDFORD HOSPITAL & CLINICS INC (FKA MEMORIAL HEALTH CENTER INC)	39-0964813

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		7,346
j	Total Add lines 1c through 1i			7,346
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

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

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

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

Part IV Supplemental Information

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

Return Reference	Explanation
PART II-B, LINE 1(I), OTHER LOBBYING ACTIVITIES	ASPIRUS MEDFORD HOSPITAL & CLINICS, INC (AMH) PAYS ANNUAL ASSOCIATION MEMBERSHIP DUES TO THE AMERICAN HOSPITAL ASSOCIATION (AHA) AND WISCONSIN HOSPITAL ASSOCIATION (WHA) THESE DUES ARE PRIMARILY TO ACCESS EDUCATIONAL MATERIALS AND FOR STAFF TRAINING AND MATERIALS THE AHA AND WHA HAVE NOTIFIED AMH THAT A PORTION OF THE ANNUAL DUES WERE USED IN CONJUNCTION WITH LOBBYING ACTIVITIES WITH THE GOAL OF IMPROVING THE OVERALL HEALTH CARE ENVIRONMENT AMH IS ALSO A MEMBER OF THE RURAL WISCONSIN HEALTH COOPERATIVE (RWHC) THE RWHC PROVIDES SUPPORT SERVICES FOR A NUMBER OF ITS MEMBER HOSPITALS THROUGHOUT THE STATE OF WISCONSIN SOME OF THE MANY SERVICES PROVIDED TO MEMBER HOSPITALS INCLUDE PROVIDING ASSISTANCE TO ORGANIZATIONS IN FINDING GRANT FUNDING FOR NEW PROGRAMS, LEGAL SERVICES, REIMBURSEMENT REVIEW SERVICES, ACCOUNTING ASSISTANCE, CONTRACTING FOR THERAPIST AND EMERGENCY ROOM PATIENT CARE COVERAGE, AND ADMINISTRATIVE CONSULTING SERVICES AS A PART OF THESE SERVICES, THE RWHC ALSO PROVIDES ANALYSIS ON CURRENT HEALTH CARE ISSUES IN AN EFFORT TO PROMOTE AND IMPROVE HEALTH CARE FOR HOSPITALS IN RURAL COMMUNITIES THROUGHOUT WISCONSIN ONE OF THESE EFFORTS INCLUDES SOME LOBBYING ON THE PART OF MEMBER ORGANIZATIONS A PORTION OF THESE DUES WERE RELATED TO LOBBYING ACTIVITIES WITH THE GOAL OF IMPROVING THE HEALTH CARE ENVIRONMENT IN THE STATE OF WISCONSIN

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
ASPIRUS MEDFORD HOSPITAL & CLINICS INC
(FKA MEMORIAL HEALTH CENTER INC)

Employer identification number
39-0964813

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	127,340	127,536	126,900	131,250	125,787
b	Contributions					
c	Net investment earnings, gains, and losses	2,191	-196	636	756	5,463
d	Grants or scholarships					
e	Other expenditures for facilities and programs				5,106	
f	Administrative expenses					
g	End of year balance	129,531	127,340	127,536	126,900	131,250

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

- a Board designated or quasi-endowment ▶ 0 %
- b Permanent endowment ▶ 92 640 %
- c Temporarily restricted endowment ▶ 7 360 %

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		227,478		227,478
b Buildings		38,804,712	13,964,292	24,840,420
c Leasehold improvements				
d Equipment		15,468,584	9,926,517	5,542,067
e Other		2,771,352	1,127,184	1,644,168
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				32,254,133

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	
DEFERRED COMPENSATION	1,840,917
LONG-TERM INSURANCE LIABILITY	60,906
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	1,901,823

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	73,712,971
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains on investments	2a	2,224,093		
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIII)	2d	69,609		
e	Add lines **2a** through **2d**			2e	2,293,702
3	Subtract line **2e** from line **1**			3	71,419,269
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	386,468		
c	Add lines **4a** and **4b**			4c	386,468
5	Total revenue Add lines **3** and **4c.** (This must equal Form 990, Part I, line 12)			5	71,805,737

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	61,481,465
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	69,609		
e	Add lines **2a** through **2d**			2e	69,609
3	Subtract line **2e** from line **1**			3	61,411,856
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	310,246		
c	Add lines **4a** and **4b**			4c	310,246
5	Total expenses Add lines **3** and **4c.** (This must equal Form 990, Part I, line 18)			5	61,722,102

Part XIII Supplemental Information

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

Return Reference	Explanation
PART V, LINE 4	TERM-ENDOWMENT FUNDS HELD BY ASPIRUS MEDFORD FOUNDATION, INC , ANY AMOUNT ABOVE $120,000 MAY BE USED TO PURCHASE ITEMS FOR THE COUNTRY GARDENS ASSISTED LIVING FACILITY AT ASPIRUS MEDFORD HOSPITAL & CLINICS, INC
PART X, LINE 2	AMH IS A NONPROFIT CORPORATION AS DESCRIBED IN SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE (THE "CODE") AND IS EXEMPT FROM FEDERAL INCOME TAXES ON RELATED INCOME PURSUANT TO SECTION 501(A) OF THE CODE AMH IS ALSO ENGAGED, TO A LIMITED EXTENT, IN CERTAIN ACTIVITIES SUBJECT TO TAXATION AS UNRELATED BUSINESS INCOME (UBI) INCOME TAXES ON UBI ARE NOT SIGNIFICANT IN ORDER TO ACCOUNT FOR ANY UNCERTAIN TAX POSITIONS, AMH DETERMINES WHETHER IT IS MORE LIKELY THAN NOT THAT A TAX POSITION WILL BE SUSTAINED UPON EXAMINATION OF THE TECHNICAL MERITS OF THE POSITION, ASSUMING THE TAXING AUTHORITY HAS FULL KNOWLEDGE OF ALL INFORMATION IF THE TAX POSITION DOES NOT MEET THE MORE-LIKELY-THAN-NOT RECOGNITION THRESHOLD, THE BENEFIT OF THE TAX POSITION IS NOT RECOGNIZED IN THE FINANCIAL STATEMENTS FEDERAL RETURNS FOR THE YEARS ENDED JUNE 30, 2011 AND BEYOND, REMAIN SUBJECT TO EXAMINATION BY THE INTERNAL REVENUE SERVICE (IRS)
PART XI, LINE 2D - OTHER ADJUSTMENTS	RENTAL EXPENSE INCLUDED AS OFFSET TO RENTAL REVENUE 58,083 GAIN/LOSS ON SALE OF FIXED ASSETS 11,526
PART XI, LINE 4B - OTHER ADJUSTMENTS	CHANGE IN INTEREST IN NET ASSETS OF MHC FOUNDATION, INC 76,222 PROVISION FOR BAD DEBTS 310,246
PART XII, LINE 2D - OTHER ADJUSTMENTS	RENTAL EXPENSE INCLUDED AS OFFSET TO RENTAL REVENUE 58,083 GAIN/LOSS ON SALE OF FIXED ASSETS 11,526
PART XII, LINE 4B - OTHER ADJUSTMENTS	PROVISION FOR BAD DEBTS 310,246

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
ASPIRUS MEDFORD HOSPITAL & CLINICS INC
(FKA MEMORIAL HEALTH CENTER INC)

Employer identification number
39-0964813

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	3a	Yes	
	☐ 100% ☑ 150% ☐ 200% ☐ Other _____ %			
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	3b	Yes	
	☐ 200% ☐ 250% ☑ 300% ☐ 350% ☐ 400% ☐ Other _____ %			
c	If the organization used factors other than FPG in determining eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care			
4	Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	4		No
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a	Yes	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	5b	Yes	
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligibile for free or discounted care?	5c		No
6a	Did the organization prepare a community benefit report during the tax year?	6a	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)			1,026,583		1,026,583	1 670 %
b Medicaid (from Worksheet 3, column a)			11,514,815	11,468,590	46,225	0 080 %
c Costs of other means-tested government programs (from Worksheet 3, column b)			775,089	701,013	74,076	0 120 %
d **Total** Financial Assistance and Means-Tested Government Programs			13,316,487	12,169,603	1,146,884	1 870 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			203,739	2,350	201,389	0 330 %
f Health professions education (from Worksheet 5)			19,142		19,142	0 030 %
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)			14,741		14,741	0 020 %
j **Total.** Other Benefits			237,622	2,350	235,272	0 380 %
k **Total.** Add lines 7d and 7j			13,554,109	12,171,953	1,382,156	2 250 %

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						
4 Environmental improvements						
5 Leadership development and training for community members						
6 Coalition building						
7 Community health improvement advocacy						
8 Workforce development			30,474		30,474	0 050 %
9 Other						
10 **Total**			30,474		30,474	0 050 %

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

				Yes	No
1	Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No 15?		1	Yes	
2	Enter the amount of the organization's bad debt expense Explain in Part VI the methodology used by the organization to estimate this amount	2	170,092		
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit	3	0		
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements				

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	9,404,017		
6	Enter Medicare allowable costs of care relating to payments on line 5	6	9,681,290		
7	Subtract line 6 from line 5 This is the surplus (or shortfall)	7	-277,273		
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		No

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

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

Part V Facility Information

Section A. Hospital Facilities

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

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

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices

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

Name of hospital facility or facility reporting group ASPIRUS MEDFORD HOSPITAL

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

			Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years 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		No
5	Did the hospital facility make its CHNA report widely available to the public?	5	Yes	
	If "Yes," indicate how the CHNA report was made widely available (check all that apply)			
a	☑ Hospital facility's website (list url) WWW.ASPIRUS.ORG/MAIN/COMMUNITY-RESOURCES			
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)*

Financial Assistance Policy		Yes	No
9 Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	**9**	Yes	
10 Used federal poverty guidelines (FPG) to determine eligibility for providing *free* care?	**10**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care 150 000000000000% If "No," explain in Part VI the criteria the hospital facility used			
11 Used FPG to determine eligibility for providing *discounted* care?	**11**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for discounted care 300 000000000000% If "No," explain in Part VI the criteria the hospital facility used			
12 Explained the basis for calculating amounts charged to patients?	**12**	Yes	
If "Yes," indicate the factors used in determining such amounts (check all that apply)			
a ☑ Income level			
b ☑ Asset level			
c ☐ Medical indigency			
d ☐ Insurance status			
e ☐ Uninsured discount			
f ☐ Medicaid/Medicare			
g ☐ State regulation			
h ☐ Residency			
i ☐ Other (describe in Part VI)			
13 Explained the method for applying for financial assistance?	**13**	Yes	
14 Included measures to publicize the policy within the community served by the hospital facility?	**14**	Yes	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
a ☑ The policy was posted on the hospital facility's website			
b ☐ The policy was attached to billing invoices			
c ☐ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d ☐ The policy was posted in the hospital facility's admissions offices			
e ☐ The policy was provided, in writing, to patients on admission to the hospital facility			
f ☑ The policy was available upon request			
g ☐ Other (describe in Part VI)			
Billing and Collections			
15 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	**15**	Yes	
16 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP			
a ☑ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other similar actions (describe in Section C)			
17 Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP?	**17**	Yes	
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
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? **11**

	Name and address	Type of Facility (describe)
1	See Additional Data Table	
2		
3		
4		
5		
6		
7		
8		
9		
10		

Part VI Supplemental Information

Provide the following information

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

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

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

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

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

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

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

Form and Line Reference	Explanation
PART I, LINE 3C	IN ADDITION TO THE FPG THE APPLICANT MUST PASS THE FOLLOWING TESTS THE PATIENT/GUARANTOR, HUSBAND OR WIFE, AND DEPENDENTS MAY NOT HAVE PROPERTY IN EXCESS OF 1-LAND AND HOME WITH EQUITY IN EXCESS OF $50,000 (FINANCIAL STATEMENTS AND TAX BILLS ARE REQUIRED) INCOME PRODUCING LAND (E G , DAIRY FARM) IS EXCLUDED FROM THIS EQUITY CALCULATION ASPIRUS MEDFORD HOSPITAL & CLINICS, INC (AMH) ALSO HAS A SLIDING SCALE FOR EQUITY EXCEPTIONS THAT GOES TO $100,000 BASED ON WHERE THE PATIENT FALLS WITHIN THE POVERTY GUIDELINES 2-CASH ASSETS IN EXCESS OF $3,000 AT THE TIME OF APPLICATION AMH ALSO HAS A SLIDING SCALE FOR CASH EXCEPTIONS THAT GOES TO $7,000 BASED ON WHERE THE PATIENT FALLS WITHIN THE POVERTY GUIDELINES SPECIFICALLY EXCLUDED FROM CONSIDERATION ARE IRA, PENSION PLANS, AND IRREVOCABLE BURIAL TRUST FUNDS

Form and Line Reference	Explanation
PART I, LINE 7	THE COSTING METHODOLOGY USED ON FORM 990 IS BASED ON A COST TO CHARGE RATIO WHICH IS DEVELOPED BASED ON AMH'S TOTAL OPERATING EXPENSES, EXCLUDING THE PROVISION FOR BAD DEBTS DIVIDED BY GROSS PATIENT SERVICE REVENUES THIS COST TO CHARGE RATIO IS APPLIED AGAINST VARIOUS REVENUE AND EXPENSE CATEGORIES TO COMPUTE THE ESTIMATED COMMUNITY BENEFIT EXPENSE UNDER IRS SUGGESTED COSTING METHODS FOR THE FORM 990

Form and Line Reference	Explanation
PART I, LINE 7, COLUMN (F)	THE BAD DEBT EXPENSE INCLUDED ON FORM 990, PART IX, LINE 25, COLUMN (A), BUT SUBTRACTED FOR PURPOSES OF CALCULATING THE PERCENTAGE IN THIS COLUMN IS $ 310,246

Form and Line Reference	Explanation
PART II, COMMUNITY BUILDING ACTIVITIES	ONE OF THE LARGER COMMUNITY BUILDING ACTIVITIES ASPIRUS MEDFORD HOSPITAL & CLINICS, INC (AMH) IS INVOLVED IN IS GETTING PHYSICIANS AND HEALTH CARE WORKERS TO THE AREA TO IMPROVE THE ACCESS TO HEALTH CARE NEEDS IN THE SERVICE AREA AMH ALSO PROMOTES HEALTH CARE RELATED JOBS AND EDUCATION TO THE STUDENTS IN THE COMMUNITY WHILE THERE IS A GROWING AGREEMENT IN THE UNITED STATES ABOUT WHAT CONSTITUTES A NON-PROFIT HOSPITAL'S "COMMUNITY BENEFIT," THESE EFFORTS CONTINUE TO BE A WORK IN PROGRESS AMH PROVIDES SIGNIFICANT CHARITY CARE AND OTHER COMMUNITY BENEFITS AS DEFINED BY THE IRS AND IN ADDITION, AMH BELIEVES THAT IT PROVIDES A CRITICALLY IMPORTANT COMMUNITY BENEFIT WHICH IS NOT QUANTIFIED AMH, LIKE MOST COMMUNITY HOSPITALS, WAS CREATED AND MAINTAINED IN ORDER TO PROVIDE CARE LOCALLY WHICH WITHOUT THE HOSPITAL WOULD NOT BE AVAILABLE LOCALLY BEYOND INPATIENT HOSPITALIZATIONS, AMH PROVIDES LOCAL ACCESS TO MANY HEALTH SERVICES INCLUDING BIRTHING AND FAMILY CENTER, DIAGNOSTICS, EMERGENCY SERVICES, URGENT CARE, RENAL DIALYSIS, INFUSION SERVICES, SWING BED SERVICES, NURSING HOME SERVICES, ASSISTED LIVING SERVICES, CLINICAL SERVICES, LABORATORY SERVICES, REHABILITATION SERVICES, SPECIALTY MEDICINE, PHARMACY SERVICES, SPEECH PATHOLOGY, SURGICAL SERVICES, WOMEN'S SERVICES, AND AMBULANCE SERVICES, TO NAME SOME OF THE MAJOR SERVICES PROVIDED

Form and Line Reference	Explanation
PART III, LINE 2	THE COSTING METHODOLOGY USED ON FORM 990 IS BASED ON A COST TO CHARGE RATIO WHICH IS DEVELOPED BASED ON AMH'S TOTAL OPERATING EXPENSES, EXCLUDING THE PROVISION FOR BAD DEBTS DIVIDED BY GROSS PATIENT SERVICE REVENUE THIS COST TO CHARGE RATIO IS APPLIED AGAINST THE TOTAL CHARGES THAT ARE WRITTEN OFF DURING THE FISCAL YEAR TO ESTIMATE THE COST OF THE CARE OF PATIENTS THAT HAVE ACCOUNTS THAT ARE DEEMED TO BE BAD DEBTS TO AMH AMH ALSO RECOGNIZES THAT IT ALSO PROVIDES A DISCOUNT TO SELF-PAY OR UNINSURED PATIENTS THESE AMOUNTS ARE INCLUDED IN THE CONTRACTUAL ADJUSTMENTS ON THE FINANCIAL STATEMENTS AND ARE NOT INCLUDED IN THE RATIO AS DESCRIBED ABOVE AND APPROVED BY THE IRS FOR USE ON FORM 990 IF CONSIDERED, THESE ADDITIONAL WRITE-OFF AMOUNTS TO UNINSURED ACCOUNTS WOULD ALSO INCREASE THE ESTIMATED BAD DEBT EXPENSE AMOUNT ASSOCIATED WITH THESE UNCOLLECTIBLE ACCOUNTS TO AMH

Form and Line Reference	Explanation
PART III, LINE 3	MANAGEMENT PROVIDES FOR PROBABLE UNCOLLECTIBLE AMOUNTS, PRIMARILY UNINSURED PATIENTS AND AMOUNTS FOR WHICH PATIENTS ARE PERSONALLY RESPONSIBLE, THROUGH A CHARGE TO OPERATIONS AND A CREDIT TO A VALUATION ALLOWANCE BASED ON ITS ASSESSMENT OF HISTORICAL COLLECTION LIKELIHOOD AND THE CURRENT STATUS OF INDIVIDUAL ACCOUNTS BALANCES THAT ARE STILL OUTSTANDING AFTER MANAGEMENT HAS USED REASONABLE COLLECTION EFFORTS ARE WRITTEN OFF THROUGH A CHARGE TO THE VALUATION ALLOWANCE AND A CREDIT TO ACCOUNTS RECEIVABLE

Form and Line Reference	Explanation
PART III, LINE 4	PATIENT ACCOUNTS RECEIVABLE AND CREDIT POLICY IN EVALUATING THE COLLECTABILITY OF PATIENT ACCOUNTS RECEIVABLE, AMH ANALYZES PAST RESULTS AND IDENTIFIES TRENDS FOR EACH OF ITS MAJOR PAYOR SOURCES OF REVENUE TO ESTIMATE THE APPROPRIATE ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS AND PROVISION FOR BAD DEBTS MANAGEMENT REGULARLY REVIEWS DATA ABOUT THESE MAJOR PAYOR SOURCES OR REVENUE IN EVALUATING THE SUFFICIENCY OF THE ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS SPECIFICALLY, FOR RECEIVABLES ASSOCIATED WITH SERVICES PROVIDED TO PATIENTS WHO HAVE THIRD-PARTY COVERAGE, AMH ANALYZES CONTRACTUALLY DUE AMOUNTS AND PROVIDES AN ALLOWANCE FOR UNCOLLECTIBLE AMOUNTS ON ACCOUNTS FOR WHICH THE THIRD-PARTY PAYOR HAS NOT YET PAID, OR FOR PAYORS WHO ARE KNOWN TO BE HAVING FINANCIAL DIFFICULTIES THAT MAKE THE REALIZATION OF AMOUNTS DUE UNLIKELY FOR RECEIVABLES ASSOCIATED WITH SELF-PAY PATIENTS (WHICH INCLUDES BOTH PATIENTS WITHOUT INSURANCE AND PATIENTS WITH DEDUCTIBLE AND COPAYMENT BALANCES DUE FOR WHICH THIRD-PARTY COVERAGE EXISTS FOR PART OF THE BILL), AMH RECORDS A SIGNIFICANT PROVISION FOR BAD DEBTS IN THE PERIOD OF SERVICE ON THE BASIS OF ITS PAST EXPERIENCE, WHICH INDICATES THAT MANY PATIENTS ARE UNABLE OR UNWILLING TO PAY THE PORTION OF THEIR BILL FOR WHICH THEY ARE FINANCIALLY RESPONSIBLE THE DIFFERENCE BETWEEN THE STANDARD RATES (OR THE DISCOUNTED RATES IF NEGOTIATED) AND THE AMOUNTS ACTUALLY COLLECTED AFTER ALL REASONABLE COLLECTION EFFORTS HAVE BEEN EXHAUSTED IS CHARGED AGAINST THE ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS THE AUDITED FINANCIAL STATEMENTS DO NOT INCLUDE A SEPARATE FOOTNOTE REGARDING BAD DEBT EXPENSE

Form and Line Reference	Explanation
PART III, LINE 8	THE TOTAL MEDICARE REVENUE SHOWN IN SCHEDULE H OF THE FORM 990 IS BASED ON THE IRS 990 INSTRUCTIONS AND INCLUDES ONLY A PORTION OF THE GROSS MEDICARE REVENUE OF AMH AND ALSO DOES NOT CONSIDER CONTRACTUAL ADJUSTMENTS FOR THE REIMBURSEMENT THAT IS ACTUALLY RECEIVED FROM THE MEDICARE PROGRAM AMOUNTS LISTED FOR MEDICARE REVENUES DO NOT INCLUDE SIGNIFICANT PORTIONS OF LABORATORY, RADIOLOGY, AMBULANCE, AND REHABILITATION SERVICES PROVIDED TO MEDICARE BENEFICIARIES AS WELL AS PHYSICAN SERVICES FOR THE COVERAGE OF THE EMERGENCY DEPARTMENT, ANESTHESIA PROFESSIONAL SERVICES, CLINICAL PHYSICIAN PROFESSIONAL SERVICES, SURGICAL PHYSICIAN PROFESSIONAL SERVICES, AND REVENUES FOR ANY PATIENTS COVERED UNDER MEDICARE ADVANTAGE PLAN PROGRAMS PHYSICIAN SERVICES ARE REIMBURSED PRIMARILY ON FEE SCHEDULE REIMBURSEMENT AT RATES THAT ARE OFTEN BELOW THE COSTS OF CARING FOR PATIENTS EMERGENCY, SURGICAL, AND CLINICAL SERVICES PROVIDED TO MEDICARE PATIENTS ARE VITAL TO THE WELL-BEING OF THE COMMUNITY AND AS SUCH THESE COSTS AND SHORTFALLS SHOULD ALSO BE CONSIDERED AS AN ADDITIONAL BENEFIT THAT AMH PROVIDES TO THE COMMUNITY AND SURROUNDING AREAS THE COSTING METHOD USED ABOVE FOR IRS 990 COMPLIANCE REPORTING IS ALSO BASED ON THE FILED MEDICARE COST REPORT FOR THE YEAR ENDED JUNE 30, 2013 AND DOES NOT CONSIDER MEDICARE NON-ALLOWABLE EXPENSES AS IT IS BASED ON TOTAL HOSPITAL PATIENT SERVICES REVENUES (IGNORING CONTRACTUAL ADJUSTMENTS ON FEE SCHEDULE REIMBURSED ITEMS AND NON-ALLOWABLE MEDICARE EXPENSES AS NOTED ABOVE) WHETHER THERE IS A SHORTFALL OR SURPLUS ON SERVICES PROVIDED TO MEDICARE BENEFICIARES, THESE PEOPLE, WHICH ARE TYPICALLY ELDERLY OR DISABLED MEMBERS OF THE COMMUNITY, ARE AN UNDERSERVED POPULATION WHO EXPERIENCE ISSUES WITH ACCESS TO HEALTH CARE SERVICES WITHOUT TAX-EXEMPT HOSPITALS PROVIDING MEDICARE PATIENT SERVICES, THE CENTERS FOR MEDICARE AND MEDICAID (CMS) WOULD BEAR THE BURDEN OF DIRECTLY PROVIDING THE SERVICES TO THE ELDERLY AND DISABLED MEMBERS OF THE COMMUNITY

