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Part III

Statement of Program Service Accomplishments

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

☐ Yes ☒ No

1

Briefly describe the organization's mission

WE ARE CALLED TO MAKE A HEALTHY DIFFERENCE IN PEOPLE'S LIVES

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 \$ 124,939,410 including grants of \$ 2,481 ) (Revenue \$ 128,153,323 )

See Schedule O

4b

(Code ) (Expenses \$ including grants of \$ ) (Revenue \$ )

4c

(Code ) (Expenses \$ including grants of \$ ) (Revenue \$ )

4d

Other program services (Describe in Schedule O )



















(Expenses \$ including grants of \$ ) (Revenue \$ )

4e

Total program service expenses 124,939,410

Part IV

Checklist of Required Schedules

	Yes	No
<b>1</b> Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i> 	Yes	
<b>2</b> Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> (see instructions)? 	Yes	
<b>3</b> Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		No
<b>4</b> <b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>		No
<b>5</b> 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? <i>If "Yes," complete Schedule C, Part III</i>		No
<b>6</b> 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? <i>If "Yes," complete Schedule D, Part I</i> 		No
<b>7</b> Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i> 		No
<b>8</b> Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i> 		No
<b>9</b> 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? <i>If "Yes," complete Schedule D, Part IV</i> 		No
<b>10</b> Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i> 		No
<b>11</b> 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		
<b>a</b> Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i> 	Yes	
<b>b</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? <i>If "Yes," complete Schedule D, Part VII</i> 		No
<b>c</b> 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? <i>If "Yes," complete Schedule D, Part VIII</i> 		No
<b>d</b> 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? <i>If "Yes," complete Schedule D, Part IX</i> 	Yes	
<b>e</b> Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i> 	Yes	
<b>f</b> 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)? <i>If "Yes," complete Schedule D, Part X</i> 		No
<b>12a</b> Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i> 		No
<b>b</b> Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i> 	Yes	
<b>13</b> Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		No
<b>14a</b> Did the organization maintain an office, employees, or agents outside of the United States?		No
<b>b</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? <i>If "Yes," complete Schedule F, Parts I and IV</i> 	Yes	
<b>15</b> 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? <i>If "Yes," complete Schedule F, Parts II and IV</i> 		No
<b>16</b> 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? <i>If "Yes," complete Schedule F, Parts III and IV</i> 		No
<b>17</b> 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? <i>If "Yes," complete Schedule G, Part I (see instructions)</i>		No
<b>18</b> Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>		No
<b>19</b> Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		No
<b>20a</b> Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>		No
<b>b</b> If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		

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? <i>If "Yes," complete Schedule I, Parts I and II</i> . . . . .	21		No
22	Did the organization report more than \$5,000 of grants or other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i> . . . . .	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? <i>If "Yes," complete Schedule J</i> . . . . .	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? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i> . . . . .	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	<b>Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</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? <i>If "Yes," complete Schedule L, Part I</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? <i>If so, complete Schedule L, Part II</i> . . . . .	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? <i>If "Yes," complete Schedule L, Part III</i> . . . . .	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? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .	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? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .	28c		No
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> . . . .	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i> . . . . .	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> . . . . .	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i> . . . . .	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? <i>If "Yes," complete Schedule R, Part I</i> . . . . .	33		No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i> . . . . .	34	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	Yes	
b	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i> . . . . .	35b	Yes	
36	<b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> . . . . .	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? <i>If "Yes," complete Schedule R, Part VI</i> . . . . .	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? <b>Note.</b> 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.		
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.		
1c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		
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.		
2b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).	Yes	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	Yes	
3b	If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O.	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)?		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?		No
5b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		No
5c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?		
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?		No
6b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	<b>Organizations that may receive deductible contributions under section 170(c).</b>		
7a	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?		No
7b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
7c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		No
7d	If "Yes," indicate the number of Forms 8282 filed during the year.		
7e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		No
7f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		No
7g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
7h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
8	<b>Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</b> Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		
9	<b>Sponsoring organizations maintaining donor advised funds.</b>		
9a	Did the organization make any taxable distributions under section 4966?		
9b	Did the organization make a distribution to a donor, donor advisor, or related person?		
10	<b>Section 501(c)(7) organizations.</b> Enter		
10a	Initiation fees and capital contributions included on Part VIII, line 12.		
10b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.		
11	<b>Section 501(c)(12) organizations.</b> Enter		
11a	Gross income from members or shareholders.		
11b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them).		
12a	<b>Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?		
12b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year.		
13	<b>Section 501(c)(29) qualified nonprofit health insurance issuers.</b>		
13a	Is the organization licensed to issue qualified health plans in more than one state? <b>Note.</b> See the instructions for additional information the organization must report on Schedule O.		
13b	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.		
13c	Enter the amount of reserves on hand.		
14a	Did the organization receive any payments for indoor tanning services during the tax year?		No
14b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O.		