Form and Line Reference	Explanation
PART III, LINE 9B	ASPIRUS MEDFORD HOSPITAL & CLINICS, INC (AMH) MAKES PATIENTS AWARE OF FINANCIAL ASSISTANCE POLICIES AT VARIOUS POINTS DURING THE SERVICE AND PAYMENT COLLECTION PROCESS

Form and Line Reference	Explanation
PART VI, LINE 2	ASPIRUS MEDFORD HOSPITAL & CLINICS, INC (AMH) UTILIZES SEVERAL METHODS IN ASSESSING COMMUNITY HEALTH CARE NEEDS SOME OF THEM ARE AS FOLLOWS WORKING CLOSELY WITH THE LOCAL HEALTH DEPARTMENT, SCHOOL DISTRICT, COUNTY AGING DEPARTMENT, AND OTHER ORGANIZATIONS IN THE COMMUNITY, DEMOGRAPHIC DATA FROM SURROUNDING COMMUNITIES, AND EXTERNAL REPORTS, PARTICULARLY THOSE PUBLISHED BY THE LOCAL DEPARTMENT OF HEALTH AMH, AT THE END OF FISCAL YEAR 2013, COMPLETED A COMMUNITY HEALTH NEEDS ASSESSMENT REPORT AND WILL USE THE DATA AND FINDINGS OF THIS REPORT TO GUIDE AMH IN THE FUTURE TO BE ABLE TO RESPOND TO THOSE NEEDS

Form and Line Reference	Explanation
PART VI, LINE 3	AT THE TIME OF REGISTRATION ALL PATIENTS WILL BE ASKED IF THEY HAVE HEALTH INSURANCE IF NOT, THEY WILL BE PROVIDED THE ASPIRUS MEDFORD HOSPITAL & CLINICS, INC (AMH) COMMUNITY CARE APPLICATION AND COMMUNITY CARE PROGRAM GUIDELINES INFORMATION SHEET ANY PATIENT REQUESTING ADDITIONAL INFORMATION ABOUT THE COMMUNITY CARE PROGRAM WILL BE REFERRED TO A FINANCIAL COUNSELOR, WHO WILL EXPLAIN THE PROGRAM AND ITS ELIGIBILITY CRITERIA ALL GOVERNMENT ASSISTANCE PROGRAMS SUCH AS MEDICAL ASSISTANCE, BADGER CARE, AND GENERAL RELIEF MUST BE EXHAUSTED BEFORE APPLYING FOR COMMUNITY CARE THIS INFORMATION IS ALSO AVAILABLE TO PATIENTS DURING THEIR VISIT AT AMH, ON THE BILLING STATEMENT, AND OFFERED AGAIN DURING THE COLLECTION PROCESS

Form and Line Reference	Explanation
PART VI, LINE 4	ALTHOUGH ASPIRUS MEDFORD HOSPITAL & CLINICS, INC (AMH) IS LOCATED IN MEDFORD, WISCONSIN, WE HAVE HISTORICALLY DEFINED OUR "COMMUNITY" AS A MUCH BROADER AREA, INCLUDING ALL OF TAYLOR COUNTY, THE SOUTHERN AREA OF PRICE COUNTY, THE NORTHEAST PORTION OF CLARK COUNTY, AND THE NORTHWEST CORNER OF MARATHON COUNTY WITHIN THIS AREA OUR PRIMARY SERVICE AREA CONSISTS OF A 5 TO 20 MILE RADIUS AROUND MEDFORD IN THE LAST TWO YEARS APPROXIMATELY 60% OF OUR PATIENT VOLUME HAS COME FROM THE PRIMARY AREA AND 95% FROM WITHIN OUR COMMUNITY TAYLOR AND PRICE COUNTIES ARE LARGELY CAUCASIAN AND ARE ALMOST EXCLUSIVELY RURAL WITH 13 2% OF ADULTS BEING UNINSURED AND 23 8% OF CHILDREN ARE ELIGIBLE FOR FREE SCHOOL LUNCHES THE MEDIAN HOUSEHOLD INCOMES IN TAYLOR AND PRICE COUNTIES ARE BOTH BELOW THE STATE AVERAGE, WHILE THE STATE AVERAGE IS ALSO BELOW THE NATIONAL AVERAGE THE MAJOR OCCUPATIONS IN THE COMMUNITY ARE MANUFACTURING, TRADE/TRANSPORTATION/UTILITIES, EDUCATION AND HEALTH, WHICH INCLUDES AMH

Form and Line Reference	Explanation
PART VI, LINE 5	ASPIRUS MEDFORD HOSPITAL & CLINICS, INC (AMH) IS IN A PHYSICIAN SHORTAGE AREA AND WORKS HARD TO RECRUIT PROVIDERS TO OUR AREA TO FILL THE NEEDS OF OUR COMMUNITY WE ALSO HAVE EMPLOYEES THAT ARE REPRESENTING AMH AND ARE ACTIVE IN OTHER GROUPS TO HELP IN BUILDING COMMUNITY EFFORTS TO IMPROVE HEALTHCARE IN OUR SERVICE AREA AMH ALSO GIVES CASH DONATIONS TO PROGRAMS THAT ADDRESS THE ROOT CAUSES OF HEALTH PROBLEMS IN THE COMMUNITY THE MAJORITY OF AMH'S GOVERNING BODY IS COMPRISED OF RESIDENTS THAT ARE IN AMH'S PRIMARY SERVICE AREA WHO ARE NEITHER EMPLOYEES NOR CONTRACTORS OF THE FAMILY MEMBERS THEREOF AMH ALSO EXTENDS MEDICAL PRIVILEGES TO ALL QUALIFIED PHYSICIANS IN THE COMMUNITY TO INSURE THAT OUR SERVICE AREA HAS THE HEALTHCARE NEEDED

Form and Line Reference	Explanation
PART VI, LINE 6	ASPIRUS MEDFORD HOSPITAL & CLINICS, INC (AMH) IS A PARTNER WITH ASPIRUS, INC A MULTI-SPECIALTY HEALTH SYSTEM WITH A BASE LOCATION IN WAUSAU, WISCONSIN AMH WORKS WITH ASPIRUS TO PROMOTE HEALTH AND WELLNESS INITIATIVES IN THE COMMUNITIES THEY SERVE AS NOTED PREVIOUSLY IN THE FORM 990, A NUMBER OF REPRESENTATIVES FROM ASPIRUS HAVE ROLES ON THE BOARD OF DIRECTORS OF AMH AND TOGETHER PROMOTE THE MISSION OF ASPIRUS ASPIRUS IS AN INTEGRATED, COMMUNITY-GOVERNED HEALTHCARE SYSTEM, WHICH LEADS BY ADVANCING INITIATIVES TO IMPROVING THE HEALTH OF ALL IT SERVES ASPIRUS WORKS COLLABORATIVELY WITH OTHERS WHO SHARE ITS PASSION FOR EXCELLENCE AND COMPASSION FOR PEOPLE ASPIRUS AND AMH WORK COLLABORATIVELY TO STREAMLINE PROCESSES TO CONTINUE TO PROVIDE HIGH QUALITY CARE TO MEMBERS OF COMMUNITIES WHICH OTHERWISE WITHOUT THE EFFORTS OF A COMBINED PARTNERSHIP MAY NOT HAVE ACCESS TO THIS CARE LOCALLY

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

Additional Data

Software ID:
Software Version:
EIN: 39-0964813
Name: ASPIRUS MEDFORD HOSPITAL & CLINICS INC
(FKA MEMORIAL HEALTH CENTER INC)

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
ASPIRUS MEDFORD HOSPITAL	PART V, SECTION B, LINE 3 ASPIRUS MEDFORD HOSPITAL & CLINICS, INC (AMH) GATHERED QUALITATIVE INFORMATION AND PERSPECTIVES ON COMMUNITY HEALTH NEEDS THROUGH TWO ROUNDS OF ONE-ON-ONE AND SMALL GROUP INTERIEWS WITH KEY COMMUNITY STAKEHOLDERS THE PRIMARY GOAL OF THESE INTERVIEWS WAS TO ASCERTAIN A RANGE OF PERSPECTIVES ON THE COMMUNITY'S HEALTH NEEDS ASPIRUS MEDFORD HOSPITAL & CLINICS, INC GATHERED INFORMATION FROM THE FOLLOWING SPECIFIED GROUPS WITHIN THE COMMUNITY - PEOPLE WITH SPECIAL KNOWLEDGE OR EXPERTISE IN PUBLIC HEALTH- FEDERAL, TRIBAL, REGIONAL, STATE OR LOCAL HEALTH OR OTHER DEPARTMENTS OR AGENCIES, WITH CURRENT DATA OR OTHER INFORMATION RELEVANT TO THE HEALTH NEEDS OF THE COMMUNITY SERVED BY AMH- LEADERS, REPRESENTATIVES OR MEMBERS OF MEDICALLY UNDERSERVED POPULATIONS- LEADERS, REPRESENTATIVES OR MEMBERS OF LOW-INCOME POPULATIONS- LEADERS, REPRESENTATIVES OR MEMBERS OF MINORITY POPULATIONS- LEADERS, REPRESENTATIVES OR MEMBERS OF POPULATIONS WITH CHRONIC DISEASE NEEDSINDIVIDUALS FROM EACH GROUP LISTED ABOVE PARTICIPATED IN THE COMMUNITY HEALTH NEEDS PROCESS BY CONTRIBUTING THEIR PERSPECTIVES, OPINIONS, AND OBSERVATIONS IN ADDITION TO INTERVIEWS, ASPIRUS MEDFORD HOSPITAL & CLINICS, INC ALSO CONDUCTED THREE COMMUNITY FORUMS, TITLED "LISTENING SESSIONS" TO GET BROADER INPUT FROM THE GENERAL PUBLIC THE FORUMS WERE ADVERTISED THROUGH LOCAL NEWSPAPER, RADIO, FLYERS AND WORD-OF-MOUTH FROM THE INTERVIEWS AND FORUMS, KEY OR PRIORITY NEEDS WERE IDENTIFIED TO BE ADDRESSED AS A RESULT OF THE INFORMATION GATHERED ON HEALTH NEEDS IN THE COMMUNITY AND PRIMARY SERVICE AREA OF ASPIRUS MEDFORD HOSPITAL & CLINCS, INC

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
ASPIRUS MEDFORD HOSPITAL	PART V, SECTION B, LINE 7 THERE WERE ITEMS IDENTIFIED IN THE CHNA WHICH WERE NOT ADDRESSED BY AMH, HOWEVER, ALL ITEMS WERE CONSIDERED IF A NEED WAS BROUGHT TO THE ATTENTION OF THE GROUP DURING THE INFORMATION GATHERING PHASE OF THE CHNA PROCESS SEVERAL OF THE ITEMS WHICH WERE NOT ADDRESSED PRIMARILY WERE NOT ADDRESSED DUE TO THE FINANCIAL CONSTRAINT OF PROVIDING THE SERVICE FOR A LIMITED POPULATION OF PEOPLE WITHIN THE PRIMARY SERVICE AREA AMH ALSO CONSIDERED STAFFING RESOURCES IN ADDITION TO FINANCIAL CONSIDERATIONS TO ENSURE THAT THERE ARE ENOUGH PERSONNEL RESOURCES AVAILABLE FOR ANY PROGRAMS THAT MAY NOT CURRENTLY BE OFFERED BY AMH DUE TO THE FINANCIAL AND STAFFING CONSTRAINTS, AMH HAS DETERMINED THE TOP THREE PRIORITIES THAT THEY WILL FOCUS THEIR ATTENTION ON, AS THESE ISSUES WERE THE MOST CRITICAL AND SIGNIFICANT WORK NEEDS TO BE DONE IN THESE AREAS OVER THE NEXT THREE YEARS AS THE IMPLEMENTATION STRATEGY IS IMPLEMENTED, AMH PLANS TO CONTINUALLY EVALUATE THE BENEFITS PROVIDED TO COMMUNITY MEMBERS TO ENSURE THAT HEALTH NEEDS ARE MET WHENEVER POSSIBLE

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
ASPIRUS MEDFORD HOSPITAL	PART V, SECTION B, LINE 20D AMH PROVIDES DISCOUNTS FROM ITS STANDARD PATIENT CHARGE AMOUNTS FOR ELIGIBLE PATIENTS UNDER ITS FINANCIAL AID DISCOUNT POLICY QUALIFYING PATIENTS RECEIVING EMERGENCY OR OTHER MEDICALLY NECESSARY CARE, AS DEFINED BY THE POLICY, WHO HAVE FAMILY INCOME UP TO 150% OF THE FEDERAL POVERTY GUIDELINES WILL NOT BE CHARGED FOR THESE SERVICES AND QUALIFYING PATIENTS WITH FAMILY INCOME BETWEEN 150% AND 300% OF THE FEDERAL POVERTY GUIDELINES WILL BE OFFERED A DISCOUNT ON A SLIDING SCALE FROM 25% TO 75% OF THE STANDARD CHARGE WITH A MINIMUM PATIENT COPAY OF $10 PATIENTS ALSO WILL BE OFFERED PAYMENT ARRANGEMENTS BASED ON AMH'S POLICIES, SO IF A COPAY AMOUNT AFTER DISCOUNT IS BURDENSOME TO PAY AT ONE TIME, A PATIENT MAY PAY THESE AMOUNTS OVER TIME PATIENTS WILL ALSO BE PROVIDED EMERGENCY MEDICAL CARE PRIOR TO PAYMENT DETERMINATIONS AS IT IS THE GOAL OF ASPIRUS MEDFORD HOSPITAL & CLINCS, INC THAT CONCERNS OVER A HOSPITAL BILL SHOULD NEVER GET IN THE WAY OF A PATIENT RECEIVING ESSENTIAL HEALTH SERVICES

Form 990 Schedule H, Part V Section D. Other Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility

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?

Name and address	Type of Facility (describe)
ASPIRUS MEDFORD CLINIC 143 SOUTH GIBSON STREET MEDFORD,WI 54451	OUTPATIENT CLINIC
ASPIRUS CARE & REHAB 135 SOUTH GIBSON STREET MEDFORD,WI 54451	OUTPATIENT CLINIC
ASPIRUS PHARMACY - MEDFORD 139 SOUTH GIBSON STREET MEDFORD,WI 54451	OUTPATIENT CLINIC
ASPIRUS THERAPY & FITNESS - MEDFORD 103 SOUTH GIBSON STREET MEDFORD,WI 54451	OUTPATIENT CLINIC
ASPIRUS COUNTRY GARDENS 635 WEST CEDAR STREET MEDFORD,WI 54451	OUTPATIENT CLINIC
ASPIRUS KIDNEY CARE - MEDFORD 111 SOUTH GIBSON STREET MEDFORD,WI 54451	OUTPATIENT CLINIC
ASPIRUS PRENTICE CLINIC 1511 RAILROAD AVENUE PRENTICE,WI 54456	OUTPATIENT CLINIC
ASPIRUS PHILLIPS CLINIC 625 PETERSON AVENUE PHILLIPS,WI 54555	OUTPATIENT CLINIC
ASPIRUS THERAPY - PRENTICE 619 BRIDGE STREET PRENTICE,WI 54456	OUTPATIENT CLINIC
ASPIRUS RIB LAKE CLINIC 1121 HIGHWAY 102 RIB LAKE WI,WI 54451	OUTPATIENT CLINIC
ASPIRUS GILMAN CLINIC 320 EAST MAIN STREET MEDFORD,WI 54433	OUTPATIENT CLINIC

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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
ASPIRUS MEDFORD HOSPITAL & CLINICS INC
(FKA MEMORIAL HEALTH CENTER INC)

Employer identification number
39-0964813

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

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table . . . . . ▶ 0

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

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

Return Reference	Explanation
PART I, LINE 2	AS A MAJOR EMPLOYER AND COMMUNITY SUPPORTER, ASPIRUS MEDFORD HOSPITALS & CLINICS, INC (AMH) RECEIVES MANY REQUESTS FOR DONATIONS OF BOTH MONEY AND MATERIAL GOODS BY VARIOUS LOCAL AGENCIES AND INDIVIDUALS AS A NONPROFIT, AMH MUST CONTINUOUSLY JUSTIFY ITS TAX-EXEMPT STATUS TO THE IRS AMH NEEDS TO UTILIZE ITS RESOURCES AND ENDORSE THOSE ACTIVITIES THAT SUPPORT ITS TAX-EXEMPT PURPOSE, WHICH IS TO PROVIDE HEALTH CARE SERVICES AND PROMOTE HEALTH AND WELLNESS TO THE COMMUNITIES IT SERVES REQUESTS ARE CHANNELED IN A WAY THAT MAXIMIZES BENEFIT TO THE COMMUNITY AND ASSURES COMPLIANCE WITH CORPORATE NOT-FOR-PROFIT RULES AMH'S WRITTEN DONATIONS POLICY OUTLINES ACCEPTABLE RECIPIENTS AND APPROPRIATE OBJECTIVES PRIOR TO AWARDING ANY ASSISTANCE DUE TO THE CHARITABLE NATURE OF THE GRANTS AND ALLOCATIONS AWARDED, NO FORMAL MONITORING IS REQUIRED NO ONE RECIPIENT RECEIVED MORE THAN $5,000

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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
ASPIRUS MEDFORD HOSPITAL & CLINICS INC
(FKA MEMORIAL HEALTH CENTER INC)

Employer identification number
39-0964813

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**		No
b	Any related organization?	**6b**		No
	If "Yes," to line 6a or 6b, describe in Part III			
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	**7**		No
8	Were any amounts reported in Form 990, Part VII, paid or accured pursuant to a contract that was subject to the initial contract exception described in Regulations section 53 4958-4(a)(3)? If "Yes," describe in Part III	**8**		No
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	**9**		

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii) Do not list any individuals that are not listed on Form 990, Part VII

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual

(A) Name and Title	**(B)** Breakdown of W-2 and/or 1099-MISC compensation			**(C)** Retirement and other deferred compensation	**(D)** Nontaxable benefits	**(E)** Total of columns (B)(i)-(D)	**(F)** Compensation reported as deferred in prior Form 990
	(i) Base compensation	**(ii)** Bonus & incentive compensation	**(iii)** Other reportable compensation				
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
PART I, LINE 1A	TAX INDEMNIFICATION AND GROSS-UP PAYMENTS - E BRANSTETTER $8,777, M YOUNG $1,398, S FRAZIER $1,350, T SENNHOLZ $1,452, T FLANDERMEYER $2,911, A FALKENBERG $1,415, L PECK $1,469, - INCLUDED IN TAXABLE COMPENSATION
PART I, LINE 4B	AMH SPONSORS A NONQUALIFIED TAX EQUALIZED ANNUITY PLAN COVERING EMPLOYED PHYSICIANS PHYSICIANS ARE ELIGIBLE TO PARTICIPATE IN THE PLAN AFTER ONE YEAR OF SERVICE PARTICIPANTS IN THE PLAN ARE IMMEDIATELY 100% VESTED CONTRIBUTIONS TO THE PLAN E BRANSTETTER $22,262, T FLANDERMEYER $12,324

Additional Data

Software ID:
Software Version:
EIN: 39-0964813
Name: ASPIRUS MEDFORD HOSPITAL & CLINICS INC
(FKA MEMORIAL HEALTH CENTER 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				
SUSAN FRAZIER PHYSICIAN/BOARD MEMBER	(I) (II)	180,111 0	0 0	11,800 0	8,072 0	7,264 0	207,247 0	0 0
TROY D SENNHOLZ CHIEF OF STAFF/BOARD MEMBER	(I) (II)	318,286 0	0 0	13,960 0	12,571 0	26,132 0	370,949 0	0 0
TERRIE FLANDERMEYER PHYSICIAN/BOARD MEMBER	(I) (II)	152,178 0	0 0	12,307 0	6,402 0	8,542 0	179,429 0	0 0
ALECIA HYLTON PHYSICIAN/TERMED BOARD MEMBER	(I) (II)	237,205 0	0 0	15,006 0	11,619 0	9,447 0	273,277 0	0 0
ERIK T BRANSTETTER PHYSICIAN/SECRETARY	(I) (II)	462,742 0	101,490 0	22,498 0	12,571 0	24,271 0	623,572 0	0 0
GREGORY A OLSON PRESIDENT/CEO	(I) (II)	270,925 0	57,186 0	12,075 0	12,571 0	14,760 0	367,517 0	0 0
LORI P PECK VP FINANCE/CFO	(I) (II)	153,941 0	20,512 0	10,674 0	6,491 0	278 0	191,896 0	0 0
SCOTT T BUSKERUD ANESTHETIST	(I) (II)	244,526 0	3,338 0	11,349 0	11,943 0	23,674 0	294,830 0	0 0
AMY A FALKENBERG PHYSICIAN	(I) (II)	309,230 0	0 0	16,016 0	12,571 0	23,542 0	361,359 0	0 0
RYAN DIEGEL ANESTHETIST	(I) (II)	239,314 0	0 0	19,141 0	11,607 0	25,039 0	295,101 0	0 0
MARGARET S YOUNG PHYSICIAN	(I) (II)	333,455 0	5,921 0	11,264 0	12,571 0	17,330 0	380,541 0	0 0
MICHELLE M ROIGER PHYSICIAN	(I) (II)	246,065 0	3,250 0	4,420 0	6,892 0	14,575 0	275,202 0	0 0

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Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
ASPIRUS MEDFORD HOSPITAL & CLINICS INC
(FKA MEMORIAL HEALTH CENTER INC)

Employer identification number
39-0964813

Part I Bond Issues

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pool financing	
							Yes	No	Yes	No	Yes	No
A	WI HEALTH & EDUCATION FACILITIES AUTHORITY	39-1337855	S86951160	04-12-2013	15,665,000	CONSTRUCT, RENOVATE, AND EQUIP FACILITIES		X		X		X

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired	285,000			
2	Amount of bonds legally defeased				
3	Total proceeds of issue	16,902,595			
4	Gross proceeds in reserve funds				
5	Capitalized interest from proceeds				
6	Proceeds in refunding escrows				
7	Issuance costs from proceeds				
8	Credit enhancement from proceeds				
9	Working capital expenditures from proceeds				
10	Capital expenditures from proceeds				
11	Other spent proceeds	16,902,595			
12	Other unspent proceeds				
13	Year of substantial completion	2006			

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

Part III Private Business Use

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

Part III Private Business Use *(Continued)*

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts that may result in private business use of bond-financed property?		X						
b	If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?								
c	Are there any research agreements that may result in private business use of bond-financed property?		X						
d	If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶								
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶		1 000 %						
6	Total of lines 4 and 5		1 000 %						
7	Does the bond issue meet the private security or payment test?		X						
8a	Has there been a sale or disposition of any of the bond financed property to a nongovernmental person other than a 501(c)(3) organization since the bonds were issued?		X						
b	If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of								
c	If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1 141-12 and 1 145-2?								
9	Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1 141-12 and 1 145-2?		X						

Part IV Arbitrage

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

Part IV Arbitrage *(Continued)*

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

Part V Procedures To Undertake Corrective Action

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

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

Return Reference	Explanation

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Schedule L (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
ASPIRUS MEDFORD HOSPITAL & CLINICS INC
(FKA MEMORIAL HEALTH CENTER INC)

Employer identification number
39-0964813

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

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

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

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

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

Part II Loans to and/or From Interested Persons.

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

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

Part III Grants or Assistance Benefitting Interested Persons.

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

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

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) SUSAN COURTNEY	FAMILY MEMBER OF G COURTNEY, BOARD MEMBER	94,463	EMPLOYMENT COMPENSATION		No
(2) UMR INC (SUBSIDIARY OF UNITED HEALTH GROUP INC)	BRUCE CZECH IS THE BOARD CHAIR AND CFO OF UMR, INC	822,472	AMH CONTRACTS WITH UMR TO ADMINISTER THE SELF-INSURED HEALTH PLAN		No
(3) AMANDA LANGE	FAMILY MEMBER OF G COURTNEY, BOARD MEMBER	55,347	EMPLOYMENT COMPENSATION		No

Part V Supplemental Information

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

Return Reference	Explanation

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SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
ASPIRUS MEDFORD HOSPITAL & CLINICS INC
(FKA MEMORIAL HEALTH CENTER INC)

Employer identification number
39-0964813

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 2	MARITA A HATTEM, JEANNE D SCINTO, RICK NEVERS, MATTHEW HEYWOOD, AND F DEAN DANNER, JR HAVE A BUSINESS RELATIONSHIP THESE BOARD MEMBERS ARE EMPLOYED BY ASPIRUS, INC AND IT'S AFFILIATES (SEE INFORMATION RELATED TO ASPIRUS, INC DESCRIBED IN FORM 990, PART VI, SECTION A, LINES 6 AND 7)

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 4	THE BYLAWS WERE REVISED TO REFLECT THE NEW LEGAL NAME OF "ASPIRUS MEDFORD HOSPITAL & CLINICS, INC "

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 6	AMH'S CORPORATE MEMBERS ARE MEMORIAL MEMBER ASSOCIATION, INC AND ASPIRUS, INC , BOTH WISCONSIN NONSTOCK CORPORATIONS

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7A	AMH'S BOARD OF DIRECTORS IS ELECTED AS FOLLOWS (A) FOUR DIRECTORS ARE APPOINTED BY MEMORIAL MEMBER ASSOCIATION (B) FOUR DIRECTORS ARE APPOINTED BY ASPIRUS, INC (C) FOUR DIRECTORS ARE APPOINTED BY OR REPRESENT PHYSICIANS ASSOCIATED WITH THE CORPORATION AS FOLLOWS (1) TWO PHYSICIAN DIRECTORS ARE PHYSICIANS EMPLOYED BY AMH WHO ARE ELECTED BY THE PHYSICIANS EMPLOYED BY AMH (2) ONE PHYSICIAN DIRECTOR IS A MEMBER OF THE ACTIVE MEDICAL STAFF AND IS ELECTED BY THE MEMBERS OF THE MEDICAL STAFF OF AMH (3) ONE PHYSICIAN DIRECTOR IS THE CHIEF OF STAFF THE CHIEF OF STAFF IS ELECTED BY THE MEDICAL STAFF ON AN ANNUAL BASIS AND IS SEATED ON THE AMH BOARD FOR HIS/HER TERM AS CHIEF OF STAFF

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7B	POWERS RESERVED TO THE CORPORATE MEMBERS IN ADDITION TO DOING ALL THINGS REQUIRED BY LAW AND EXCEPT AS OTHERWISE PROVIDED, THE CORPORATE MEMBERS HAVE THE FOLLOWING SPECIFIC RIGHTS AND RESPONSIBILITIES (A) INITIATE AND APPROVE ANY CHANGE IN THE PHILOSOPHY, CHARACTER, OR MISSION OF THE CORPORATION AND APPROVE THE LONG-RANGE GOALS, STRATEGIC PLANS, AND OVERALL PURPOSES (B) INITIATE AND APPROVE ALL AMENDMENTS TO THE ARTICLES OF INCORPORATION AND BYLAWS OF THE CORPORATION AND ALL SUBSIDIARIES (C) INITIATE AND APPROVE THE ADDITION OF NEW MEMBERS OF THE CORPORATION (D) INITIATE AND APPROVE THE ESTABLISHMENT, TRANSFER AND/OR DISSOLUTION OF ANY SUBSIDIARY CORPORATIONS (E) INITIATE AND APPROVE BORROWING OF MONEY AND OTHER FORMS OF INDEBTEDNESS IN EXCESS OF $1,000,000 (F) INITIATE AND APPROVE THE PURCHASE, SALE, LEASE, DISPOSITION, ENCUMBRANCE OR ALIENATION OF PROPERTY WITH A VALUE IN EXCESS OF $1,000,000 (G) INITIATE AND APPROVE ANY PLAN OF DISSOLUTION OR MERGER, CONSOLIDATION, ACQUISITION OR DISPOSITION OF REAL PROPERTY, OR RELOCATION OF THE FACILITIES (H) INITIATE AND APPROVE STRATEGIC ALLIANCES AND AFFILIATIONS OF THE CORPORATION (I) INITIATE AND APPROVE THE DISTRIBUTION OF THE NET PROCEEDS AND ASSETS OF THE CORPORATION IN THE EVENT OF DISSOLUTION (J) APPROVE THE SELECTION OF THE CEO OF THIS CORPORATION

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11	A DRAFT COPY OF THE FORM 990 WAS PRESENTED BY THE CFO TO THE FULL BOARD WHO REVIEWED VARIOUS AREAS OF INTEREST AND ASKED ANY QUESTIONS ANY CHANGES IDENTIFIED DURING THIS REVIEW WERE MADE PRIOR TO FILING THE FORM 990 WITH THE IRS

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 12C	EACH BOARD MEMBER AND EMPLOYEE SHALL DISCLOSE TO THE APPROPRIATE LEVEL OF MANAGEMENT ANY CIRCUMSTANCE UNDER WHICH THE BOARD MEMBER, EMPLOYEE, OR AN IMMEDIATE FAMILY MEMBER, BY VIRTUE OF A FINANCIAL INTEREST, MAY BE INFLUENCED, OR MAY APPEAR TO BE INFLUENCED, EITHER IN WHOLE OR IN PART, BY ANY PURPOSE OR MOTIVE OTHER THAN THE SUCCESS AND WELL BEING OF AMH AND ITS SUBSIDIARIES AND THE ACHIEVEMENT OF ITS PUBLIC CHARITABLE PURPOSES PRIOR TO ENTERING INTO ANY ARRANGEMENT WITH AN OUTSIDE ORGANIZATION, INDIVIDUALS MUST DISCLOSE POTENTIAL CONFLICTS OF INTEREST TO THEIR RESPECTIVE SUPERVISOR, BOARD MEMBERS TO THE BOARD PRESIDENT EACH CIRCUMSTANCE OF A POTENTIAL CONFLICT OF INTEREST WILL BE REVIEWED ON AN INDIVIDUAL BASIS THE MANAGER WILL RESPOND IN WRITING (WITH A COPY TO THE PERSONNEL FILE) AFTER CONSULTATION WITH THE APPROPRIATE VICE PRESIDENT AS TO WHETHER THE ARRANGEMENT IS OR IS NOT ACCEPTABLE

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 15	THE PRESIDENT/CEO'S COMPENSATION IS REVIEWED AND APPROVED BY THE EXECUTIVE COMPENSATION COMMITTEE USING APPROPRIATE COMPARABILITY DATA FROM REGIONAL, STATE, AND NATIONAL SOURCES WITH AN INDEPENDENT EXTERNAL CONSULTANT REVIEW EVERY THREE YEARS THE REVIEW AND APPROVAL OF PRESIDENT/CEO COMPENSATION IS SUBSTANTIATED THROUGH MEETING MINUTES AND AMH'S WRITTEN MARKET ANALYSIS POLICY OTHER OFFICER AND KEY EMPLOYEE COMPENSATION IS REVIEWED AND APPROVED BY THE EXECUTIVE COMPENSATION COMMITTEE USING APPROPRIATE COMPARABILITY DATA FROM REGIONAL, STATE, AND NATIONAL SOURCES WITH AN INDEPENDENT EXTERNAL CONSULTANT REVIEW THE REVIEW AND APPROVAL OF COMPENSATION IS SUBSTANTIATED THROUGH MEETING MINUTES AND AMH'S WRITTEN MARKET ANALYSIS POLICY

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

Return Reference	Explanation
FORM 990, PART VII, SECTION A, EXPLANATION OF HOURS WORKED	SOME OFFICERS AND DIRECTORS ALSO PROVIDED SERVICE TO OTHER RELATED ORGANIZATIONS OTHER THAN ASPIRUS MEDFORD HOSPITAL & CLINICS, INC THESE HOURS ARE REFLECTED IN LINE 2 OF COLUMN B

Return Reference	Explanation
FORM 990, PART IX, LINE 11G	CONTRACTED/PURCHASED SERVICES PROGRAM SERVICE EXPENSES 2,366,024 MANAGEMENT AND GENERAL EXPENSES 1,761,992 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 4,128,016 CUSTOMER RELATIONS PROGRAM SERVICE EXPENSES 4,276 MANAGEMENT AND GENERAL EXPENSES 0 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 4,276 PHARMACY PURCHASED SERVICES PROGRAM SERVICE EXPENSES 275,242 MANAGEMENT AND GENERAL EXPENSES 0 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 275,242 LAB PURCHASED SERVICES PROGRAM SERVICE EXPENSES 576,833 MANAGEMENT AND GENERAL EXPENSES 0 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 576,833 LAUNDRY PURCHASED SERVICES PROGRAM SERVICE EXPENSES 1,756 MANAGEMENT AND GENERAL EXPENSES 0 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 1,756 MEDICAL FEES PROGRAM SERVICE EXPENSES 1,427,336 MANAGEMENT AND GENERAL EXPENSES 0 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 1,427,336 COLLECTION EXPENSE PROGRAM SERVICE EXPENSES 0 MANAGEMENT AND GENERAL EXPENSES 143,268 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 143,268 RECRUITMENT PROGRAM SERVICE EXPENSES 0 MANAGEMENT AND GENERAL EXPENSES 77,438 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 77,438

Return Reference	Explanation
FORM 990, PART XI, LINE 9	CHANGE IN INTEREST IN NET ASSETS OF ASPIRUS MEDFORD FOUNDATION, INC 418,310

Return Reference	Explanation
FORM 990, PART XII, LINE 2C	ASPIRUS MEDFORD HOSPITAL & CLINICS, INC 'S BOARD OF DIRECTORS PROVIDES OVERSIGHT OF THE INDEPENDENT ACCOUNTANTS AND THE MEMBERS OF THE BOARD MEET WITH THE ACCOUNTANT BOTH PRIOR TO YEAR-END AND AFTER YEAR-END TO DISCUSS THE AUDIT AND OTHER MATTERS ASPIRUS MEDFORD HOSPITAL & CLINICS, INC ALSO IS PROVIDED ADDITIONAL OVERSIGHT OF ITS AUDIT PROCESS AND SELECTION OF THE INDEPENDENT ACCOUNTANT THROUGH THE AUDIT COMMITTEE OF ASPIRUS, INC THERE WERE NO CHANGES TO THIS PROCESS DURING THE YEAR ENDED JUNE 30, 2014

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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
ASPIRUS MEDFORD HOSPITAL & CLINICS INC
(FKA MEMORIAL HEALTH CENTER INC)

Employer identification number
39-0964813

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) ASPIRUS MEDFORD FOUNDATION INC 135 SOUTH GIBSON STREET MEDFORD, WI 54451 39-1777081	CHARITABLE FOUNDATION	WI	501(C)(3)	LINE 11C, III-FI	MEMORIAL MEMBER ASSOCIATION INC		No
(2) MEMORIAL MEMBER ASSOCIATION INC 135 SOUTH GIBSON STREET MEDFORD, WI 54451 39-2016506	MEMBER ASSOCIATION	WI	501(C)(3)	LINE 11A, I	N/A		No

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

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

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

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

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

		Yes	No
Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule			
1 During the tax year, did the orgranization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?			
a Receipt of **(i)** interest **(ii)** annuities **(iii)** royalties or **(iv)** rent from a controlled entity	1a		No
b Gift, grant, or capital contribution to related organization(s)	1b		No
c Gift, grant, or capital contribution from related organization(s)	1c	Yes	
d Loans or loan guarantees to or for related organization(s)	1d		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		No
k Lease of facilities, equipment, or other assets from related organization(s)	1k		No
l Performance of services or membership or fundraising solicitations for related organization(s)	1l	Yes	
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		No
p Reimbursement paid to related organization(s) for expenses	1p	Yes	
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

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

Aspirus Medford Hospital & Clinics, Inc.

Financial Statements

Years Ended June 30, 2014 and 2013

Table of Contents

WIPFLi LLP

Independent Auditor's Report

Board of Directors
Aspirus Medford Hospital & Clinics, Inc.
Medford, Wisconsin

We have audited the accompanying financial statements of Aspirus Medford Hospital & Clinics, Inc., which comprise the balance sheets as of June 30, 2014 and 2013, and the related statements of operations and changes in net assets and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

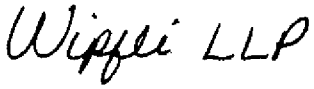
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Aspirus Medford Hospital & Clinics, Inc. as of June 30, 2014 and 2013, and the results of its operations and changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States.



Wipfli LLP

September 9, 2014
Wausau, Wisconsin

Aspirus Medford Hospital & Clinics, Inc.

Balance Sheets

June 30, 2014 and 2013

Assets	2014	2013
Current assets		
Cash and cash equivalents	$ 6,056,529	$ 7,575,996
Current portion of assets limited as to use	550,000	535,000
Patient accounts receivable - Net	7,684,715	7,305,846
Inventory	1,072,258	873,013
Prepaid expenses and other current assets	942,231	1,232,768
Estimated third-party payor settlements	1,567,178	-
Total current assets	17,872,911	17,522,623
Assets limited as to use	44,478,767	40,691,350
Property and equipment - Net	32,254,133	24,133,515
Other assets		
Interest in net assets of Foundation	1,660,996	1,287,605
Investments in unconsolidated affiliates	345,048	358,115
Deferred bond issuance costs - Net	188,728	198,818
Other	-	152,682
Total other assets	2,194,772	1,997,220
TOTAL ASSETS	$ 96,800,583	$ 84,344,708

Liabilities and Net Assets	2014	2013
Current liabilities		
Current maturities of long-term debt	$ 550,000	$ 535,000
Accounts payable		
Trade	2,379,202	1,553,490
Construction	1,159,145	2,059,457
Accrued salaries and wages	2,737,720	2,655,260
Accrued interest payable	256,777	150,491
Other accrued liabilities	1,375,239	1,398,413
Estimated third-party payor settlements	-	6,892
Total current liabilities	8,458,083	8,359,003
Long-term liabilities		
Long-term debt	17,607,497	18,215,509
Deferred compensation	1,840,917	1,400,159
Other long-term liabilities	60,906	262,895
Total long-term liabilities	19,509,320	19,878,563
Total liabilities	27,967,403	28,237,566
Net assets		
Unrestricted	67,127,265	54,819,537
Temporarily restricted	1,585,915	1,167,605
Permanently restricted	120,000	120,000
Total net assets	68,833,180	56,107,142
TOTAL LIABILITIES AND NET ASSETS	$ 96,800,583	$ 84,344,708

See accompanying notes to financial statements.

Aspirus Medford Hospital & Clinics, Inc.

Statements of Operations and Changes in Net Assets

Years Ended June 30, 2014 and 2013

	2014	2013
Revenue		
Patient service revenue - Net of contractual adjustments and discounts	$ 68,702,691	$ 61,908,793
Provision for bad debts	(310,246)	(588,658)
Net patient service revenue, less provision for bad debts	68,392,445	61,320,135
Other revenue	1,311,871	1,298,197
Total revenue	69,704,316	62,618,332
Expenses		
Salaries and wages	27,724,712	26,498,409
Employee benefits	8,432,354	8,060,394
Medical fees	1,427,335	2,299,303
Supplies	9,612,934	8,491,879
Purchased services and other	9,162,774	7,830,073
Insurance and utilities	1,100,016	957,250
Depreciation and amortization	3,509,179	3,236,439
Interest	512,161	232,760
Total expenses	61,481,465	57,606,507
Income from operations	8,222,851	5,011,825
Nonoperating income (loss).		
Investment income	3,990,240	2,481,496
Contributions and other	18,415	11,943
Interest rate swap valuation adjustment	-	914,185
Interest rate swap expense	-	(338,738)
Loss on extinguishment of debt	-	(100,099)
Total nonoperating income - Net	4,008,655	2,968,787
Revenue in excess of expenses	12,231,506	7,980,612

Aspirus Medford Hospital & Clinics, Inc.

Statements of Operations and Changes in Net Assets (Continued)

Years Ended June 30, 2014 and 2013

	2014	2013
Unrestricted net assets		
Revenue in excess of expenses (brought forward)	$ 12,231,506	$ 7,980,612
Amortization of effective portion of change in fair value of interest rate swap	-	(16,195)
Amortization of effective portion of change in fair value of interest rate swap upon termination of interest rate swap	-	(599,211)
Net assets released from restrictions	76,222	76,981
Increase in unrestricted net assets	12,307,728	7,442,187
Temporarily restricted net assets.		
Change in interest in net assets of Foundation	494,532	141,898
Net assets released from restrictions	(76,222)	(76,981)
Increase in temporarily restricted net assets	418,310	64,917
Increase in net assets	12,726,038	7,507,104
Net assets at beginning	56,107,142	48,600,038
Net assets at end	$ 68,833,180	$ 56,107,142

See accompanying notes to financial statements.

Aspirus Medford Hospital & Clinics, Inc.

Statements of Cash Flows

Years Ended June 30, 2014 and 2013

	2014	2013
Increase (decrease) in cash and cash equivalents		
Cash flows from operating activities		
Increase in net assets	$ 12,726,038	$ 7,507,104
Adjustments to reconcile increase in net assets to net cash provided by operating activities.		
Provision for bad debts	310,246	588,658
Depreciation and amortization	3,497,654	3,240,793
Amortization of bond premium	(58,012)	(12,086)
Change in interest in net assets of Foundation	(494,532)	(141,898)
Loss on extinguishment of debt	-	100,099
Decrease in equity in undistributed earnings of unconsolidated affiliates	13,067	8,494
Change in fair value of interest rate swap	-	(298,779)
(Gain) loss on disposal of property and equipment	11,525	(4,354)
Change in net unrealized gain on trading securities	(2,224,093)	(521,062)
Net decrease in deferred compensation	440,758	317,976
Changes in operating assets and liabilities.		
Patient accounts receivable	(689,115)	(1,392,437)
Inventory	(199,245)	167,011
Prepaid expenses and other current assets	186,470	(119,368)
Estimated third-party payor settlements	(1,574,070)	492,639
Investments and assets limited as to use, including realized gain	(1,578,324)	(3,385,312)
Accounts payable	825,712	641,987
Other accrued liabilities	264,247	215,500
Total adjustments	(1,267,712)	(102,139)
Net cash provided by operating activities	11,458,326	7,404,965

Aspirus Medford Hospital & Clinics, Inc.

Statements of Cash Flows (Continued)

Years Ended June 30, 2014 and 2013

	2014	2013
Cash flows from investing activities		
Capital expenditures	$ (12,519,015)	$ (2,743,700)
Distribution of interest in net assets of Foundation	76,222	76,981
Net cash used in investing activities	(12,442,793)	(2,666,719)
Cash flows from financing activities		
Proceeds from issuance of debt	-	15,665,000
Original issue premium	-	1,237,595
Principal payments on long-term debt	(535,000)	(17,450,000)
Termination of swap	-	(3,637,426)
Net cash used in financing activities	(535,000)	(4,184,831)
Net increase (decrease) in cash and cash equivalents	(1,519,467)	553,415
Cash and cash equivalents at beginning	7,575,996	7,022,581
Cash and cash equivalents at end	$ 6,056,529	$ 7,575,996
Supplemental cash flow information:		
Cash paid for interest including amounts capitalized	$ 617,266	$ 161,044
Capitalized interest	153,379	34,168
Property and equipment included in accounts payable	1,159,145	2,059,457
Financing costs included in other accrued liabilities	-	197,808
Foundation receivable included in prepaid expenses and other current assets	44,919	-

As of June 30, 2014 and 2013, the Organization recorded a gross up of insurance receivables and liabilities of $0 and $301,668, respectively. (Note 14)

Note 1 Summary of Significant Accounting Policies

Principal Business Activity

Memorial Member Association, Inc. and Aspirus, Inc. ("Aspirus"), both tax-exempt corporations, are each 50% corporate members of Aspirus Medford Hospital & Clinics, Inc. (the "Organization"), formerly known as Memorial Health Center, Inc. The Organization promotes the delivery of health services in Taylor and Price Counties in Wisconsin. Memorial Member Association, Inc. is a member organization that promotes health care in the communities which the Organization serves. Aspirus, Inc. is a health care system located in Wausau, Wisconsin. The Organization is composed of a 25-bed acute care critical access hospital (CAH), a 99-bed skilled nursing long-term care facility, 28 assisted living rental units, 10-community based residential facility (CBRF) units, 5 physician clinics, and a retail pharmacy.

Financial Statement Presentation

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

Use of Estimates in Preparation of Financial Statements

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

Note 1 Summary of Significant Accounting Policies (Continued)

Cash Equivalents

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

Investments and Investment Income

Investments are classified as trading securities and, accordingly, investments designated as assets limited as to use are recorded at fair value in the accompanying balance sheets with the changes in fair value during the period included in revenue in excess of expenses in the accompanying statements of operations and changes in net assets.

All investment income (including realized and unrealized gains and losses, interest, and dividends) is reported as other income (loss) and is included in revenue in excess of expenses unless the income is restricted by donor or law. Realized gains or losses are determined by specific identification.

Assets Limited as to Use

Assets limited as to use consists of investments designated by the Board of Directors for future capital improvements or debt service requirements and funds held for deferred compensation. The funds designated by the Board of Directors remain under the control of the Board and may at the Board's discretion subsequently be used for other purposes. Amounts required to meet current liabilities of the Organization have been classified as current assets in the accompanying balance sheets.

Note 1 Summary of Significant Accounting Policies (Continued)

Fair Value Measurements

The Organization measures fair value of its financial instruments using a three-tier hierarchy which prioritizes the inputs used in measuring fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows

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

Level 2 Inputs to the valuation methodology include

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

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

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

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs.