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 . . . . .	11	
If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O			
1b	Enter the number of voting members included in line 1a, above, who are independent . . . . .	0	
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? . . . . .	2	No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? . . . . .	3	No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? . . . . .	4	No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? . . . . .	5	No
6	Did the organization have members or stockholders? . . . . .	6	Yes
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body? . . . . .	7a	Yes
7b	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		
8a	a The governing body? . . . . .	8a	Yes
8b	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
10b	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
11b	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
12b	b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? . . . . .	12b	Yes
12c	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?		
15a	a The organization's CEO, Executive Director, or top management official . . . . .	15a	Yes
15b	b Other officers or key employees of the organization . . . . .	15b	Yes
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? . . . . .	16a	No
16b	b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements? . . . . .	16b	

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed	MN
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. <input type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request <input type="checkbox"/> 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 KEVIN BOREN 523 EAST 1ST STREET DULUTH, MN 55805 (218) 786-1009	

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

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

Form **990** (2013)



## Part VII

<b>1b</b>	<b>Sub-Total . . . . .</b>			
<b>c</b>	<b>Total from continuation sheets to Part VII, Section A . . . . .</b>			
<b>d</b>	<b>Total (add lines 1b and 1c) . . . . .</b>	14,441,222	5,466,149	2,925,409

**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 ►538

		Yes	No
<b>3</b>	Did the organization list any <b>former</b> officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i> . . . . .	<b>3</b> Yes	
<b>4</b>	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? <i>If "Yes," complete Schedule J for such individual</i> . . . . .	<b>4</b> Yes	
<b>5</b>	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i> . . . . .	<b>5</b>	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

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 ►0

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	34,641			
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	50,620			
	g	Noncash contributions included in lines 1a-1f \$					
	h	Total. Add lines 1a-1f		85,261			
Program Service Revenue	2a	PATIENT REVENUE	Business Code 621110	122,393,531	122,372,136	21,395	
	b	JOINT VENTURE-INTERNATIONAL FALLS	621110	2,045,003	2,045,003		
	c						
	d						
	e						
	f	All other program service revenue					
	g	Total. Add lines 2a-2f		124,438,534			
	3	Investment income (including dividends, interest, and other similar amounts)		140,469		140,469	
	4	Income from investment of tax-exempt bond proceeds		0			
5	Royalties		0				
Other Revenue	6a	Gross rents	(i) Real 4,000	(ii) Personal			
	b	Less rental expenses					
	c	Rental income or (loss)	4,000	0			
	d	Net rental income or (loss)		4,000		4,000	
	7a	Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other 6,100			
	b	Less cost or other basis and sales expenses		430,607			
	c	Gain or (loss)		-424,507			
	d	Net gain or (loss)		-424,507		-424,507	
	8a	Gross income from fundraising events (not including \$ of contributions reported on line 1c) See Part IV, line 18	a				
	b	Less direct expenses	b				
	c	Net income or (loss) from fundraising events		0			
	9a	Gross income from gaming activities See Part IV, line 19	a				
	b	Less direct expenses	b				
	c	Net income or (loss) from gaming activities		0			
	10a	Gross sales of inventory, less returns and allowances	a				
	b	Less cost of goods sold	b				
	c	Net income or (loss) from sales of inventory		783,623	783,623		
	Miscellaneous Revenue		Business Code				
	11a	PROFESSIONAL SERVICE REVENUE - INT'L FALLS	541900	3,183,297	3,183,297		
	b	MANAGEMENT SERVICE REVENUE - INT'L FALLS	541900	531,492	531,492		
	c	PARKING REVENUE	812930	133,940		133,940	
	d	All other revenue		255		255	
	e	Total. Add lines 11a-11d		3,848,984			
	12	Total revenue. See Instructions		128,876,364	128,131,928	805,018	-145,843