Note 1 Summary of Significant Accounting Policies (Continued)

Patient Accounts Receivable and Credit Policy

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

Patient accounts receivable are recorded in the accompanying balance sheets net of contractual adjustments and an allowance for uncollectible accounts which reflect management's best estimate of the amounts that will not be collected. Management provides for contractual adjustments under terms of third-party reimbursement agreements through a reduction of gross revenue and a credit to patient accounts receivable.

Note 1 Summary of Significant Accounting Policies (Continued)

Patient Accounts Receivable and Credit Policy (Continued)

In evaluating the collectability of patient accounts receivable, the Organization analyzes past results and identifies trends for each of its major payor sources of revenue to estimate the appropriate allowance for uncollectible accounts and provision for bad debts. Management regularly reviews data about these major payor sources of revenue in evaluating the sufficiency of the allowance for uncollectible accounts. Specifically, for receivables associated with services provided to patients who have third-party coverage, the Organization analyzes contractually due amounts and provides an allowance for uncollectible amounts on accounts for which the third-party payor has not yet paid, or for payors who are known to be having financial difficulties that make the realization of amounts due unlikely.

For receivables associated with self-pay patients (which includes both patients without insurance and patients with deductible and copayment balances due for which third-party coverage exists for part of the bill), the Organization records a significant provision for bad debts in the period of service on the basis of its past experience, which indicates that many patients are unable or unwilling to pay the portion of their bill for which they are financially responsible. The difference between the standards rates (or the discounted rates if negotiated) and the amounts actually collected after all reasonable collection efforts have been exhausted is charged against the allowance for uncollectible accounts.

Inventory

Inventory of supplies is valued at the lower of average cost or market.

Note 1 Summary of Significant Accounting Policies (Continued)

Property, Equipment, and Depreciation

Property and equipment acquisitions are recorded at cost or, if donated, at fair value at the date of donation. Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed using the straight-line method. Estimated useful lives range from 5 to 15 years for vehicles and movable equipment and 10 to 40 years for land improvements and buildings and fixed equipment.

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

Gifts of long-lived assets such as land, buildings, or equipment are reported as unrestricted support and are excluded from revenue in excess of 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 in service.

The Organization periodically evaluates whether events and circumstances have occurred that may affect the carrying value of property and equipment. If such events or circumstances indicate the carrying value may not be recoverable, impairment is determined by comparing the carrying value with the estimated future net discounted cash flows expected to result from the use of the assets, including cash flows from disposition. Should the sum of the expected future net cash flows be less than the carrying value, the Organization would recognize an impairment loss. No impairment loss was recognized in 2014 or 2013.

Note 1 Summary of Significant Accounting Policies (Continued)

Asset Retirement Obligation

Management annually assesses its existing properties to determine if there is a need to recognize a liability for a conditional asset retirement, specifically as it relates to its legal obligation to perform asset retirement activities, such as asbestos removal, on its existing properties. Asset retirement obligation represents the obligation to dispose of assets that are legally required to be removed at a future date. This obligation is recorded at the net present value using a risk-free interest rate and an inflationary rate. The liability will accrete over the term of the estimated life of the asset.

Interest in Net Assets of Foundation

Accounting guidance establishes standards of financial accounting and reporting for transactions in which an entity makes contributions to another entity or an entity that accepts contributions from a donor and agrees to use those assets on behalf of or transfer those assets and the return on those assets to another entity. Accordingly, the Organization recognizes its interest in the net assets of the Aspirus Medford Foundation, Inc. (the "Foundation") and adjusts that interest for its share of the change in the net assets of the Foundation.

Investments in Unconsolidated Affiliates

Investments in unconsolidated affiliates are accounted for using the equity or cost method, whichever is applicable.

Deferred Bond Issuance Costs and Bond Premium

Bond issue costs and original issue premium related to issuance of long-term debt are amortized on the straight-line method over the term of the related indebtedness. Amortization of bond issue costs is included with depreciation and amortization, and amortization of original issue premium is included with interest expense in the accompanying statements of operations and changes in net assets.

Note 1 Summary of Significant Accounting Policies (Continued)

Fair Value of Interest Rate Swap

The Organization used an interest rate swap to manage its risk related to interest rate movements. The interest rate swap was reported at fair value in the balance sheet. The Organization's risk management strategy was to stabilize cash flow variability on its variable rate debt with an interest rate swap. The interest rate swap was designated as a cash flow hedge. Under a cash flow hedge, the change in fair value of the derivative related to the effective portion of the hedge was recorded as a change in unrestricted net assets.

In 2008 going forward, hedge accounting was discontinued. Changes in fair value of the interest rate swap were reported in nonoperating income or loss in the accompanying statements of operations and changes in net assets. The cumulative change in fair value that was recorded through net assets from the inception of the interest rate swap agreement was being amortized into earnings over the remaining life of the swap until hedge accounting was discontinued.

During 2013, the interest rate swap was terminated and the remaining unamortized balance of the cumulative change in fair value remaining in net assets was reclassified into earnings.

Net Assets

Unrestricted net assets consist of investments and otherwise unrestricted amounts that are available for use in carrying out the mission of the Organization and include those expendable resources which have been designated for special use by the Board of Directors. Temporarily restricted net assets are those whose use by the Organization 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 Organization in perpetuity.

Note 1 Summary of Significant Accounting Policies (Continued)

Revenue in Excess of Expenses

The statements of operations and changes in net assets include the classification revenue in excess of expenses which is considered the operating indicator. Changes in net assets, which are excluded from the operating indicator, include permanent transfer of assets to and from affiliates for other than goods and services, 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, and changes in the value of derivatives designated as cash flow hedges.

Patient Service Revenue - Net of Contractual Adjustments and Discounts

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

For uninsured patients who do not qualify for community care, the Organization recognizes revenue on the basis of its standard rates for services provided (or on the basis of discounted rates, if negotiated or provided by policy). The provision for bad debts is offset by recoveries that are received on prior year bad debts from patient payments as well as amounts returned from the collection agency where a determination was made during the collection process that the patient would qualify under the Organization's community care policy.

Note 1 Summary of Significant Accounting Policies (Continued)

Community Care

The Organization provides care to patients who meet certain criteria under its community care policy without charge or at amounts less than its established rates. The Organization maintains records to identify the amount of charges forgone for services and supplies furnished under the community care policy. Because the Organization does not pursue collection of amounts determined to qualify as community care, they are not reported as net patient service revenue in the accompanying statements of operations and changes of net assets.

Electronic Health Record Incentive Funding

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

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

Amounts recognized under the Medicare and Medicaid EHR incentive programs are based on management's best estimates. Management uses EHR incentive program guidelines to calculate the estimates which may include cost report data which is subject to audit by fiscal intermediaries. Accordingly, amounts recognized are subject to change. In addition, the Organization's attestation of its compliance with the meaningful use criteria and costs submitted for reimbursement are subject to audit by the federal government or its designee.

Note 1 Summary of Significant Accounting Policies (Continued)

Donor-Restricted Contributions

Contributions are considered to be available for unrestricted use unless specifically restricted by the donor.

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 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 accompanying statements of operations and changes in net assets as net assets released from restrictions.

Donor-restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions.

Advertising Costs

Advertising costs are expensed as incurred.

Unemployment Compensation

The Organization has elected reimbursement financing under provisions of the Wisconsin unemployment compensation laws. The Organization has obtained a letter of credit of $350,000 which expires December 31, 2017, to meet state funding requirements as of June 30, 2014 and 2013, respectively.

Note 1 Summary of Significant Accounting Policies (Continued)

Income Taxes

The Organization is a nonprofit corporation as described in Section 501(c)(3) of the Internal Revenue Code (the "Code") and is exempt from federal income taxes on related income pursuant to Section 501(a) of the Code. The Organization is also exempt from state income taxes on related income. The Organization is also engaged, to a limited extent, in certain activities subject to taxation as unrelated business income (UBI). Income taxes on UBI are not significant.

In order to account for any uncertain tax positions, the Organization determines whether it is more likely than not that a tax position will be sustained upon examination of the technical merits of the position, assuming the taxing authority has full knowledge of all information. If the tax position does not meet the more-likely-than-not recognition threshold, the benefit of the tax position is not recognized in the financial statements. The Organization has not recorded any assets or liabilities related to uncertain tax positions or unrecognized tax benefits as of June 30, 2014 or 2013.

Federal returns for the years ended June 30, 2011, and beyond, remain subject to examination by the Internal Revenue Service (IRS).

New Accounting Pronouncement

In April 2013, the FASB issued ASU No. 2013-06, *Not-for-Profit Entities, Services Received From Personnel of an Affiliate*. This ASU amends ASC Topic 958 and requires not-for-profit entities, including business-oriented health care entities, who receive services from personnel of an affiliate that directly benefit the not-for-profit organization to measure and recognize these services in the receiving organization's financial statements at the cost of fair value of the services received if the receiving organization does not compensate the affiliate at the cost or fair value of the services. The guidance in this ASU is effective for the Organization's year ended June 30, 2015, with early adoption permitted.

Subsequent Events

Subsequent events have been evaluated through September 9, 2014, which is the date the financial statements were issued.

Note 2 Reimbursement Arrangements With Third-Party Payors

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

- *Hospital - Medicare* - The Organization is designated as a CAH with reimbursement based upon a cost reimbursement methodology for inpatient and outpatient services with the exception of certain lab, therapy, and radiology services, which are reimbursed based on fee schedules.

  Hospital – Medicaid - Through June 30, 2010, the Organization was reimbursed for cost-based services at tentative rates received during the year. Under legislation enacted by the State, eligible CAHs, including the Organization, are required to pay the State an annual assessment effective July 1, 2010. The assessment period is the State's fiscal year, which runs from July to June. The assessment is based on each hospital's gross inpatient revenue, as defined. The revenue generated from the assessment is to be used, in part, to increase overall reimbursement under the Wisconsin Medicaid program through the development of an access payment system. Under the new CAH payment system as of July 1, 2010, the Wisconsin Medicaid program will pay a hospital-specific amount per discharge for inpatient and outpatient services, determined based on prior hospital cost reports, plus an additional access payment.

  The final settlement of reimbursable amounts was retrospectively determined by the State of Wisconsin ("the State"), using cost reports which were filed annually and subsequently audited by the Medicare program (in conjunction with its audits of both Medicare and Medicaid reimbursable amounts). Retrospective cost report settlements to CAHs have been eliminated by the State effective July 1, 2010.

  Since the inception of the CAH program, the State had completed relatively few Medicaid settlements with CAHs. The State did not complete any settlements during 2014 or 2013. The Organization's Medicaid cost reports have been audited through June 30, 2008.

  Differences between the Organization's estimates and subsequent final settlements by the State will be included in future statements of operations and changes in net assets and disclosed, if material, in those future years in which the final settlements occur.

Note 2 **Reimbursement Arrangements With Third-Party Payors** (Continued)

- *Clinic - Medicare and Medicaid* – Certain professional services provided by physicians and other clinicians are reimbursed based upon prospectively determined fee schedules.

  Certain other professional services provided by physicians and other clinicians rendered to Medicare and Medicaid beneficiaries qualify for reimbursement as Medicare- and Medicaid-approved rural health clinic services. Qualifying services under these programs are reimbursed on a cost reimbursement method.

- *Nursing Home - Medicare* - The nursing home's reimbursement under the Medicare program for Part A services is based on a prospective payment system (PPS). Payments for services rendered vary according to a resident's classification system (RUGS IV) that is based on a minimum data set (MDS) of diagnostic and other information. Medicare pays the nursing home for Part B services based on predetermined fee schedules.

- *Nursing Home - Medicaid* - The nursing home's reimbursement under the Medicaid program is based on a schedule of prospectively determined daily rates determined by Wisconsin's Medicaid and Family Care programs. A rate is assigned to each nursing home resident based on the resident's ability to perform certain activities of daily living and on certain other clinical factors.
  The State uses an MDS resident assessment system. As a result, Medicaid residents are classified into one of 48 Resource Utilization Groups (RUGs) for purposes of establishing acuity levels. Every three months, a case mix average is developed for the nursing home's Medicaid residents based on their respective RUGs score, and the nursing home is reimbursed based on the resulting composite case mix index. Rate adjustments under this program are reflected in income when determinable.

- *Others* - The Organization has also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment to the Organization under these agreements includes prospectively determined rates per discharge, discounts from established charges, prospectively determined daily rates, and fee schedules. The Organization also has policies to provide a discount from established charges to uninsured patients. The discount offered to uninsured patients was 15% for the years ended June 30, 2014 and 2013.

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

Accounting for Medicare Contractual Arrangements

The Organization is paid for cost-reimbursable items at an interim rate with final settlements determined by the Medicare fiscal intermediary after their review of the Organization's related annual cost reports and the application of cost limits prescribed by the program. Estimated provisions to approximate the final expected settlements after review by the intermediary are included in the accompanying financial statements. The Organization's cost report has been audited by the Medicare intermediary through June 30, 2010.

Electronic Health Record Incentive Funding

Provider EHR Incentive Program – Medicaid

During 2014 and 2013, the Organization applied for and was entitled to additional funding from the Wisconsin Department of Health Services under the eligible provider EHR Incentive Program. The funding period for the Medicaid EHR Incentive Program is based on providers submitting applications to the Medicaid program for the respective calendar year. It was determined by the Wisconsin Department of Health Services that the Organization was entitled to $51,000 for three eligible providers in 2014 and $173,000 in funding for eight eligible providers in 2013 and has recognized these amounts in other revenue in the accompanying financial statements based on when the attestation occurred and funding is received.

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

Electronic Health Record Incentive Funding (Continued)

Hospital EHR Incentive Program – Medicare

The Organization attested to meeting the criteria for Medicare meaningful use during 2014. Accordingly, the Organization is expected to receive approximately $882,000 in EHR incentive payments from the Medicare program in 2015. The Organization recognized approximately $70,600 of the Medicare EHR incentive payments in the accompanying financial statements in 2014, and will recognize the future amounts as revenue over the average remaining useful lives of the related capital assets which were purchased to meet the required qualifications of the Medicare EHR incentive program.

Provider EHR Incentive Program – Medicare

During 2014 and 2013, the Organization applied for and was entitled to funding from CMS under the eligible provider Medicare EHR Incentive Program. The funding period under this program is based on providers submitting applications to the Medicare program for the respective calendar year. It was determined by Medicare that the Organization was entitled to $5,668 in funding for one eligible provider in 2014 and $32,822 in funding for five eligible providers in 2013 and has recognized these amount in other revenue in the accompanying financial statements in 2014 and 2013, respectively, based on when the attestation occurred and funding is received.

The Organization anticipates that additional funding will be available from the Medicaid and Medicare EHR incentive programs in subsequent years and will record amounts when future applications are filed and funding can reasonably be determined. As of June 30, 2014 and 2013, outstanding receivables from Medicaid for the eligible provider EHR incentive payments totaled $0 and $153,000, respectively, and are included in prepaid expenses and other current assets in the accompanying balance sheets.

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

Compliance

The health care industry is subject to numerous laws and regulations of federal, state, and local governments. Compliance with these laws and regulations, particularly those relating to the Medicare and Medicaid programs, can be subject to government review and interpretation, as well as regulatory actions unknown and unasserted at this time. Federal government activity continues to increase with respect to investigations and allegations concerning possible violations by health care providers of regulations, which could result in the imposition of significant fines and penalties, as well as significant repayments of previously billed and collected revenue from patients' services. Management believes the Organization is in substantial compliance with current laws and regulations.

CMS uses recovery audit contractors (RACs) to search for potentially inaccurate Medicare payments that may have been made to health care providers and that were not detected through existing CMS program integrity efforts. Once the RAC identifies a claim it believes is inaccurate, the RAC makes a deduction from or addition to the provider's Medicare reimbursement in an amount estimated to equal the overpayment or underpayment. The provider has the ability to appeal these adjustments. As of June 30, 2014, the Organization has not been notified by the RAC of any potential significant reimbursement adjustments.

Note 3 Patient Accounts Receivable

Patient accounts receivable consisted of the following at June 30

	2014	2013
Patient accounts receivable	$ 11,325,759	$ 12,065,647
Less.		
Contractual adjustments	2,667,911	3,726,001
Allowance for uncollectible accounts	973,133	1,033,800
Patient accounts receivable - Net	$ 7,684,715	$ 7,305,846

The Organization's allowance for uncollectible accounts for self-pay patients decreased from 41.1% of self-pay accounts receivable at June 30, 2013, to 30.6% of self-pay accounts receivable at June 30, 2014. The Organization's write-offs of patient accounts receivable net of recoveries decreased from $2,672,832 in 2013 to $2,182,720 in 2014. These decreases were the result of favorable trends experienced in the collection of amounts from self-pay patients in 2014 and 2013.

Self-pay accounts increased approximately $665,508 from June 30, 2013 to June 30, 2014. Management has attributed these increases to a trend of patients with high deductible and copay plans as well as efficiencies gained in classifying balances to patient responsibility sooner. Although it is difficult for many patients to meet these higher obligations, the Organization works closely with patients to resolve their balances and has worked to improve this collection process during the year. The uncollectible accounts as a percentage of patient accounts receivable decreased from the prior year. Management believes this is due to changes in collection processes and policies. IRS Section 501(r) requires contractual insurance adjustments to be applied prior to a community care write-off and allows more time for collection prior to writing off accounts as uncollectible.

Note 4 Patient Service Revenue - Net of Contractual Adjustments and Discounts

The following table sets forth the detail of patient service revenue - net of contractual adjustments and discounts prior to the (provision) credit for bad debts for the years ended June 30.

	2014	2013
Gross patient service revenue		
Hospital inpatient services	$ 9,560,147	$ 9,813,981
Hospital outpatient services	66,816,464	62,223,988
Nursing home and long-term care services	8,506,591	8,626,460
Clinic services	18,282,254	20,877,615
Pharmacy services	6,094,109	4,064,595
Totals	109,259,565	105,606,639
Deductions - Primarily contractual adjustments and discounts under third-party reimbursement agreements	40,556,874	43,697,846
Patient service revenue - Net of contractual adjustments and discounts	$ 68,702,691	$ 61,908,793

The Organization's percent of gross patient service revenue by payor is as follows for the years ended June 30.

	2014	2013
Medicare and Medicare Advantage plans	38%	39%
Medicaid and Medicaid managed care plans	18%	20%
Other third-party payors	39%	36%
Uninsured patients	5%	5%
Totals	100%	100%

Note 4 Patient Service Revenue - Net of Contractual Adjustments and Discounts (Continued)

Patient service revenue - net of contractual adjustments and discounts (but before the provision for bad debts) recognized in the years ended June 30 from these major payor sources, is as follows

	2014	2013
Medicare and Medicare Advantage plans	$ 21,517,640	$ 20,128,149
Medicaid and Medicaid managed care plans	10,895,548	9,895,700
Other third-party payors	32,887,750	28,536,278
Uninsured patients	3,401,753	3,348,666
Patient service revenue - Net of contractual adjustments and discounts	$ 68,702,691	$ 61,908,793

Note 5 Community Care

The Organization provides health care services and other financial support through various programs that are designed, among other matters, to enhance the health of the community including the health of low-income patients. Consistent with the mission of the Organization, care is provided to patients regardless of their ability to pay, including providing services to those persons who cannot afford health insurance because of inadequate resources or to those who are underinsured.

The Organization has a community care policy which is generally based on federal poverty guidelines and applications are completed by patients and/or their families. Patients who meet the criteria for community care are provided care without charge or at a reduced rate.

Note 5 Community Care (Continued)

The estimated cost of providing care to patients under the Organization's community care program aggregated approximately $1,041,200 and $1,123,000 in 2014 and 2013, respectively. The cost was calculated by multiplying the ratio of cost to gross charges for the Organization times the gross uncompensated charges associated with providing community care.

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

Note 6 Assets Limited as to Use

Investments designated as assets limited as to use are recorded at fair value and are designated for the following purposes at June 30.

	2014	2013
Amounts designated by Board for capital improvements or debt service requirements	$ 43,187,850	$ 39,826,191
Amounts held for deferred compensation	1,840,917	1,400,159
Total assets limited as to use	45,028,767	41,226,350
Less - Current portion	550,000	535,000
Noncurrent assets limited as to use	$ 44,478,767	$ 40,691,350

Note 6 Assets Limited as to Use (Continued)

The detail of assets limited as to use, other than deferred compensation plan assets, consisted of the following at June 30

	2014	2013
Cash and cash equivalents	$ 1,262,411	$ 1,344,286
Certificates of deposit	1,498,763	-
Equity securities	4,558,986	3,872,354
Government securities	2,368,396	1,938,444
Corporate securities	1,731,571	4,957,583
Mutual funds	31,734,442	27,624,637
Interest receivable	33,281	88,887
Totals	$ 43,187,850	$ 39,826,191

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

Note 6 Assets Limited as to Use (Continued)

Investment income, including gains and losses on assets limited as to use, cash and cash equivalents, and investments are comprised of the following for the years ended June 30

	2014	2013
Interest and dividend income	$ 996,268	$ 810,842
Net realized gain on sale of investments	769,879	1,149,592
Net change in unrealized gains on trading securities	2,224,093	521,062
Total investment income	$ 3,990,240	$ 2,481,496

Note 7 Fair Value Measurements

The following is a description of the valuation methodologies used for assets and liabilities measured at fair value.

Money market funds are valued using a net asset value (NAV) of $1.00.

Quoted market prices from active markets are used to determine the fair value of marketable equity securities which consist of publicly traded common stock. Certificates of deposit traded under CUSIP numbers are valued at historical cost, plus accrued interest, which approximates fair value. Fixed income securities are valued using quotes from pricing vendors based on recent trading activity and other observable market data. Mutual funds are valued at the daily closing price as reported by the fund. Mutual funds held by the Organization are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily NAV and to transact at that price. The mutual funds held by the Organization are deemed to be actively traded.

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

Note 7 Fair Value Measurements (Continued)

The following tables set forth by level, within the fair value hierarchy, the Organization's assets measured at fair value on a recurring basis as of June 30

	2014			
	Fair Value Measurements Using			Total Assets at
	Level 1	Level 2	Level 3	Fair Value
Money market funds	$ 1,262,411	$ -	$ -	$ 1,262,411
Marketable equity securities	4,558,986	-	-	4,558,986
Certificates of deposit	-	1,498,763	-	1,498,763
Fixed income securities				
Corporate issues	-	1,731,571	-	1,731,571
Government issues	-	2,368,396	-	2,368,396
Annuities	328,581	-	-	328,581
Total fixed income securities	328,581	4,099,967	-	4,428,548
Mutual funds invested in fixed income securities				
Short-term bond funds	1,509,714	-	-	1,509,714
Intermediate-term bond funds	14,949,497	-	-	14,949,497
Other bond funds	1,127,669	-	-	1,127,669
Total mutual funds invested in fixed income securities	17,586,880	-	-	17,586,880
Mutual funds invested in equity securities				
Large cap funds	5,059,248	-	-	5,059,248
Mid cap funds	178,545	-	-	178,545
Small cap funds	1,381,508	-	-	1,381,508
International funds	4,371,522	-	-	4,371,522
Other funds	4,669,075	-	-	4,669,075
Total mutual funds invested in equity securities	15,659,898	-	-	15,659,898
Totals	$ 39,396,756	$ 5,598,730	$ -	$ 44,995,486

Note 7 Fair Value Measurements (Continued)

	2013			
	Fair Value Measurements Using			Total Assets at
	Level 1	Level 2	Level 3	Fair Value
Money market funds	$ 1,344,286	$ -	$ -	$ 1,344,286
Marketable equity securities	3,872,354	-	-	3,872,354
Fixed income securities				
Corporate issues	-	4,957,583	-	4,957,583
Government issues	-	1,938,444	-	1,938,444
Annuities	157,898	-	-	157,898
Total fixed income securities	157,898	6,896,027	-	7,053,925
Mutual funds invested in fixed income securities				
Short-term bond funds	1,500,645	-	-	1,500,645
Intermediate-term bond funds	12,833,495	-	-	12,833,495
Other bond funds	818,181	-	-	818,181
Total mutual funds invested in fixed income securities	15,152,321	-	-	15,152,321
Mutual funds invested in equity securities				
Large cap funds	3,953,843	-	-	3,953,843
Mid cap funds	479,380	-	-	479,380
Small cap funds	1,421,347	-	-	1,421,347
International funds	3,667,097	-	-	3,667,097
Other funds	4,192,910	-	-	4,192,910
Total mutual funds invested in equity securities	13,714,577	-	-	13,714,577
Totals	$ 34,241,436	$ 6,896,027	$ -	$ 41,137,463

Note 7 Fair Value Measurements (Continued)

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

Based on the borrowing rates currently available to the Organization for bonds with similar terms and maturities, the recorded value of the bonds approximated their fair value at June 30, 2014.

Note 8 Property and Equipment

Property and equipment by major categories consisted of the following at June 30.

	2014	2013
Land	$ 227,478	$ 227,478
Land improvements	2,470,144	1,812,442
Buildings and fixed equipment	40,038,192	30,023,579
Movable equipment	14,021,397	11,538,172
Vehicles	213,706	189,158
Total property and equipment	56,970,917	43,790,829
Less - Accumulated depreciation	25,017,992	23,291,386
Net depreciated value	31,952,925	20,499,443
Construction in progress	301,208	3,634,072
Property and equipment - Net	$ 32,254,133	$ 24,133,515

Depreciation expense totaled $3,486,559 in 2014 and $3,233,583 in 2013. The depreciation expense in 2013 and 2014 includes $426,112 and $443,421, respectively, relating to the shortening of certain asset lives associated with the current hospital facility prior to a significant renovation and expansion project.

Note 8 Property and Equipment (Continued)

Construction in progress at June 30, 2014 and 2013, primarily related to the costs of a hospital renovation project. The total estimated cost to complete these projects is approximately $16,000,000 and is funded out of the Organization's operating cash and investments. As of June 30, 2014, the Organization has entered into commitments for these projects totaling approximately $12,275,000. At June 30, 2014, $11,039,000 has been capitalized related to the first two phases of the project. The last phase renovation project is estimated to be completed in calendar year 2014.

Note 9 Interest in Net Assets of the Foundation

The Foundation was created to facilitate contributions, investments, and distribution of funds to be used toward the improvement of the health care facility and services provided by the Organization. Distributions of $76,222 and $76,981 were made by the Foundation to the Organization as of June 30, 2014 and 2013, respectively.

The Organization's interest in net assets of the Foundation of $1,660,996 and $1,287,605 as of June 30, 2014 and 2013, respectively, are reported in the accompanying balance sheets.

A summary of the internal financial information for the Foundation for the years ended June 30, is as follows

	Unaudited	
	2014	2013
Assets	$ 1,723,493	$ 1,304,553
Liabilities	$ 62,497	$ 16,948
Net assets	$ 1,660,996	$ 1,287,605
Revenue in excess of expenses before contributions to the Organization (1)	$ 449,613	$ 141,898
Less - Contributions to the Organization	76,222	76,981
Increase in net assets	373,391	64,917
Net assets at beginning	1,287,605	1,222,688
Net assets at end	$ 1,660,996	$ 1,287,605

(1) Includes $44,919 of expense recorded as a liability on the Foundations financial statements and a receivable on the Organization's financial statements

Note 10 Investments in Unconsolidated Affiliates

The Organization has a 25.0% interest in Wisconsin Valley Health Network (WVHN). This investment is accounted for under the equity method.

The Organization also has a 9.23% interest in Aspirus VNA Home Health, Inc. (AVNA). This investment is accounted for under the cost method.

The operating results of the investment recorded under the equity method is included in the accompanying statements of operations and changes in net assets under the classification other revenue.

Detail by investment for the years ended June 30 is as follows

	2014		2013	
	Investments	Change	Investments	Change
WVHN	$ 210,439	$ (13,067)	$ 223,506	$ (8,494)
AVNA	134,609	-	134,609	-
Totals	$ 345,048	$ (13,067)	$ 358,115	$ (8,494)

The following is a summary of the financial position of the Organization's investment accounted for under the equity method as of June 30

	Unaudited	
	2014	2013
Assets	$ 908,017	$ 1,027,908
Liabilities	$ 133,392	$ 201,016
Equity	$ 774,625	$ 826,892

Note 10 Investments in Unconsolidated Affiliates (Continued)

The following is a summary of purchases and sales between the Organization and WVHN for the years ended June 30

	2014	2013
Purchases of contracted services	$ 6,092	$ 10,400
Annual particpation fees	28,580	57,861
Totals	$ 34,672	$ 68,261

WVHN provides support and services to its member hospitals through joint planning objectives and meetings, participation in pooled purchasing programs, and other contract services in which the member hospitals realize reduced costs in obtaining these services by purchasing as a group rather than as individual hospitals.

Note 11 Long-Term Debt

Long-term debt consisted of the following at June 30

	2014	2013
Wisconsin Health and Educational Facilities Authority (WHEFA) Revenue Bonds, Series 1999, maturing in 2019, amounts varying from $250,000 in 2015 to $400,000 in 2019, variable interest rate	$ 1,610,000	$ 1,860,000
WHEFA Revenue Bonds, Series 2013, maturing in 2035, amounts varying from $300,000 in 2015 to $1,150,000 in 2035, fixed interest rate ranging from 2% to 5%, with a yield of 4.12% over the term	15,380,000	15,665,000
Subtotals	16,990,000	17,525,000
Add - Unamortized original issue premium	1,167,497	1,225,509
Totals	18,157,497	18,750,509
Less - Current maturities	550,000	535,000
Long-term portion	$17,607,497	$18,215,509

Required payments of principal for the next five years and thereafter on the long-term debt, including current maturities, are as follows

2015	$ 550,000
2016	555,000
2017	585,000
2018	685,000
2019	680,000
Thereafter	13,935,000
Total	$ 16,990,000

Note 11 Long-Term Debt (Continued)

A summary of interest expense during the years ended June 30 is as follows

	2014	2013
Total interest cost - Net of interest rate swap	$ 723,552	$ 279,014
Less		
Amount capitalized as part of construction project	153,379	34,168
Amortization of original issue premium	58,012	12,086
Total interest expense	$ 512,161	$ 232,760

Series 1999

On June 3, 1999, the WHEFA Bonds, Series 1999, (Memorial Hospital of Taylor County, Inc. Project) were issued in the amount of $3.5 million. The bonds were issued to fund a construction project and future capital expenditures. The revenue bonds have a term of 20 years and are callable by the holder upon demand. Since the Organization has the ability to refinance the debt, if called, and because these types of bonds have historically not been called prior to maturity, the bonds are classified based on the due date. At June 30, 2014 and 2013, the variable interest rate was 0.79% and 1.04%, respectively. The average interest rate on the bonds was 0.80% and 0.89% during 2014 and 2013, respectively. The bonds are guaranteed by Aspirus, Inc.

Series 2004

During fiscal year 2005, WHEFA issued $45 million of Variable Rate Demand Revenue Bonds, Series 2004, for the benefit of the Organization and Aspirus Wausau Hospital, Inc. (AWH), collectively known as the "Obligated Group." The Organization joined AWH as a member of the Obligated Group simultaneously with the issuance of the Series 2004 Bonds. The proceeds from the Series 2004 Bonds were shared by the Organization, $17.8 million, and AWH, $27.2 million.

In April 2013, the Obligated Group refinanced its 2004 bonds with the 2013 bonds as discussed below. The Organization recognized a nonoperating loss of $100,099 in 2013, as a result of the refinancing.

The interest rate on the Series 2004 Bonds was reset weekly. The average variable interest rate on the bonds in 2013 was 0.14%.

Note 11 Long-Term Debt (Continued)

Series 2013

On April 1, 2013, the existing Obligated Group, hereafter referred to as the Aspirus, Inc. Obligated Group, debt structure was expanded to include Aspirus and certain other affiliated organizations of Aspirus through a Supplemental Master Trust Indenture, which amended a Master Trust Indenture dated February 29, 2012. The amendment allowed for the inclusion of certain affiliated organizations into the Aspirus, Inc. Obligated Group debt structure.

In April 2013, WHEFA issued $90,560,000 of Revenue Bonds, Series 2013, for the benefit of the Aspirus, Inc. Obligated Group including the Organization. The proceeds from the Series 2013 Bonds were shared by four members of the Aspirus, Inc. Obligated Group including $15,665,000 for the Organization to refinance existing debt. The Organization was also allocated a portion of the bond premium related to the debt in the amount of $1,237,595.

The Organization and other members of the Aspirus, Inc. Obligated Group are jointly and severally liable for payment obligations under the Supplemental Master Trust Indenture including prior existing debt of the Aspirus, Inc. Obligated Group pursuant to the loan agreements between the obligors and the Aspirus, Inc. Obligated Group. Management has determined that the credit risk is minimal, at this point, but the Organization would be responsible for repayment of any additional debt of the other obligors if they were unable to pay beyond what is recorded on the Organization's financial statements. The total Aspirus, Inc. Obligated Group debt was $158,220,000 as of June 30, 2014. The Series 2013 Bonds are payable solely from loan payments to be made by the Organization and other Aspirus, Inc. Obligated Group members pursuant to the loan agreements between WHEFA and the Aspirus, Inc. Obligated Group. The bond agreements of the Aspirus, Inc. Obligated Group provide for various restrictive covenants. Management believes that the Aspirus, Inc. Obligated Group is in compliance with these covenants as of June 30, 2014.

Note 12 Interest Rate Swap

The Organization had a master swap agreement dated December 22, 2004, with a financial institution for an interest rate swap transaction with an original notional amount of $17,800,000 and a fixed rate of 3.49%. During 2013, the Organization refinanced its 2004 debt and terminated the swap effective January 31, 2013. The interest rate swap was in a loss position at the time of termination, accordingly, there was a termination amount paid by the Organization of $3,673,000.

Prior to 2008, the Organization assessed the effectiveness of the interest rate swap as a cash flow hedge instrument on a periodic basis. During the year ended June 30, 2008, the Organization determined the hedge was no longer highly effective, primarily due to basis differences in the variable leg of the swap which is at LIBOR, and the variable rates on the Series 2004 Bonds. The Organization recognized nonoperating income of $298,779 in 2013 for the change in the fair value of the interest rate swap agreement.

The cumulative changes in fair value of the interest rate swap agreement recognized as a change in unrestricted net assets in years prior to 2008, totaling $754,200, was to be reclassified to interest rate swap valuation adjustment on the statements of operations and changes in net assets over the remaining life of the Series 2004 Bonds. During 2013, the Organization reclassified $16,195 of the cumulative fair value adjustment from unrestricted net assets to nonoperating income.

The remaining unamortized cumulative loss in net assets in the amount of $599,211 was reclassified from unrestricted net assets to nonoperating income upon termination of the swap agreement in 2013.

Net settlements related to the interest rate swap resulted in an expense of $338,738 in 2013.

Note 13 Temporarily and Permanently Restricted Net Assets

Temporarily and permanently restricted net assets include assets set aside in accordance with donor restrictions as to time or use. Temporarily and permanently restricted net assets are held by the Foundation and totaled $1,705,915 and $1,287,605 as of June 30, 2014 and 2013, respectively. As of June 30, 2014, $44,919 remained payable from the Foundation to the Organization and, thus, was not released from restrictions.

Note 14 Malpractice Insurance

The Organization has professional liability insurance for claim losses of less than $1,000,000 per claim and $3,000,000 per year. Through January 31, 2005, the insurance covered professional liability claims for both hospital and physician services incurred during a policy year regardless of when the claim was filed ("occurrence" coverage). Effective February 1, 2005, the insurance for physician services was changed to cover professional liability claims for physician services incurred and filed within the policy year (claims-made coverage). Effective April 1, 2007, the insurance for hospital services was changed to claims-made coverage. The Organization is covered against losses in excess of these amounts through its mandatory participation in the Patients' Compensation Fund of the State of Wisconsin. The professional liability insurance policies are renewable annually and have been renewed by the insurance carrier for the annual period extending to April 1, 2015.

Under a claims-made policy, the risk for claims and incidents not asserted within the policy period remains with the Organization. There exists the possibility of claims arising from services provided to patients through June 30, 2014 and 2013, which have not yet been asserted. The Organization has recorded liabilities at June 30, 2014 and 2013, to cover claims, including unasserted claims, using historical experience and other relevant industry and hospital-specific factors. The Organization has also recorded insurance receivables for estimated expected recoveries from insurance related to these claims as of June 30, 2013.

Note 14 Malpractice Insurance (Continued)

The malpractice insurance receivables and liabilities are reflected on the balance sheets as follows as of June 30

	2014	2013
Receivables		
Prepaid expenses and other current assets	$ -	$ 148,986
Other assets	-	152,682
Total receivables	$ -	$ 301,668
Liabilities.		
Other accrued liabilities	$ 39,094	$ 168,748
Other long-term liabilities	60,906	262,895
Total liabilities	$ 100,000	$ 431,643

Note 15 Self-Funded Insurance

The Organization has self-funded health and dental plans, which provide benefits to employees, retirees, and their dependents. Health and dental costs are expensed as incurred. Health and dental expenses are based upon claims paid, reinsurance premiums, administration fees, and unpaid claims at year-end. The health plan buys reinsurance to cover catastrophic individual claims over $100,000. The dental plan covers annual individual claims up to $1,000.

Self-funded health care expense for the years ended June 30, 2014 and 2013, was approximately $4,367,000 and $4,132,000, respectively. A liability of approximately $381,000 and $361,000 for claims outstanding has been recorded at June 30, 2014 and 2013, respectively. Self-funded dental expense for 2014 and 2013 was approximately $278,000 and $264,000, respectively. A liability of approximately $22,000 and $25,000 for claims outstanding has been recorded at June 30, 2014 and 2013, respectively. Management believes these liabilities, which are recorded in other accrued liabilities on the accompanying balance sheets, are sufficient to cover estimated claims, including claims incurred but not yet reported.

Note 16 Retirement Plans

The Organization sponsors a tax sheltered annuity plan covering substantially all employees. The Organization may make an employer discretionary contribution to the plan for each plan year consisting of 3.0% of eligible wages up to 80.0% of the FICA maximum wage base and 6.0% of eligible wages above 80.0% of the FICA minimum wage base up to current IRS limitations. The Organization offers a 2.0% employer match for a 3-year vesting schedule. The Organization's expense related to this plan totaled approximately $1,136,000 and $1,061,000 for the years ended June 30, 2014 and 2013, respectively.

The Organization also sponsors a nonqualified tax equalized annuity plan covering employed physicians. Physicians are eligible to participate in the plan after one year of service. The Organization may make an employer discretionary contribution to the plan for each plan year consisting of 5.0% of eligible wages up to 80.0% of the FICA maximum wage base and 7.4% of eligible wages above 80.0% of the FICA maximum wage base up to current IRS limitations. Participants in the plan are immediately 100.0% vested. The Organization's expense related to this plan totaled approximately $81,000 and $78,000 for the years ended June 30, 2014 and 2013, respectively.

In addition, the Organization has adopted an Executive 457(b) Retirement Plan (the "Plan"). The Plan is intended to be maintained primarily for the purpose of providing deferred compensation benefits for a select group of management or highly compensated employees. The Organization may make an employer discretionary contribution to the Plan for each plan year consisting of 5.0% of eligible wages up to 80.0% of the FICA maximum wage base up to current IRS limitations. Including the wages gross-up calculation, the Organization's expense related to this plan totaled approximately $241,000 and $220,000 for the years ended June 30, 2014 and 2013, respectively. The total liability recorded for the deferred compensation plan, including unrealized gains and losses net of withdrawals, was approximately $1,841,000 and $1,400,000 as of June 30, 2014 and 2013, respectively.

Note 17 Functional Expenses

The Organization provides general health care services to residents within its geographic location. Expenses related to providing these services consisted of the following for the years ended June 30.

	2014	2013
Hospital, nursing home, and other long-term care services	$ 36,973,903	$ 32,721,608
Clinic services	11,070,562	11,872,841
Pharmacy services	3,863,499	4,517,826
General and administrative services	9,573,501	8,494,232
Total expenses	$ 61,481,465	$ 57,606,507

Note 18 Related-Party Transactions

The Organization had the following related-party transactions for the years ended June 30, 2014 and 2013

Aspirus, Inc.

The Organization purchased information technology services and other contracted services from Aspirus, Inc. totaling approximately $1,957,000 and $451,000 for the years ended June 30, 2014 and 2013, respectively. Aspirus, Inc. also guaranteed the Organization's Series 1999 bonds. The amounts paid under the guarantee totaled approximately $9,000 and $11,000 for the years ended June 30, 2014 and 2013, respectively. As of June 30, 2014 and 2013, approximately $357,000 and $234,000, respectively, was due to Aspirus, Inc.

Note 18 Related-Party Transactions (Continued)

Aspirus Wausau Hospital, Inc.

The Organization purchased supplies, lab, physician, credentialing, and other contracted services from AWH totaling approximately $1,243,000 and $1,250,000 for the years ended June 30, 2014 and 2013, respectively. As of June 30, 2014 and 2013, approximately $71,000 and $299,000, respectively, was due to AWH.

Aspirus Clinics, Inc.

The Organization purchased recruitment, physician, and other contracted services from Aspirus Clinics, Inc. Aspirus, Inc. is the sole corporate member of Aspirus Clinics, Inc. These services totaled approximately $151,000 and $82,000 for the years ended June 30, 2014 and 2013, respectively. As of June 30, 2014, approximately $16,000 was due to Aspirus Clinics, Inc.

Memorial Member Association, Inc.

The Organization provided administrative services to Memorial Member Association, Inc. (the "Association") totaling $6,800 and $6,792 for the years ended June 2014 and 2013, respectively. There were no amounts due from the Association as of June 30, 2014 and 2013.

Cedar Court Apartments, Inc.

The Organization is considered a related party with Cedar Court Apartments, Inc. ("Cedar Court") through common board of director membership. The Organization provided administrative, maintenance, and housekeeping services to Cedar Court totaling $10,269 and $10,615 for the years ended June 30, 2014 and 2013, respectively. As of June 30, 2014 and 2013, $2,895 and $2,264, respectively, was due from Cedar Court.

The amounts due from related parties are recorded in other accounts receivable, and the amounts due to related parties are recorded in other accrued expenses on the accompanying balance sheets.

From time to time, the Organization may enter into various business transactions with members of the Board of Directors, members of various board committees, or organizations that employ board and/or committee members. Transactions are provided at fair value and follow the Organization's conflict of interest policies.

Note 19 Concentration of Credit Risk

Financial instruments that subject the Organization to possible credit risk consist principally of accounts receivable, cash deposits in excess of insured limits, and investments of surplus operating funds.

The mix of Organization receivables from patients and third-party payors is as follows at June 30:

	2014	2013
Medicare and Medicare Advantage plans	24%	32%
Medicaid and Medicaid managed care plans	12%	16%
Other third-party payors	36%	31%
Uninsured patients	28%	21%
Totals	100%	100%

The Organization maintains depository relationships with area financial institutions that are Federal Deposit Insurance Corporation (FDIC) insured institutions. Depository accounts at these institutions are insured by the FDIC up to $250,000. Operating cash needs often require that amounts on deposit exceed FDIC limits. At June 30, 2014, the amount of the Organization's bank balances in excess of FDIC limits was approximately $6,061,000. In addition, other investments held by financial institutions are uninsured.

Note 20 Reclassifications

Certain reclassifications have been made to the 2013 financial statements to conform with the 2014 classifications.

Community Health Needs Assessment Report & Implementation Strategy

MEMORIAL
HEALTH CENTER
An Aspirus Partner

Pass on for excellence. Compassion for people.

Medford, WI | Published June 17, 2013

Contents

Cover Photo: Kayla and Kaden (Kennan)

Memorial Health Center, Medford

Introduction

Memorial Health Center is a 25-bed, non-profit, primary health care organization that serves Taylor, Price and Clark counties in north central Wisconsin. Our hospital is accredited by the Joint Commission, and is a Critical Access, Level III Trauma Care Center.

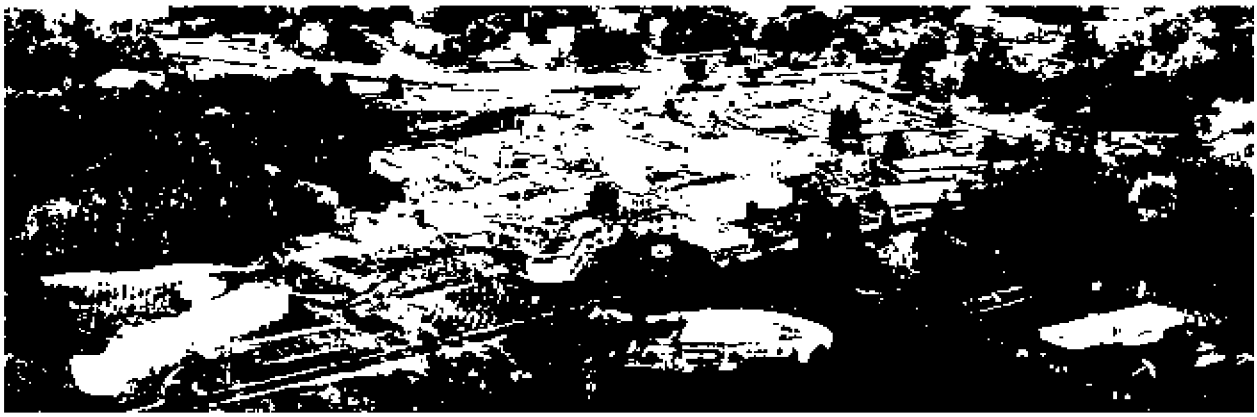
Memorial Health Center's strategic and financial partner is Aspirus. Aspirus is a non-profit, community-directed health system based in Wausau, Wisconsin. Through our collaboration we'll raise the quality level of local care and strengthen your access to specialty care. Our Aspirus partnership ensures physician specialists (Cardiology, Endocrinology, Oncology, Orthopaedics, Pulmonology, Urology and others) in Medford.

> **Our mission** is to provide healthcare services of high value and promote health and wellness so that we are the provider of choice for area residents.
>
> **Our vision** is to be chosen by area residents because of easily accessible customer-focused services delivered with a personal touch. Through collaboration with our community, physician partners, and Aspirus, services are recognized as being of superior value.