Part IX

Statement of Functional Expenses

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

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the United States. See Part IV, line 21.	2,481	2,481		
2	Grants and other assistance to individuals in the United States. See Part IV, line 22.	0			
3	Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16.	0			
4	Benefits paid to or for members.	0			
5	Compensation of current officers, directors, trustees, and key employees.	2,007,643	2,007,643		
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B).	174,232	174,232		
7	Other salaries and wages.	52,819,970	51,765,889	1,054,081	
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions).	3,393,616	2,392,846	1,000,770	
9	Other employee benefits.	7,024,124	4,640,311	2,383,813	
10	Payroll taxes.	3,554,018	2,871,569	682,449	
11	Fees for services (non-employees):				
a	Management.	0			
b	Legal.	14,116		14,116	
c	Accounting.	0			
d	Lobbying.	0			
e	Professional fundraising services. See Part IV, line 17.	0			
f	Investment management fees.	0			
g	Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O).	8,727,874	8,669,719	58,155	
12	Advertising and promotion.	19,026	1,285	17,741	
13	Office expenses.	2,147,421	2,072,501	74,920	
14	Information technology.	140,105	137,105	3,000	
15	Royalties.	0			
16	Occupancy.	3,538,080	1,436,964	2,101,116	
17	Travel.	463,110	422,360	40,750	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials.	0			
19	Conferences, conventions, and meetings.	200,951	83,491	117,460	
20	Interest.	9,443,987		9,443,987	
21	Payments to affiliates.	0			
22	Depreciation, depletion, and amortization.	7,644,393	343,187	7,301,206	
23	Insurance.	833,373	833,373		
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	34,069,128	34,069,128		
b	AFFILIATE SUPPORT FEES	12,818,458	2,545,685	10,272,773	
c	BAD DEBT EXPENSE	6,597,750	6,597,750		
d	UBI TAX	-53,585	-53,585		
e	All other expenses	3,084,162	3,925,476	-841,314	
25	<b>Total functional expenses.</b> Add lines 1 through 24e.	158,664,433	124,939,410	33,725,023	0
26	<b>Joint costs.</b> Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> 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)		(B)
				Beginning of year		End of year
Assets	1	Cash—non-interest-bearing		249,168	1	263,290
	2	Savings and temporary cash investments		2,236,897	2	2,246,441
	3	Pledges and grants receivable, net		0	3	0
	4	Accounts receivable, net		9,790,082	4	10,275,709
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		0	5	0
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L		0	6	0
	7	Notes and loans receivable, net		1,730,499	7	1,827,851
	8	Inventories for sale or use		3,887,429	8	4,417,081
	9	Prepaid expenses and deferred charges		28,105	9	0
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a227,501,898			
	b	Less accumulated depreciation	10b96,149,810	122,839,775	10c	131,352,088
	11	Investments—publicly traded securities		2,767,093	11	2,864,682
	12	Investments—other securities See Part IV, line 11		0	12	0
	13	Investments—program-related See Part IV, line 11		832,606	13	0
	14	Intangible assets		0	14	0
	15	Other assets See Part IV, line 11		257,131,492	15	255,725,184
	16	Total assets. Add lines 1 through 15 (must equal line 34)		401,493,146	16	408,972,326
Liabilities	17	Accounts payable and accrued expenses		17,870,471	17	29,414,074
	18	Grants payable		0	18	0
	19	Deferred revenue		42,806	19	9,371
	20	Tax-exempt bond liabilities		160,717,883	20	155,007,607
	21	Escrow or custodial account liability Complete Part IV of Schedule D		0	21	0
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L		0	22	0
	23	Secured mortgages and notes payable to unrelated third parties		51,317,424	23	51,113,421
	24	Unsecured notes and loans payable to unrelated third parties		0	24	0
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		518,139,772	25	550,131,692
	26	Total liabilities. Add lines 17 through 25		748,088,356	26	785,676,165
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.					
	27	Unrestricted net assets		-346,595,210	27	-376,703,839
	28	Temporarily restricted net assets		0	28	0
	29	Permanently restricted net assets		0	29	0
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> 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		-346,595,210	33	-376,703,839
	34	Total liabilities and net assets/fund balances		401,493,146	34	408,972,326

Part XI Reconciliation 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	128,876,364
2	Total expenses (must equal Part IX, column (A), line 25)	2	158,664,433
3	Revenue less expenses Subtract line 2 from line 1	3	-29,788,069
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	-346,595,210
5	Net unrealized gains (losses) on investments	5	-621,544
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	300,984
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	-376,703,839

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 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> 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? 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 <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		No
2b	Were the organization's financial statements audited by an independent accountant? 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 <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	Yes	
2c	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? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	Yes	
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?		No
3b	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		



**Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

[illegible]

2013

Open to Public Inspection

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](http://www.irs.gov/form990).

Name of the organization The Duluth Clinic LTD	Employer identification number 41-0883623
---	--

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<sup>1</sup>/<sub>3</sub>% 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<sup>1</sup>/<sub>3</sub>% 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?  

(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?

(ii)

A family member of a person described in (i) above?

(iii)

A 35% controlled entity of a person described in (i) or (ii) above?

h

☐

Provide the following information about the supported organization(s)

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

(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 IIISupport 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	

SCHEDULE D  
(Form 990)

Supplemental Financial Statements

OMB No 1545-0047

2013

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

► 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](http://www.irs.gov/form990).

Name of the organization The Duluth Clinic LTD	Employer identification number  41-0883623
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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? <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>	
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? <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>	

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

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
- c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance
- |    |        |
|----|--------|
|    | Amount |
| 1c |        |
| 1d |        |
| 1e |        |
| 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 . . . . .					
b Contributions . . . . .					
c Net investment earnings, gains, and losses					
d Grants or scholarships . . . . .					
e Other expenditures for facilities and programs . . . . .					
f Administrative expenses . . . . .					
g End of year balance . . . . .					