We've embarked on a Journey of Excellence, whereby we will take our organization from 'very good' to 'excellent'. Every patient, family member, and visitor who enters our facility will experience or witness our passion for excellence and our compassion for people. In recent years, Memorial Health Center has received several honors related to excellence in services provided:

- Nationally Certified – Pathway to Excellence organization by the ANCC (2012)
- Richard L. Doyle Award – Innovation & Leadership in Healthcare (2012)
- 5-Star Excellence Award – Patient Safety, Surgical Services, Radiology Services, Nursing Care (2012)
- 4-Star Excellence Award – Emergency Services, Anesthesia Services, Medical Staff Satisfaction (2012)
- Nationally Ranked – Modern Healthcare's Best Places to Work in Healthcare (2011, 2009, 2008)
- 5-Star Excellence Award – Quality of Patient Care – Family Center (2011, 2009)
- 4-Star Excellence Award – Quality of In-Patient Care (2011, 2010)

We take seriously our role as a healthcare provider and steward, promoting health, wellness, and giving back to the community we serve. We, as an organization, and our employees are tremendously active within the communities we serve—volunteering, participating in civic and social organizations, youth sports and academic events, in addition to county services and chamber events.



Memorial Health Center Campus, Medford

In addition to the hospital in Medford, Wisconsin, Memorial Health Center includes:

- Primary care clinic locations in Gilman, Medford, Phillips, Prentice, and Rib Lake;
- Specialists clinic;
- Retail pharmacy
- Therapy centers in Medford and Prentice
- Public fitness center
- Kidney care (dialysis center)
- Outpatient surgery center that also provides chemotherapy and IV therapies
- 99-bed skilled nursing facility
- Two assisted living facilities
- Senior income-eligible apartments

In addition, we are a satellite campus location for the Aspirus Heart & Vascular Institute and the Aspirus Joint Replacement Center.

Memorial Health Center is pleased to submit this Community Health Needs Assessment. We do so both as a matter of compliance with Section 501(r)(3) of the Internal Revenue Code, as mandated in the Patient Protection and Affordable Care Act, and as an obligation to those we serve. As an organization, we have taken this change in law as an opportunity to improve our community service and continuously focus on meeting the changing health care needs of our community.

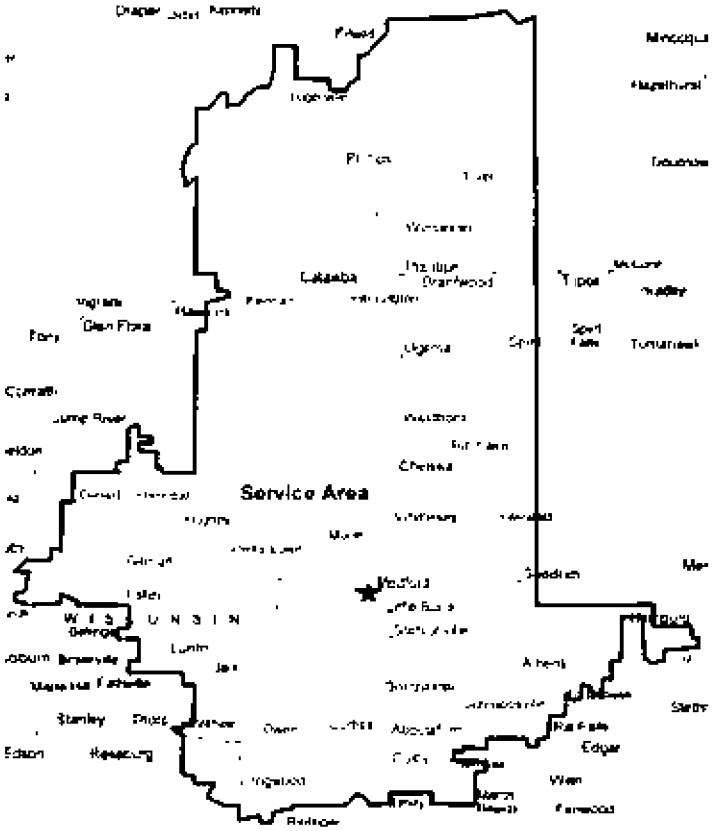
Consistent with the requirements of Section 501(r)(3) the Memorial Health Center Community Health Needs Assessment Report is organized as follows:

- Community
- Community Health Needs Assessment Methodology
- Prioritized Community Health Needs
- Implementation Strategy
- Health Resources

Our Community

Although Memorial Health Center is located in Medford, Wisconsin, we have historically defined our "community" as a much broader area, including all of Taylor County, the southern area of Price County, the northeast portion of Clark County and the northwest corner of Marathon County. Throughout this document, any reference to "community" is meant to indicate this broad service area.

Within this broader community, our primary service area consists of a 5 to 20 mile radius around Medford. In the last two fiscal years, approximately 60% of our inpatient and outpatient services were individuals who reside in this primary service area. In the same period, approximately 95% of our inpatient and outpatient services were individuals who reside in our community.



In 2010, the U.S. Census Bureau conducted the nation's most recent census and published that data by county. Similarly the Population Health Institute collects and reports health data and demographic data by county on an annual basis. Although county borders do not exactly align with our community, the data does provide a reasonable approximation of our community. Because our community consists mostly of Taylor and Price counties, this report focuses on those two counties. U.S. census data is as of 2010 while Population Health Institute data is as of 2012.

	Wisconsin	Taylor County	Price County
Population	5,686,986	20,689	14,159
Age < 18	23.6%	24.6%	19.1%
Age 65+	13.7%	16.1%	21.0%
Female	50.4%	49.0%	49.3%
Caucasian	86.2%	97.9%	97.1%
African American	6.3%	0.3%	0.3%
American Indian	1.0%	0.2%	0.4%
Asian	2.3%	0.3%	0.4%
Hispanic	5.9%	1.5%	1.1%
Rural	31.7%	78.6%	100%
Median Household Income	$51,598	$44,489	$41,026
Per Capita Health Care Cost	$8,153	$9,504	$8,705
Uninsured Adults	12.8%	14.2%	11.7%
Free Lunch-Eligible Children	32.1%	24.2%	23.1%
Illiteracy Rate	7.3%	9.1%	8.2%

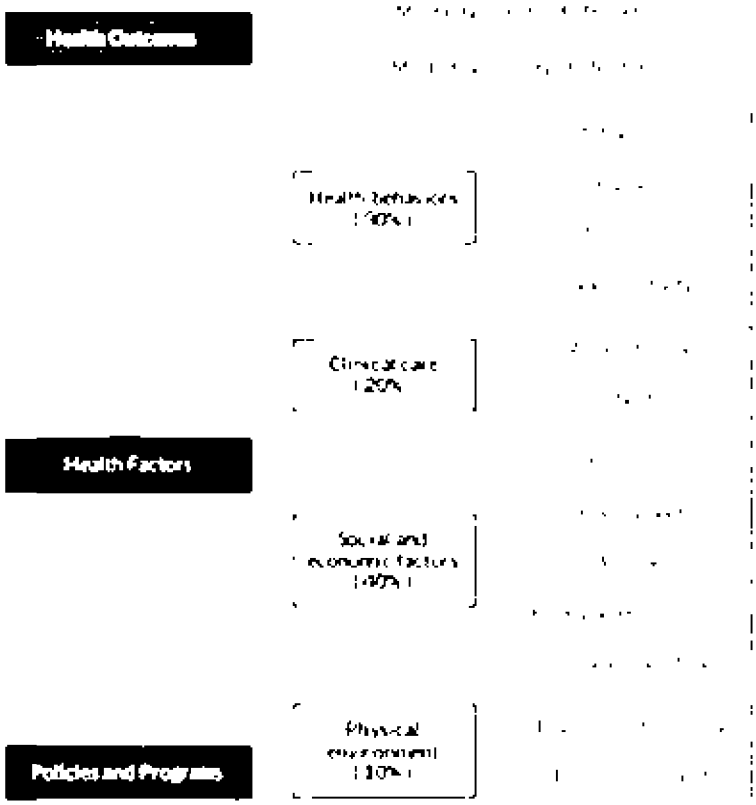
Taylor and Price Counties are largely Caucasian and are almost exclusively rural. 13.2% of adults are uninsured and 23.8% of children are eligible for free school lunches. The median household incomes in Taylor and Price Counties are both below the state average, while the state average is also below the national average. The major occupations in the community are manufacturing, trade/transportation/utilities, education and health, which includes Memorial Health Center.

While the Hispanic population in our community is relatively small and below the state average, we provided special consideration to this minority group for two reasons. First, the Hispanic community consists of both documented and undocumented individuals who frequently have communications challenges. Each of these factors requires special consideration by Memorial Health Center in how to best provide for the health needs of this group. Second, demographic growth estimates indicate that the Hispanic population is likely to grow more rapidly than any other group in our community in the next ten years.

Another small, but important, group within our community is "the Plain People", consisting of individuals from the Amish, Mennonite, German Baptist and Old German Baptist religions. The Plain People also require special consideration by Memorial Health Center because of their non-mainstream lifestyle. Depending on the group, beliefs may influence their use of preventative healthcare, treatment for illnesses and injuries, use of insurance, electricity, transportation, and various other facets of daily life.

The Population Health Institute ("PHI") publishes annual health data for every county in the United States. The data is aggregated into *health outcomes* and *health factors*. The PHI separates health outcomes into mortality (length of life) and morbidity (quality of life). Health factors are separated into four factors that largely influence the health outcomes: physical environment, society and economics, clinical care, and health behaviors.

In 2012, Taylor County's health factors ranked 31st and Price County's ranked 39th. In the same year, Taylor County's health outcomes ranked 3rd out of the 72 counties in Wisconsin, while Price County ranked 49th. Because health factors lead to health outcomes, the disparity in Taylor County's rankings indicates that its residents are currently benefiting from positive health factors in the past while the current health factors are likely to lead to worsening future health outcomes.



Source: University of Wisconsin Population Health Institute

HEALTH FACTORS

County	Rank	County	Rank	County	Rank	County	Rank
Adams	70	Florence	38	Marathon	29	Rusk	56
Ashland	42	Fond du Lac	33	Marinette	61	Sauk	37
Barron	41	Forest	66	Marquette	64	Sawyer	65
Bayfield	47	Grant	30	Menominee	72	Shawano	54
Brown	23	Green	12	Milwaukee	71	Sheboygan	19
Buffalo	16	Green Lake	43	Monroe	51	St. Croix	9
Burnett	62	Iowa	20	Oconto	55	Taylor	31
Calumet	10	Iron	27	Oneida	18	Trempealeau	40
Chippewa	32	Jackson	48	Outagamie	13	Vernon	44
Clark	63	Jefferson	34	Ozaukee	1	Vilas	25
Columbia	35	Juneau	69	Pepin	14	Walworth	26
Crawford	46	Kenosha	60	Pierce	5	Washburn	36
Dane	3	Kewaunee	22	Polk	24	Washington	6
Dodge	45	La Crosse	4	Portage	7	Waukesha	2
Door	21	Lafayette	28	Price	39	Waupaca	50
Douglas	58	Langlade	59	Racine	68	Waushara	53
Dunn	15	Lincoln	57	Richland	52	Winnebago	17
Eau Claire	11	Manitowoc	49	Rock	67	Wood	8

Source: University of Wisconsin Population Health Institute

HEALTH OUTCOMES

County	Rank	County	Rank	County	Rank	County	Rank
Adams	69	Florence	15	Marathon	24	Rusk	52
Ashland	59	Fond du Lac	35	Marinette	62	Sauk	36
Barron	34	Forest	67	Marquette	71	Sawyer	51
Bayfield	47	Grant	17	Menominee	72	Shawano	60
Brown	29	Green	20	Milwaukee	70	Sheboygan	18
Buffalo	26	Green Lake	61	Monroe	48	St Croix	1
Burnett	45	Iowa	4	Oconto	25	Taylor	3
Calumet	14	Iron	28	Oneida	50	Trempealeau	46
Chippewa	31	Jackson	68	Outagamie	16	Vernon	5
Clark	32	Jefferson	33	Ozaukee	2	Vilas	37
Columbia	40	Juneau	65	Pepin	55	Walworth	38
Crawford	44	Kenosha	64	Pierce	6	Washburn	42
Dane	11	Kewaunee	10	Polk	30	Washington	6
Dodge	39	La Crosse	23	Portage	12	Waukesha	7
Door	9	Lafayette	21	Price	49	Waupaca	54
Douglas	53	Langlade	66	Racine	63	Waushara	56
Dunn	13	Lincoln	57	Richland	43	Winnebago	27
Eau Claire	19	Manitowoc	41	Rock	58	Wood	22

Source: University of Wisconsin Population Health Institute

Community Health Needs Assessment Methodology

Memorial Health Center's executives appointed a Steering Committee with the charge to plan, conduct, and report on the community health needs assessment. The Steering Committee included the following leaders within Memorial Health Center:

- Lori Peck – Chief Financial Officer
- Kaaron Keene – Vice President, Patient Care Services
- Angela Hupf – Vice President, Human Resources & Community Relations
- Susan Courtney – Director of Quality Services
- Catherine Leifeld – Marketing Director
- Melissa Thums – Director of Finance

We contracted with CliftonLarsonAllen LLP, one of the nation's top 10 certified public accounting and consulting firms, to assist with the community health needs assessment. A team of CliftonLarsonAllen experts assisted the Steering Committee through the community health needs assessment process, including:

- Identified our community
- identified individuals for interviews and conduct interviews
- Led focus groups
- Assisted in understanding and prioritizing identified community health needs
- Drafted the Community Health Needs Assessment Report and Implementation Strategy
- Assisted in making all information widely available to the community

Memorial Health Center began by identifying our community based on inpatient and outpatient services, by zip code. We then gathered both quantitative and qualitative data about the health needs of our community. County health studies of community health needs were collected from the health departments of Taylor and Price Counties.

We also analyzed our own records for patterns in community health needs. Finally, we collected historical quantitative data from the following external resources:

Resource	Maintaining Organization	Website	Date(s) Accessed
State & County QuickFacts	United States Census Bureau	http://quickfacts.census.gov/qfd/index.html	February 2012
County Health Rankings and Roadmaps	The Population Health Institute	www.countyhealthrankings.org	March 2012
Healthy People Taylor County 2009-2013	Taylor County Health Department	http://healthypeopletaylorcounty.org/docs/Healthier%20People.pdf	August 2012
Healthiest Wisconsin 2020	Wisconsin Department of Health Services	http://www.dhs.wisconsin.gov/publications/P0/P00187.pdf	January 2013
2010 Wisconsin Deaths	Wisconsin Department of Health Services	http://www.dhs.wisconsin.gov/publications/P4/P45368-10.pdf	January 2013
Price County Community Health Improvement Plan 2012-2016	Price County Health Department	Not Available	February 2013
Taylor County Workforce Profile 2011	Wisconsin Department of Workforce Development	http://worknet.wisconsin.gov/worknet_info/downloads/CP/taylor_profile.pdf	May 2013
Price County Workforce Profile 2011	Wisconsin Department of Workforce Development	http://worknet.wisconsin.gov/worknet_info/downloads/CP/price_profile.pdf	May 2013
Wisconsin County Unemployment Rates	Wisconsin Department of Workforce Development	http://worknet.wisconsin.gov/worknet/worknetinfo.aspx?htm=map_uRatesCo&menuselection=gp	May 2013

Interviews

We gathered qualitative information and perspectives on community health needs through two rounds of one-on-one and small group interviews with key community stakeholders. The primary goal of these interviews was to ascertain a range of perspectives on the community's health needs. We gathered information from the following specified groups within our community:

- People with special knowledge or expertise in public health
- Federal, tribal, regional, state or local health or other departments or agencies, with current data or other information relevant to the health needs of the community served by the hospital facility
- Leaders, representatives or members of medically underserved populations
- Leaders, representatives or members of low-income populations
- Leaders, representatives or members of minority populations
- Leaders, representatives or members of populations with chronic disease needs

The following individuals participated in the community health needs assessment process by contributing their perspectives, opinions and observations. We thank them for their past and continued assistance.

PERSONS WITH SPECIFIC KNOWLEDGE OR EXPERTISE OF PUBLIC HEALTH				
Name	**Title**	**Affiliations**	**Qualifications**	**Participation Date(s)**
Amy Falkenberg, MD	Physician, Family Medicine	Memorial Health Center	Physician	March 6, 2012
Scott Perrin	Director of Emergency Services	Memorial Health Center	Licensed RN, Certified Emergency Nurse	March 6, 2012
Nicholine Crick	Nurse Practitioner	Memorial Health Center	Licensed Practical Nurse	March 6, 2012
Pat Schilling	Prenatal Care Coordinator	Memorial Health Center	Licensed RN	March 6, 2012
Janie Grunwald	Occupational Health & Wellness Coordinator	Memorial Health Center	Physical Therapist Assistant	March 6, 2012
Robert Leischow	Director	Clark County Health Department	Masters Degree in Public Health, 20 years experience	March 6, 2012
Kaaron Keene	Vice President, Patient Care Services	Memorial Health Center	Licensed RN	March 7, 2012
Karla Huber	Regional Supervisor	Aspirus Visiting Nurses Association	Licensed RN	March 7, 2012
Jill Koenig	Nurse	Medford Area School District	Licensed RN	March 7, 2012
Patricia Krug	Director	Taylor County Health Department	Licensed RN, Masters Degree in Public Health, 22 years experience	March 7, 2012
Susan Carlson	Primary Care Lay Midwife	None	25 years experience	March 7, 2012
Mary Hahn	Director	Price County Department of Health and Human Services	Licensed RN	March 12, 2012
Kathy Billek	Long-term Support and Behavioral Health Services Unit Manager	Price County Department of Health and Human Services	Licensed RN	March 12, 2012
Michelle Edwards	Health Officer	Price County Department of Health and Human Services	Licensed RN	March 12, 2012
Brian Falck	Director	The Counseling and Development Center	Licensed Clinical Social Worker	April 10, 2012

GOVERNMENT AGENCIES WITH COMMUNITY HEALTH NEEDS INFORMATION			
Agency Name	**Name of Individual Representing Agency**	**Title of Individual Representing Agency**	**Participation Date**
Clark County Health Department	Robert Leischow	Director	March 6, 2012
Medford Area School District	Patrick Sullivan	Administrator	March 6, 2012
	Jill Koenig	Nurse	March 7, 2012
Taylor County Medical Examiner	Scott Perrin	Medical Examiner	March 6, 2012
University of Wisconsin – Extension	Peggy Nordgren	Associate Professor	March 6, 2012
	Arlen Albrecht	Professor of Community Development	April 13, 2012
Taylor County Health Department	Patricia Krug	Director	March 7, 2012
Veterans Services of Taylor County	Josh Sniegowski	Administrator	March 7, 2012
City of Medford, Wisconsin	Ken Coyer	Police Chief	March 7, 2012
	Mike Wellner	Mayor	March 7, 2012
Price County Department of Health and Human Services	Mary Hahn	Director	March 12, 2012
	Kathy Billek	Long-term Support and Behavioral Health Services Unit Manager	March 12, 2012
	Michelle Edwards	Health Officer	March 12, 2012
Taylor County Sherriff's Department	Bruce Daniels	Sherriff	April 10, 2012
Price County Sherriff's Department	Brian Schmidt	Sherriff	April 10, 2012
Taylor County Human Services Department	Cheryl Ketelhut	Long-term Support Coordinator, Intake Coordinator, Developmental Disabilities Coordinator	April 10, 2012

		Member, Leader and/or Representative of: (R = Representative, M = Member, L = Leader)					
Name	Participation Date	Low Income	Chronically Diseased	Traditionally Underserved	Minority	Specific Population	Qualifications
Pat Schilling	March 6, 2012	R		R		Children	Pre-natal Care Coordinator at Memorial Health Center
Amy Falkenberg, MD	March 6, 2012			R		Children, Elderly	Physician, Family Medicine at Memorial Health Center and a member of the Wisconsin Senate's Committee on Infant Mortality
Patrick Sullivan	March 6, 2012	R		R		Children	Administrator of Medford Area School District
Rachel Loucks	March 6, 2012	R		R		Children	Executive Director at Parent Resource Network
Renee Voss	March 6, 2012	R		R		Children	Supervised Visitation Coordinator and Parent Educator at Parent Resource Network
Terry Rostberg	March 6, 2012	R	R	R		Elderly	Director of Hope Hospice and Palliative Care
Robert Leischow	March 6, 2012	R	R	R		Children, Elderly	Director of the Clark County Health Department
Susan Carlson	March 7, 2012	R		R	R	Plain People	25 years experience as a Primary Care Lay Midwife for the Plain People
Patricia Krug	March 7, 2012	R	R	R	R	Children, Elderly, Hispanic, Plain People	Director of the Taylor County Health Department
Jill Koenig	March 7, 2012			R		Children	Nurse at Medford Area School District
Josh Sniegowski	March 7, 2012	R	R	R		Elderly	Administrator of Veterans Services of Taylor County
Ken Coyer	March 7, 2012	R	R	R		Children, Elderly	Police Chief of the City of Medford

		Member, Leader and/or Representative of: (R = Representative, M = Member, L = Leader)					
Name	Participation Date	Low Income	Chronically Diseased	Traditionally Underserved	Minority	Specific Population	Qualifications
Mike Wellner	March 7, 2012	R	R	R		Children, Elderly	Mayor of the City of Medford
Vi Marie Nelson	March 7, 2012	R		R		Children	Taylor County Case Worker for Big Brothers / Big Sisters of the North Woods
Mary Hahn	March 12, 2012	R	R	R		Children, Elderly	Director of the Price County Health Department
Kathy Billek	March 12, 2012	R	R	R		Elderly, Mental Health	Long-term Support and Behavioral Health Services Unit Manager at the Price County Department of Health
Cheryl Ketelhut	April 10, 2012	R	R	R		Elderly, physically disabled	Long-term Support Coordinator, Intake Coordinator, Developmental Disabilities Coordinator at the Taylor County Human Services Department
Brian Falck	April 10, 2012		R			Mental Health	Director of the Counseling and Development Center
Bruce Daniels	April 10, 2012	R	R	R	R	Children, Elderly, Hispanic	Sherriff of Taylor County
Brian Schmidt	April 10, 2012	R	R	R		Children, Elderly	Sherriff of Price County
Noreen Turner	April 10, 2012	R			M	Hispanic	Spanish Interpreter at Memorial Health Center
Robin Espino	April 10, 2012	R			R	Hispanic	Human Resources Assistant at Abbyland Pork Pack, Inc., 20 years involvement with the Hispanic community

		Member, Leader and/or Representative of: (R = Representative, M = Member, L = Leader)					
Name	Participation Date	Low Income	Chronically Diseased	Traditionally Underserved	Minority	Specific Population	Qualifications
David Beiler	April 11, 2012	L	L	L	L	Plain People	Deacon of the West District of the Athens Amish Church
Lester Martin	April 11, 2012	L	L	L	L	Plain People	Deacon of the Groffdale Conference Mennonite Church
Dennis Flory	April 11, 2012	L	L	L	L	Plain People	Deacon of the Athens District of the German Baptist Brethren
Edwin Root	April 11, 2012	L	L	L	L	Plain People	Healthcare representative for the White Pines District of the Old German Baptist Brethren
Arlen Albrecht	April 13, 2012	R			R	Hispanic	15 years involvement with the Hispanic community

OTHER PARTICIPATING ORGANIZATIONS			
Organization Name	Name of Individual Representing Organization	Title of Individual Representing Organization	Participation Date
Weathershield Manufacturing, Inc.	Jill Dassow	Benefits Manager, Wellness Coordinator	March 6, 2012
Medford Area Chamber of Commerce	Sue Emmerich	President	March 7, 2012
Medford Cooperative, Inc.	Graham "Chip" Courtney	General Manager	March 7, 2012
Memorial Health Center Board of Directors	Graham "Chip" Courtney	Chair	March 7, 2012

Community Forums

In addition to the interviews listed above, we also conducted three community forums, titled "listening sessions" to get broader input from the general public. The forums were held in the cities of Phillips and Medford, as well as at the A&M Dittrich Mink Farm outside of Medford. The forum at the A&M Dittrich Mink Farm was designed specifically to get input from the Hispanic community, utilizing Spanish interpreters and translations. The forums were advertised through local newspaper, radio, flyers and word-of-mouth. All three forums were held on August 30, 2012. In total, approximately 40 individuals attended the community forums, with approximately 20 attending from the Hispanic community.

Community Committee

At the conclusion of our data-collection activities, we reached out to key community leaders to ask for their input in prioritizing the community's health needs and in developing responses to those health needs. The outcome of our request was a Community Committee consisting of the following individuals. We wish to thank each of these individuals for their time and input in our community health needs assessment and in developing our responses to those needs.

- Patty Krug – Director, Taylor County Health Department
- Pat Sullivan – Administrator, Medford Area School District
- Diane Niggemann – Director, Taylor County Commission on Aging
- Brian Wilson – Editor, Star News
- Noreen Turner – Spanish Interpreter and Community Member
- John Vlach – Supervisor, Price County

Information Gaps

Although we are unable to identify any specific information gaps, we recognize that members of the community representing different organizations, groups, etc., have differing opinions concerning community health needs and priorities and may have provided different input.

Analytical Methods Applied

We applied various analytical methods to the available data. During interviews, we asked participants for their input regarding both health needs and possible solutions to identified health needs. We also conducted a priority-setting exercise with our Steering Committee to prioritize the identified community health needs. Additionally, we analyzed the resources and specialties provided by other healthcare providers in the community.

Amanda and Logan (Medford)

Process and Criteria for Prioritizing Identified Health Needs

To assist in prioritizing identified community health needs, we developed a list of possible criteria for prioritization. Our Steering Committee conducted a Nominal Group Technique exercise, in which each member of the Steering Committee was asked to identify his/her top three criteria. The Steering Committee's top choices were impact on preventative health, coordination with Memorial Health Center's mission, and expected amount of change. Secondary choices were cost, community participation, and proximity with other health factors. Tertiary choices were impact on quality of life, collaborative opportunities, and customer satisfaction.

Wisconsin conducts a statewide health assessment every decade and requires each county to conduct a health assessment every five years. The results of these assessments are community health improvement plans ("CHIP"). These three government documents were given significant consideration in our prioritization process:

- "Healthiest Wisconsin 2020" from the Wisconsin Department of Health Services in 2010.
- "Healthy People Taylor County 2009-2013" from the Taylor County Health Department (Taylor County is conducting a new assessment in 2013)
- "Price County Health Improvement Plan 2012-2016" from the Price County Health Department

Based on the data gathered and our self-identified criteria for prioritization, the Steering Committee was presented with a list of identified community health needs. After reviewing the qualitative and quantitative findings related to each identified health need, the Steering Committee conducted the same Nominal Group Technique exercise, in which each member of the Steering Committee was asked to identify their top three personal choices for the hospital's primary responses. After each Steering Committee member provided his/her initial priorities, a discussion ensued, after which each Steering Committee member was given the chance to redefine his/her priorities. The community's health needs, as prioritized by the Steering Committee, were reviewed and approved by our executive team.

Prioritized Community Health Needs

Based on our interviews and community forums, as well as reviews of hospital, county, state and national health data, we identified the following community health needs, listed by priority.

Community Health Need	Prioritization
Access to Care	Primary
Nutrition	Primary
Physical Activity	Primary
Substance Abuse	Secondary
Cost of Care	Secondary
Health Care for Children	Secondary
Health Education	Secondary
Health Care for the Elderly	Tertiary
Chronic Diseases	Tertiary
Mental Health	Tertiary
Dental Health	Tertiary

Access to Care

Our community members consistently identified access to healthcare—meaning available facilities, professionals, specialties and hours—as a significant need. These results are consistent with state and county studies. Healthiest Wisconsin 2020 encourages 10 "pillar objectives". While many of these objectives are oriented toward state and local governments and schools, one in particular relates to health care providers:

> "Improve Wisconsin's systems of primary health care; behavioral screening and intervention; services for mental health, alcohol and drug use, oral health, chronic disease management, and reproductive and sexual health…"

Similarly, "access to primary and preventive health care" was identified as one of Taylor County's top priorities in its 2007 CHIP. This result was based in part on the findings of a survey of over 780 Taylor County residents, as a component of Taylor County's CHIP. Those individuals rated "access to health care and other services" as the most important factor to define a healthy Taylor County.

Many of the problems in our community relate to geography. Medford is the largest town, with approximately 4,300 residents (July 2011). Because of this, Medford has the most medical resources available. However, our community stretches more than 20 miles to the east, west and south and more than 60 miles to the north. Those individuals who live outside of Medford have more difficulty obtaining reasonably accessible healthcare. The following are examples of access limitations voiced by community members:

- Lack of facilities in northeast Clark County.
- Lack of physician availability at our Phillips clinic
- Lack of specialist availability in outlying clinics, including OB-providing physicians
- Lack of care for youth ages 3 – 5 (between WIC availability and school age)
- Lack of provider availability in evenings and on weekends
- Lack of follow-up for home health treatments
- Overuse and/or inappropriate use of the Emergency Department and urgent care sites
- Appointments too short to address long-term, big-picture health problems

Accessibility problems are enhanced by demographic and economic issues in our community. With the economic downturn, individuals have less money available for prescriptions and non-emergency medical treatments. However, when preventive medical treatments are neglected, the result is an increase in emergency medical cases. Similarly, individuals have less money available for gas and transportation. Our community lacks a public transportation system and the few taxi-type services that do exist are expensive. Price County has a transportation system available for the elderly, but the system is limited to 3 times per week and is not available for emergencies. Related to this, working adults have fewer days off for the necessary travel and appointment time, either for themselves or their children. These transportation and time limitations are even more pronounced for our Hispanic community members. Finally, because of the rural nature of our community, services that are normally available via the Internet may not always be available because of limited Internet availability.

Accessibility is even more of a problem for our Hispanic community. Interpretation services at Memorial Health Center have been problematic. While interpreters are available, demand for in-person interpreters can exceed supply at any given time. As a result, telephone-based interpretation may be required. Similarly, during in-patient stays, in-person interpreters cannot be with the patient at all times. In both situations, telephone-based interpretive services are available. However, community members expressed a dislike for the telephone-based interpretive services. The same problems exist when providing interpretive services in our satellite clinics, as well as for most

other health-related services. Finally, interpretive services may require a long wait when individuals call to make appointments. In addition to these interpretation issues, transportation is also more limited due to single-car households.

Nutrition

Nutritional choices are a significant issue in our community. "Adequate and appropriate nutrition – overweight, obesity and lack of physical activity" was identified as Taylor County's top priority in its 2007 CHIP. Similarly "chronic disease, physical activity and nutrition" was identified as one of Price County's top priorities in its 2011 CHIP. The Taylor County CHIP included a survey of over 780 Taylor County residents in 2007. 65% of those residents agreed with the statement "People in Taylor County don't get adequate nutrition from their daily diets." Most of the nutritional problems relate to a limited alternatives, high cost of healthy eating, or personal choice.

Restaurants and in-the-box store-bought meals are increasingly popular meal choices in our community. Although Medford is the largest town in our community, it is small enough that there are not many options for restaurant eating. For those restaurants that are available, whether in Medford or any other town, the options for healthy meals are limited. Most communities have one grocery store (Medford has two) or convenience store, meaning that most individuals cannot choose where to purchase their groceries and are subject to the foods provided by their grocery store. Although our community involves a large amount of farming, the crops tend to be feed corn and soy beans or are transported out of the community. Because of size constraints at stores and limited demand, the stores outside of Medford tend to have a relatively small selection of healthy fruits, vegetables and meats.

Physical Activity

Obesity, resulting from both poor nutrition and lack of physical activity, is a major problem in Wisconsin. According to "Healthiest Wisconsin 2020", Wisconsin ranked 45th among the states in the proportion of children exercising regularly in 2007. The problem is even more severe in our community. In Taylor County and Price County, 25.4% and 26.1% of adults, respectively, report spending no leisure time on physical activity, compared to the state average of 22.6%. In addition, approximately 32.1% of adults in Price County are classified as "obese", compared to 29.3% across the state (and 27.6% of adults in Taylor County). In other words, Taylor County is doing comparatively well, even though 1 in 4 of its adults is classified as obese.

As stated above, "adequate and appropriate nutrition – overweight, obesity and lack of physical activity" was identified as Taylor County's top priority in its 2007 CHIP. Similarly, "chronic disease, physical activity and nutrition" was identified as one of Price County's top priorities in its 2011 CHIP. In the Taylor County CHIP's survey of over 780 Taylor County residents in 2007, 88% of those residents agreed with the statement "People in Taylor County are overweight." and 85% of those residents agreed with the statement "People in Taylor County don't exercise enough."

The physical activity issues in our community can generally be described as either "a lack of opportunities" or "personal choice to not participate". The city of Medford generally has more opportunities for physical activities, including fitness facilities and organized sports, than in the outlying rural communities. However, community members expressed concern over the cost of the available facilities, which appears to keep some community members from using them. Occupational changes are also impacting our physical activity. Occupations are increasingly sedentary in nature, leading to less physical activity in the workplace. While various employers offer activities for employees, most employees opt out of participation. Community members feel that we, as a community, have adopted a culture of inactivity in all we do.

The lack of physical activity is similarly a problem for our youth. School districts provide many physical activities for youth, both during school and outside of school. In-school physical activities, like physical education, are offered on a regular basis but some children choose not to participate. After-school activities may be prohibitively expensive, even for those youth that want to participate. Many youth are viewed as choosing leisure activities, such as video games, television, and hanging out, over physical activities.

Obesity is one issue that impacts the Hispanic community less than the rest of our community. Because their jobs tend to be physically demanding and their foods tend to be less processed, the Hispanic individuals appear to have less of a problem with obesity—although it still occurs.

Substance Abuse

Substance abuse covers a broad range of health issues, including tobacco, alcohol, prescription drugs and illicit drugs. Each of these is a health need in our state, counties and community. "Alcohol and other substance use and addiction" was identified as one of Taylor County's top three priorities in its 2007 CHIP. Similarly, "mental health/alcohol and drug use" was identified as Price County's top priority in its 2011 CHIP.

Wisconsin leads the country in adult alcohol consumption, binge drinking, and heavy drinking. According to "Healthiest Wisconsin 2020", Wisconsin recently ranked worst among states for adult binge drinking, worst for current alcohol use among youth, third in binge drinking among youth, and fourth in the incidence of youth riding with a driver who had been drinking. In the Taylor County CHIP's survey of over 780 Taylor County residents in 2007, 81% of those residents agreed with the statement "People in Taylor County drink alcoholic beverages more than they should", reflecting the fact that Taylor County has 27.8% of adults reporting excessive or binge drinking, compared to a state average of 24.2% (Price County's rate is a low 16.2%). The alcohol problem in our community can be summarized in two examples, frequently brought up by participants:

- Children and youth spend time in bars (which is legal in Wisconsin), accompanying a parent or sibling who is drinking alcohol.
- Parents host parties, with alcohol, for their children.

The common justifications for these behaviors were the importance of adult supervision and avoiding drinking and driving. However, such behaviors also teach youth the acceptability of drinking large quantities of alcohol. Although Alcoholics Anonymous operates in our community, we lack the necessary facilities for detoxification and rehabilitation for any substance abuse problems.

Tobacco use is also a common problem in Wisconsin and in our community. According to "Healthiest Wisconsin 2020", Wisconsin was 32nd among states in the percent of people who use tobacco and Wisconsin ranked 21st (and far below the median) on the percentage of mothers who smoked during pregnancy, compared to 31 states with similar data in 2006. While Taylor County and Price County each have a lower prevalence of smoking adults, 15.7% and 15.3% respectively, than the state average of 20.1%, those rates emphasize how common smoking is in our community. As with alcohol, the behaviors of adults (especially parents), teaches our youth the acceptability of tobacco use.

Abuse of prescription drugs and illicit drugs in our community is concerning. In the Taylor County CHIP's survey of over 780 Taylor County residents in 2007, 85% of those residents agreed with the statement "People in Taylor County are affected by drug use or abuse." According to local law enforcement officials, the most abused prescription drugs in our community are Oxycodone and Vicodin. The most abused illicit drugs are marijuana, cocaine and heroin.

Cost of Care

Cost of care is a significant problem in our community. As indicated in the demographic information of our community, both Taylor County and Price County have median household incomes approximately $3,000 and $5,500 below the state average, respectively. Further exacerbating the problem, based on 2007 data from the U.S. Department of Health and Human Services' Health Resources and Services Administration, both Taylor and Price Counties have health care costs that exceed the state average by approximately $1,400 and $600, respectively. While the higher costs could be due to any of several factors—more frequent medical care, demand for more expensive medical care, higher costs of healthcare, etc.—each possible explanation is indicative of health needs in our community.

According to the Wisconsin Department of Workforce Development, Taylor County and Price Count had unemployment rates of 9.2% and 7.2%, respectively in March 2013, compared to a state average of 7.6%. Additionally, Taylor County's percentage of uninsured individuals was 14.2%, compared to a state average of 12.8%, while Price County's was slightly below the state average at 11.7%. Related to this, 11.1% of Taylor County individuals and 18.2% of Price County individuals indicated that they couldn't see a physician due to cost, compared to a state average of 9.3%. The discrepancy between Price County's percentage uninsured and percentage unable to afford the cost of a physician may be indicative of high deductible and/or low-coverage health plans. All of these factors, taken together, emphasize the significant hardship faced by members of our community in paying for healthcare, whether preventive or necessary.

Cost of care is an especially significant issue for the Plain People who, as a general rule, do not use insurance because of religious beliefs and cultural norms. Instead, the Plain People pay for health care using a hospital's self-pay policy, and look to other community members for assistance with large medical bills.

Rebecca and Archer (Brantwood)

Health Care for Children

The health issues facing adults, as discussed throughout this report, also apply to our children (birth to 17 years old). However, the children are even more of a concern because health decisions are frequently made by adults on their

behalf and because our children are still developing their health habits that will impact the rest of their lives. According to "Healthiest Wisconsin 2020", Wisconsin ranked 23rd among states in a combined measure of infant health in 2007. Similarly, we recognize the impact economic hardship can have on healthcare. In our community approximately 1 in 5 children live in poverty and 1 in 4 children qualifies for free lunch.

Community members indicated several health needs for youth, such as a lack of prenatal care coordination for mothers who are not on Medicaid, smoking mothers (see *Substance Abuse*), lack of understanding related to abnormal pregnancies, a decreased focus on children who are too old for WIC but too young for elementary school, child abuse and substance abuse. The most frequently mentioned concern by community members was that children—including teenagers—generally lack concern for their own physical well-being, primarily regarding nutrition and physical activity.

Health Education

Taylor County and Price County's high school graduation rates, 97% and 92% respectively, both exceed the state average of 86%, but both counties' post-secondary education rates ("some college"), 48.6% and 44.7% respectively, fall below the state average of 63.4%. Finally, both Taylor County and Price County have illiteracy rates, 9.1% and 8.2% respectively, higher than the state average of 7.3%. The high illiteracy rate in Taylor County may be partially due to the Hispanic community, which has an especially high prevalence of illiteracy. According to Hispanic community members, their average education is approximately a 2nd grade level, with little reading ability in either English or Spanish. While most organizations provide educational documents, those documents provide little help for individuals unable to read them.

Even educated individuals may not understand medical terms or a doctor's orders, and they may not know where they can look or who to call to gain an understanding. We refer to these lapses as health literacy opportunities. For example, community members felt the public does not fully understand the repercussions of failing to take adequate preventive health measures. This was true for general health, early-onset health problems, or fully developed chronic illnesses. Even common health problems, such as asthma, ADHD and diabetes are frequently misunderstood in how to live with it, proper treatment, and the effects of mismanagement. The natural result of a lack of health literacy is a failure to obtain and utilize appropriate treatment, leading to even worse health problems. Another example, individuals said they would skip free health screenings because the individual does not want to know if they have a serious problem; their justification being that they cannot afford to deal with a serious problem. Mental health, dental health, nutrition and other health fields appear to have similar health literacy problems in our community.

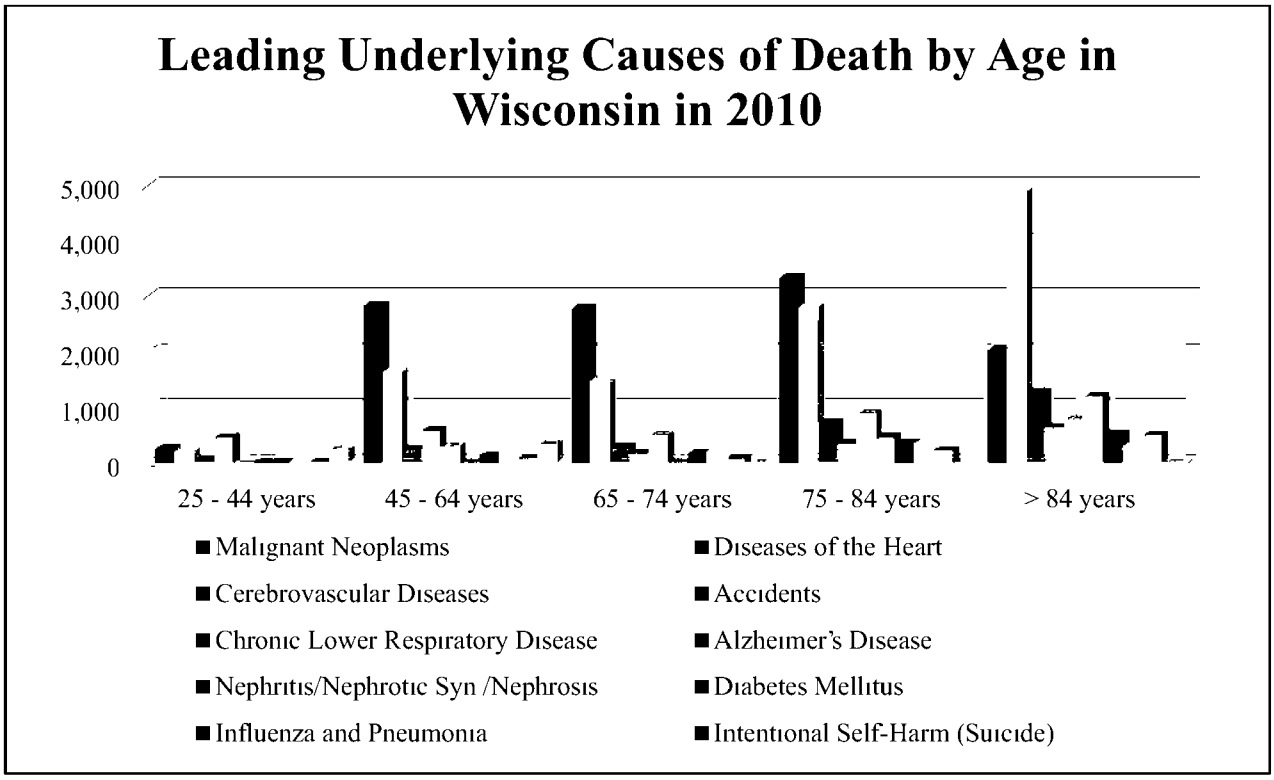
Rosie (Westboro)

Health Care for the Elderly

Our community has an especially high prevalence of individuals age 65 and over—16.2% in Taylor County and 20.4% in Price County—compared to a state average of 13.4%. There are many facilities available to treat elderly individuals who ask for assistance, but our community members are concerned for the health and safety of those individuals who are living independently and possibly unsupervised. These individuals face several challenges in remaining healthy. First, when an older individual lives alone, they may lack guidance concerning their medical needs or daily living needs. Second, transportation is problematic in our community, as discussed above related to access. Finally, health information is increasingly shared through Internet-based methods that older individuals may not utilize or have access to. Memorial Health Center is very aware of the Internet's connectivity limitations in our area. We have addressed this by mailing a health and wellness publication, the Wellaware, to all service area households on a quarterly basis. These problems are all heightened for elderly individuals living in rural settings. Mental and physical abuse of the elderly is also seen as a concern, as is the lack of services directed toward military veterans.

Chronic Diseases

According to "2010 Wisconsin Deaths", published by the Wisconsin Department of Health Services, the two leading causes of death in Wisconsin in 2010 were diseases of the heart and malignant neoplasms (cancer). Other significant causes were diabetes, hypertension (high blood pressure), cerebrovascular diseases (stroke, aneurysm, etc.), chronic lower respiratory diseases, and nephritis (kidney disease). The list of causes is fairly consistent when analyzed by gender and by race. Consistent with this, "chronic disease, physical activity and nutrition" was identified as one of Price County's top priorities in its 2011 CHIP.



The chronic health problems in our community tend to mirror those of the state, but treatment is directly connected to affordability of healthcare (see *Affordability of Care*) and health education (see *Health Education*).

Mental Health

As stated above, "mental health/alcohol and drug use" was identified as Price County's top priority in its 2011 CHIP. Mental health problems, ranging from mild depression to schizophrenia, occur about as often as in other communities. Stress from the economic depression, including unemployment and underemployment, has added to the normal mental health problems, especially in parents.

While the occurrence of mental health problems is not especially high, the lack of accessibility in obtaining professional treatment is a problem. Individuals in our community feel psychiatrists, behavioral health specialists and counselors are all lacking.

Although several options are available in Medford and a few options are available in Phillips, most other areas lack any opportunities. Additionally, the options available in Medford and Phillips generally require insurance, self-pay or focus on low-income individuals. The insurance and self-pay options generally have availability, but many in our community lack insurance and cannot afford to pay. In contrast, the low-income options are affordable, but lack availability. In addition, severe mental health problems require at least 2-3 hours travel, each way, to reach in-patient psychiatric centers.

Dental Health

While several dental health options are available in Medford, access is severely limited elsewhere. According to the Population Health Institute's county health rankings, Taylor County has approximately 4,100 residents per dentist and Price County has approximately 2,400 residents per dentist, compared to a Wisconsin average of 2,200 residents per dentist. Most of the dentists in Price County are located in the far north portion of our community. Of the

available dentists, the public perception is those dentists will only accept insured or self-pay individuals and are unwilling to engage in cost-reduction contracts. The lack of affordability results in a lack of preventive treatments, leading to more severe and costly future treatments.

Tracy and Annie (Phillips)

Implementation Strategy

Memorial Health Center is responding to the identified community health needs through a series of steps that we collectively refer to as our "implementation strategy". Because of limited resources, we cannot respond effectively to every identified health need. We have chosen our responses based on analysis of our resources, our mission, our existing specialties, community priorities, and existing community resources. We have chosen to focus our resources on our primary community health needs: access to care, nutrition and physical activity, with access to care receiving more emphasis than the others.

Access to Care

To improve access to health care services, Memorial Health Center is currently undergoing a physical renovation and a patient-process improvement audit. When completed in 2014, the renovation will result in a separate registration desk for urgent care and the emergency department, a surgical waiting area for family members, moving our welcome desk closer to the main entrance, a new community education room, kiosks in our waiting area, an updated family center on the second floor, and an expanded infusion (cancer) center on the second floor. In addition, we are in the process of completing the following actions:

- Actively recruit a half-time physician for our Phillips clinic
- Work with Aspirus to provide a mobile mammography unit at Memorial Health Center-Phillips approximately twice per year

- Add a large monument sign on Highway 13 to emphasize the availability of Memorial Health Center-Phillips
- Implementing an Emergency and Urgent Care RN Navigator program, to provide post-visit follow-up phone calls and educational materials, connecting patients to follow-up care and stressing the importance of having a primary care provider. The program will also encourage using "My Aspirus" and preventive screenings, such as mammograms.

To further improve access to care, we are also considering the following actions:

- Increase availability on weekends and in evenings
- Modify our recruiting and hiring documents to encourage employment by individuals who are fluent in Spanish
- Re-evaluate our procedures to try to shorten wait times across all departments
- Review, evaluate and implement a "lab-on-demand" for certain tests, which would allow patients to request testing without a physician's recommendation
- Continue to monitor community need for new or additional specialty services, both at Memorial Health Center and at outlying clinics
- Increase the number of community screening events
- Increase awareness of the currently available "call-back" option (similar to a restaurant, the patient receives a call/text to inform them when it is their turn to see a physician, removing the need to wait in the waiting room)
- Evaluate more convenient methods of prescription delivery
- Begin tracking provider cancellations and rescheduling to minimize their occurrence
- Continue to evaluate our physical presence throughout our service area

Nutrition

While individual choice is an important factor in individual nutrition, we see a variety of opportunities to encourage better nutritional choices. We are re-evaluating the snacks, drinks and foods made available to employees at our hospital and clinics. Additionally, Memorial Health Center currently conducts a series of nutritional events for our employees. We plan to expand these activities to include the general public, possibly at our facilities, through large employers, or in community locations. One example of this is a Weight Watchers group that was initially implemented at our hospital for employees, but is now open to the general public; meetings are held every Tuesday and Wednesday.

We are working on a series of educational opportunities related to nutrition. In Heart Healthy Cooking, a Memorial Health Center dietitian presents education and tips about eating healthy for the benefit of the heart. Lessons include how to make smart food choices, how to read nutrition labels to identify healthy foods, and how to set achievable health goals. In April 2013, Memorial Health Center coordinated the first annual Women's Retreat. It too offered heart healthy eating and cooking sessions, the importance of regular screenings and preventative care, in addition to an open question/answer session that featured three unique health care providers. In June 2013, we also plan to mail a "smart Nutrition" booklet with our health & wellness Wellaware publication.

We believe there are multiple civic, social and/or youth organizations that understand and realize there is an opportunity to assist the public in understanding how important good nutrition and physical activity can be for them and their families, but they lack the financial resources to make their ideas a reality. To assist those organizations, we are working on a program to offer micro-grants. Organizations will be required to submit a proposal. If approved, as a requirement of accepting the grant, the organization will be required to report on the use

of funds and the level of success. When ideas are proven successful, we'll look for opportunities to expand them further.

We recognize the significant effort already put forth by community groups and coalitions, especially within Taylor County. We plan to increase participation in community groups by hospital personnel, looking for opportunities to utilize hospital resources to further the community's best interests.

Linda (Medford)

Physical Activity

In 2011, Memorial Health Center implemented a 12-week Move to Improve program that focused on exercise and healthy eating. The program includes small group training, nutrition sessions, weekly group exercise classes, grocery store tours, cooking demonstrations and other special presentations. Based on successful implementation in Medford, we have expanded the program to Phillips and are considering further expansion to other towns.

We also plan to use several of the same approaches for physical activity as we use for nutrition. We plan to expand current Memorial Health Center employee programs, such as employee wellness, to the general public and we plan to include physical activities in our micro-grant program (see *Nutrition*). We will continue to publish our quarterly Wellaware newsletter to encourage health, wellness and physical activities. We will continue to publish monthly educational and health-related events in local newspapers and on our website. We also plan to increase promotion of currently existing activities and provide educational opportunities related to physical activity.

We firmly support community fitness activities. In the fiscal year ending June 30, 2013, we sponsored numerous activities managed by other community organizations and/or youth groups. This support will be continued.

- Swimming
- Basketball
- Soccer

- Hockey
- Baseball
- Softball
- Snowshoe
- Wrestling
- Jump Roping

During the same period, we also sponsored ten walk/run events within our community. This support will continue.

To encourage youth participation in sporting events, we will continue to offer reduced-fee WIAA sports physicals each summer at all Memorial Health Center Clinics.

Substance Abuse

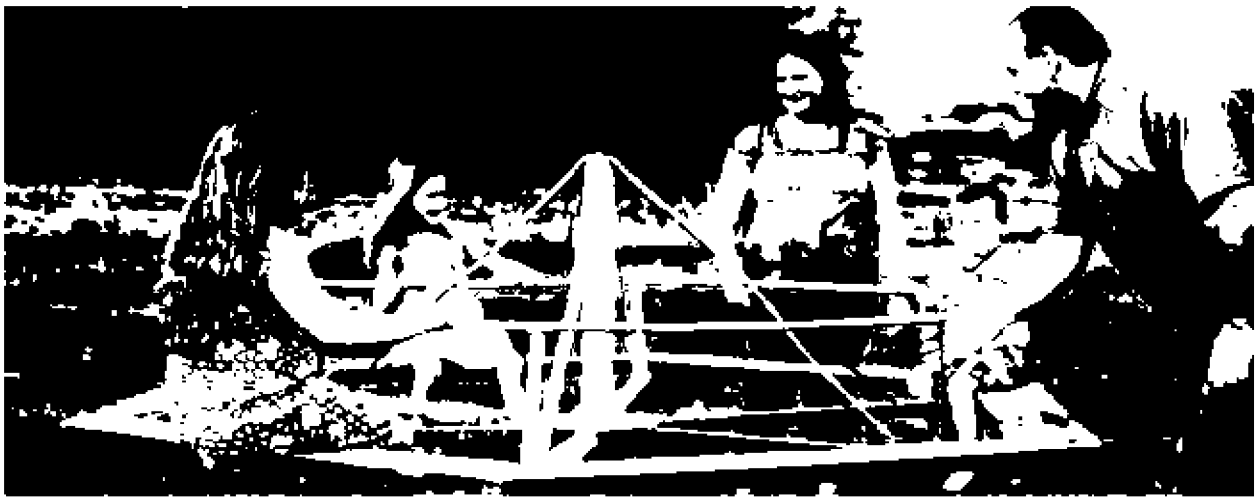
We are implementing smoking cessation classes aimed at helping people quit smoking. Single sessions and multi-week programs are both likely. Sessions will be taught by trained Memorial Health Center respiratory therapy staff.

Cost of Care

Memorial Health Center offers financial aid to all individuals with limited financial resources and with limited ability to pay. We offer financial assistance to any individual whose annual income is at most 300% of Federal Poverty Guidelines. The Federal Poverty Guidelines are updated annually and published at https://www.federalregister.gov/articles/2013/01/24/2013-01422/annual-update-of-the-hhs-poverty-guidelines#t-1. Information about our financial assistance program is available in person at the hospital and on our website at http://www.memhc.org/communitycare.

We understand the surprise an individual may experience when opening a medical bill. We currently have a link on our webpage that identifies the average charges for the 75 most common types of hospitalizations. We are working on a method to increase transparency about the cost of services at Memorial Health Center. Possible methods include a website with cost information, a handout, or the ability to speak to a financial counselor.

To assist the Plain People in addressing the cost of care, Memorial Health Center is in negotiations with Immergrun, Inc., a nonprofit organization in Ohio that is operated by Plain People similar to an insurance plan but within their religious and cultural constraints.



Ryan, Melissa and family (Medford)

Health Care for Children

We have offered, and will continue to offer a variety of classes, groups and events to encourage health care for children:

- Baby Fair – Information is provided for the preconception through newborn stages. Topics include nutrition, exercise, relaxation, breastfeeding, infant development, car seat safety, and picking a physician. Those attending also learn about community resources like child care, parenting, county health services, and others. Events sometimes include car seat safety checks.
- Exercise, Comfort & Relaxation – Led by physical therapy staff, this perinatal program provides information on posture and positioning for comfort, body mechanics, and prenatal exercise. Self-treatment techniques common for prenatal pain syndromes are demonstrated. Partners are encouraged to attend to learn massage therapy techniques. Participants also have an opportunity to practice relaxation and diaphragmatic breathing techniques.
- Labor and Delivery – This course covers signs and symptoms of labor and pre-term labor, labor pain management and interventions, breathing and relaxation techniques, medications and the process of birth.
- Care of the Newborn – Class topics include routine infant care, new family dynamics, and postpartum depression. A question-and-answer session with a staff physician and a baby bath demonstration are featured. Community resources are also introduced.
- Breastfeeding – This class provides an in-depth look at the benefits and management of breastfeeding for stay-at-home and working moms.
- Sibling Preparation – This class is designed for siblings three-years-old and older, and their parents. Participants learn to hold, feed, and diaper a new baby. Children are asked to bring a doll or stuffed animal for practice.
- Child Development Days – A series of events and developmental screenings in Medford, Gilman, Rib Lake and Phillips for preschool-age children to:
    - Identify children in need of further assessment in physical, sensory, language, and developmental skills;
    - Provide a wide range of health and wellness information;
    - Educate families regarding normal child growth and development; and
    - Develop community awareness of resources available in areas of education, childcare, medical/health care, and family services.
- Club Scrub – A 3-week course for area 7th and 8th grade students to be onsite to learn about healthcare.
- Holy Rosary – A 5-week course for area 5th and 6th grade students to be onsite to learn about healthcare.
- High School Student Work Study – A continuous and ongoing program that provides mentorship and job shadowing opportunities for area high school students who have an interest in a healthcare career.
- Exploratory Classes – Healthcare professionals visit local middle schools to present on careers in healthcare.
- Memorial Health Center Family Center – a facebook© page we maintain that provides information and support for mothers and infants.

We also organize and operate "A Walk to Remember", an annual walk dedicated to the memory of infants lost during pregnancy or infancy.

Amy and Claira (Medford)

Health Education

We recognize the need to provide educational opportunities for our community members. We are striving to find methods (classes, handouts, websites, etc.) that are most easily accessed and understood. Educational opportunities we plan to address for our community include:

- The level of care mid-level providers can provide at clinics, even when physicians are absent
- Available specialties at Memorial Health Center and at clinics
- The patient's ability to change providers at any time, at the patient's discretion
- Medical terminology and similar need-to-know information
- Nutritional issues (see *Nutrition*)

We also plan to continue offering a series of medical educational events and courses:

- Health Trivia Activity – An interactive activity offered at Memorial Health Center's booths at various expos and fairs in Taylor and Price Counties. Trivia questions for kids, adults and senior citizens deal with nutrition, physical activity, heart health, immunizations, osteoporosis and more.
- Snack and Chat: Seasonal Allergies – Education about season allergies and tips for dealing with them, provided by a Memorial Health Center nurse practitioner.
- Don't Let Knee or Hip Pain Stop You! – Education about the causes of knee and hip pain as well as ways to treat such pain.
- Do You Want to Help Children/Adults Who Struggle to Read? – An annual 10-week training course, taught by a Memorial Health Center pediatrician, for adults who wish to help struggling children and/or adult readers. The course focuses on the Orton-Gillingham approach to reading instruction, which has proven very successful for individuals with dyslexia.
- Tissue Donation – Understand what tissue donation is and know how to sign up to be a donor.
- Basic First Aid – This class is for anyone 12 years and older that is interested in learning first aid techniques ranging from bandaging and splinting to treating victims of poisoning or strokes.
- Basic CPR – This class includes training in lifesaving techniques of CPR for adults, children and infants, as well as training for dealing with respiratory distress.

- CPR for Health Care Providers – This class is appropriate for professional health care providers, such as nurses, EMT's, and CAN's. The course provides training in lifesaving techniques of CPR for adults, children and infants.
- CPR Renewal for Health Care – a CPR renewal course for people working in health care.

Health literacy opportunities, specifically for the Hispanic community, are being reviewed.

Health Care for the Elderly

We have offered, and will continue to offer as much as possible, a variety of classes, groups and events to encourage healthcare for the elderly:

- Stepping On: Fall Prevention for Seniors – A 7-week fall prevention program for seniors, sponsored by Memorial Health Center and the Taylor County Commission on Aging.
- Falls Prevention Day – A fun and educational event for seniors, including displays, speakers, chair-yoga, senior exercise, and more. Memorial Health Center participates with fall prevention information, a senior exercise session, and more.
- Focus on Health – A course for people ages 60 years and older aimed at helping them understand their health better, learn what they are doing that is good for them, and discover information to help them live better. Topics range from nutrition, exercise fall prevention, dealing with loss, diabetes, eye health, heart health, and more. Each session opens with blood pressure and blood sugar screenings and ends with a question-and-answer period. This course is currently on hold, but is likely to start again in the future.
- Osteoporosis Screening – Free screenings for adults ages 40 and older provided as part of Memorial Health Center's presence at the Taylor County Expo and the Senior Health, Wellness & Safety Fair, an event for senior citizens.
- Diabetes Screening – Free screenings provided at the Senior Health, Wellness & Safety Fair.
- Blood Pressure Screening – Free screening offered as part of Memorial Health Center's presence at a home and business expo in Price County.
- Free "Red Medication Bags" to individuals with several medications to keep their medications in one consistent place. The cloth cooler-bags include patient identification with physician names, medication safety tips, a flyer on safe medication disposal and a magnet to post on the home refrigerator to indicate emergency medical providers.

Chronic Diseases

We have offered, and will continue to offer as much as possible, a variety of classes, groups and events related to chronic diseases:

- Look Good, Feel Better – Cosmetology professionals teach beauty techniques to women undergoing cancer treatment, designed to overcome the appearance-related effects of cancer treatment. This is an American Cancer Society program.
- I Can Cope© - An educational offering and support group for people facing cancer. Topics include nutrition, exercise, dealing with a cancer diagnosis, financial planning, stress relief, and more. This is an American Cancer Society program.
- Prostate Health and Cancer – Educational sessions for men ages 40 and older designed to help them take control of their prostate health. Topics include prostate issues, cancer, medical screenings, and treatments.
- Heart Health Cooking
- Does Atrial Fibrillation Limit Your Life? – Information about atrial fibrillation and treatments that can reduce peoples' reliance on medications, prevent strokes, and help people live longer.

- Stroke Support Group – An uplifting support group for stroke survivors, their family members, and caregivers. Classes are held on the 3rd Tuesday of every month.

Mental Health

Memorial Health Center generally does not provide mental health services, with the exception of Memorial Health Center Clinic-Medford. The Medford clinic is developing telemedicine psychiatric services, allowing individuals to consult with a professional psychiatrist over the Internet. Depending on the success of this program and available Internet bandwidth, the telemedicine program could be expanded to other health services in the future. We offer an Alzheimer's Support Group, meeting on the 4th Monday of every month, for friends and families of those afflicted with Alzheimer's Disease and other dementias.

Dental Health

We currently offer our surgical suites to dental professionals for oral surgeries. The primary beneficiaries of this practice are low-income community members. We do not provide preventive dental health services. As a result, we do not anticipate taking any measures in the foreseeable future to address identified preventive community dental health needs.

Health Resources

The Taylor and Price county Departments of Health and Human Services provide support to our community members in numerous ways, including nutrition, physical activity, mental health, substance abuse, violence prevention, and financial support. For a complete list of their activities, we recommend visiting their offices or websites:

- Taylor County Department of Health Services – 224 South Second Street, Medford
  - www.co.taylor.wi.us/departments/hd
- Taylor County Human Services Department: 540 East College Street, Medford
  - www.co.taylor.wi.us/departments/hs
- Price County Public Health – 104 South Eyder Avenue, Phillips
  - www.co.price.wi.us/government/HealthDepartment/Default.htm
- Price County Human Services Department – 104 South Eyder Avenue, Phillips
  - www.co.price.wi.us/government/HumanServicesDepartment/Default.htm

Justin and Jackson (Medford)

In addition to governmental support, the following health care facilities and related organizations are currently available within our community.

Primary Care

- Memorial Health Center Hospital – 135 South Gibson Street, Medford
- Memorial Health Center Clinic – 143 South Gibson Street, Medford
- Memorial Health Center Clinic – 320 East Main Street, Gilman
- Memorial Health Center Clinic – 1121 Highway 102, Rib Lake
- Marshfield Clinic Athens Center – 729 Pine Street, Athens
- Marshfield Clinic Colby/Abbotsford Center – 111 Dehne Drive, Colby
- Memorial Health Center Clinic – 625 Peterson Avenue, Phillips
- Marshfield Clinic Phillips Center – 104 Trinity Drive, Phillips
- Memorial Health Center Clinic – 1511 Railroad Avenue, Prentice

Physical Activity

- Medford Therapy and Fitness – 103 South Gibson Street, Medford
- Electric Fitness Center – 330 South Whelen Avenue, Medford
- Medford Area Senior High School Gym – 1015 West Broadway Avenue, Medford
- Prentice Therapy and Fitness – 619 Bridge Street, Prentice

Our community also has many outdoor opportunities, both inside the cities and in the surrounding country.

Mental Health

- Memorial Health Center Clinics-Behavioral Health – 143 South Gibson Street, Medford
- Counseling Connection – 123 West State Street, Suite 4, Medford
- North Central Counseling Center – 136 West Broadway Avenue, Medford
- Parent Resource Center – 133 West State Street, Medford

- Mental Health Clinic of Taylor County – 540 College Avenue, Medford
- Courage to Change Recovery – 880 East Perkins Street, Medford
- Courage to Change Recovery – 188 North Lake Street, Phillips
- Counseling & Development Center – 171 Chestnut Street, Phillips
- Safe Haven Counseling – 548 North Lake Avenue, Phillips
- North Central Counseling Center – 1511 Railroad Avenue, Prentice
- Courage to Change Recovery – 106 Galvin Road, Abbotsford
- Almost Home Again LLC – Elder Drive, Gilman
- Center for Human Development – (800) 236-3792

Dental Health

- Marshfield Clinic Medford Dental Center – 843 West Broadway Avenue, Medford
- Cosmetic & Implant Dentistry – 1034 West Broadway Avenue, Medford
- Medford Dental Clinic – 309 East Broadway Avenue, Medford
- Robert Kay Orthodontic Clinic – 210 Central Avenue, Medford
- First Impression Dental – 124 South Main Street, Medford
- Gelhaus Dental Clinic – 1155 West Broadway Avenue, Medford
- Lonnie G. Melbinger, DDS – 915 Casement Court, Medford
- Dean R. Hussong, DDS – 827 McComb Avenue, Rib Lake
- N.O. Jackson – 607 North Second, Colby
- Murphy & Weddle – 605 Peterson Drive, Phillips
- Prentice Dental Clinic – 1209 Railroad Avenue, Prentice

Care for the Elderly or Disabled

- Memorial Nursing and Rehab Center: 135 South Gibson Street, Medford
- Aspirus VNA Home Health Inc.: 109 South Gibson Street, Medford
- Cedar Lane CBRF – 135 South Gibson Street, Medford
- Country Gardens RCAC – 635 West Cedar Street, Medford
- Hope Hospice & Palliative Care – 537 West Broadway Avenue, Medford
- Centennial Apartments – 132 South Seventh Street, Medford
- Deerview Meadows Assisted Living LLC – 509 Lemke Avenue, Medford
- Our House Assisted Living – 1014 West Broadway Avenue, Medford
- Care Partners Assisted Living – 955 East Allman Street, Medford
- Meridian Group – 346 South Main Street, Medford
    - Operates facilities in Medford, Rib Lake and Gilman
- The Homeplace of Dorchester – 300 West Washington Avenue, Dorchester
- Woods Edge – 600 East Second Avenue, Dorchester
- Gilman Care Center LLC: 600 West Hickory Avenue, Gilman
- Golden Living Center: 650 Pearl Street, Rib Lake
- Prairie Village – 517 West Blackhawk Avenue, Stetsonville
- Aspirus Pleasant View Nursing Home – 595 Peterson Drive, Phillips
- Minnow Lake A.F.H. – W7320 County Road F, Phillips
- Regency House – 615 Peterson Drive, Phillips
- Primrose Corner – 541 South Lake Street, Phillips
- Rosewood Terrace – 538 Peterson Drive, Phillips
- Duroy Terrace – 585 Peterson Drive, Phillips
- Flambeau Home Health and Hospice – 133 North Lake Avenue, Phillips

- Linda's Home Adult Day Center – 1107 Railroad Avenue, Prentice
- Veterans Service Office: 224 South Second Street, Room 140, Medford
- Taylor County Housing Authority – 224 South Second Street, Medford
- Taylor County Commission on Aging: 845B East Broadway Avenue, Medford
- Price County Aging – 104 South Eyder Avenue, Phillips

Other Health Needs

- Aspirus Cardiovascular Associates – 135 South Gibson Street, Medford
- Bone & Joint Clinic – 724 South Eighth Street, Medford
- Eye Clinic of Wisconsin – 101 South Gibson,
- Family Planning Health Services – 153 South Second Street, Medford
- Indianhead Community Action Agency – 225 South Wisconsin Avenue, Medford
- Medford Food Buyers Club (Co-op) – W5380 Jolly Avenue, Medford
- Parent Resource Center of Taylor County – 172 South Main Street, Medford
- Stepping Stones, Inc. – P.O. Box 224, Medford
- Victim Witness – 224 South Second Street, Medford
- Wisconsin Well Women Program – 224 South Second Street, Medford
- Aspirus Outpatient Therapies – 603 Peterson Drive, Phillips
- Sports Plus Physical Therapy – 102 Beebe Street, Phillips
- Marshfield Therapy Center – 729 Pine Street, Athens

Counseling services are available in our community for various health-related issues, including Alcoholics Anonymous, Alzheimer's Support Group, Cardiac Support Group, Diabetes Support Group, Families & Children with Autism Group, Parents of Children with Special Needs Group, terminal illness and loss, parents with adult children with developmental disabilities, and Miscarriage, Ectopic Pregnancy, Stillbirth & Infant Death.

Various organizations in our community have similarly identified available resources and published those listings for the community. These resources include:

- Taylor County Opportunities for Physical Activity
- Directory of Services for Residents of Taylor County
- Aging and Disability Resource Center of the North (including Price County)