- 2

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

Board designated or quasi-endowment
- b

Permanent endowment
- c

Temporarily restricted endowment

The percentages in lines 2a, 2b, and 2c should equal 100%
- 3a

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

(i) unrelated organizations . . . . .

3a(i)

☐ Yes

☐ No

(ii) related organizations . . . . .

3a(ii)

☐ Yes

☐ No

b

If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

3b

☐ Yes

☐ No
- 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 . . . . .		2,663,315		2,663,315
b Buildings . . . . .		186,029,438	74,039,631	111,989,807
c Leasehold improvements . . . . .		4,436,421	3,028,077	1,408,344
d Equipment . . . . .		23,459,682	18,332,800	5,136,882
e Other . . . . .		10,913,042	759,302	10,153,740
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				131,352,088



Part XI

Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

Complete if the organization answered 'Yes' to Form 990, Part IV, line 12a.

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

Part XII

Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered 'Yes' to Form 990, Part IV, line 12a.

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

Part XIII

Supplemental Information

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

Return Reference	Explanation

[illegible]



SCHEDULE F  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Statement of Activities Outside the United States

► Complete if the organization answered "Yes" to Form 990,  
Part IV, line 14b, 15, or 16.  
► Attach to Form 990. ► See separate instructions.  
► Information about Schedule F (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No 1545-0047

2013

Open to Public  
Inspection

Name of the organization  
The Duluth Clinic LTD

Employer identification number  
41-0883623

Part I

General Information on Activities Outside the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 14b.

- 1 For grantmakers. Does the organization maintain records to substantiate the amount of its grants and other assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . . . ☐ Yes ☐ No
- 2 For grantmakers. Describe in Part V the organization's procedures for monitoring the use of its grants and other assistance outside the United States.
- 3 Activites per Region (The following Part I, line 3 table can be duplicated if additional space is needed )

(a) Region	(b) Number of offices in the region	(c) Number of employees, agents, and independent contractors in region	(d) Activities conducted in region (by type) (e g , fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for and investments in region
( 1 ) Central America and the Caribbean			Send agents to seminar		3,799
( 2 ) North America			Send agents to seminar		3,044
( 3 ) South America			Send agents to seminar		5,117
( 4 )					
( 5 )					
3a Sub-total					11,960
b Total from continuation sheets to Part I					
c Totals (add lines 3a and 3b)					11,960

Part II

Grants and Other Assistance to Organizations or Entities Outside the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 15, for any recipient who received more than \$5,000. Part II can be duplicated if additional space is needed.

1	(a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of non-cash assistance	(h) Description of non-cash assistance	(i) Method of valuation (book, FMV, appraisal, other)
( 1 )									
( 2 )									
( 3 )									
( 4 )									

- 2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter . . . . ▶
- 3 Enter total number of other organizations or entities . . . . . ▶

Part III

Grants and Other Assistance to Individuals Outside the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 16.  
Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Region	(c) Number of recipients	(d) Amount of cash grant	(e) Manner of cash disbursement	(f) Amount of non-cash assistance	(g) Description of non-cash assistance	(h) Method of valuation (book, FMV, appraisal, other)
( 1 )							
( 2 )							
( 3 )							
( 4 )							
( 5 )							
( 6 )							
( 7 )							
( 8 )							
( 9 )							
( 10 )							
( 11 )							
( 12 )							
( 13 )							
( 14 )							
( 15 )							
( 16 )							
( 17 )							
( 18 )							

**Part IV Foreign Forms**

- 1

Was the organization a U S transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation (see Instructions for Form 926)*

☐

Yes

☒

No
- 2

Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organization may be required to file Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U.S. Owner (see Instructions for Forms 3520 and 3520-A)*

☐

Yes

☒

No
- 3

Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U.S. Persons with Respect to Certain Foreign Corporations. (see Instructions for Form 5471)*

☐

Yes

☒

No
- 4

Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund. (see Instructions for Form 8621)*

☐

Yes

☒

No
- 5

Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U.S. Persons with Respect to Certain Foreign Partnerships. (see Instructions for Form 8865)*

☐

Yes

☒

No
- 6

Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to file Form 5713, International Boycott Report (see Instructions for Form 5713).*

☐

Yes

☒

No

## Additional Data

**Software ID:**

**Software Version:**

**EIN:** 41-0883623

**Name:** The Duluth Clinic LTD

### **Part V** Supplemental Information

Provide the information required by Part I, line 2 (monitoring of funds); Part I, line 3, column (f) (accounting method; amounts of investments vs. expenditures per region); Part II, line 1 (accounting method); Part III (accounting method); and Part III, column (c) (estimated number of recipients), as applicable. Also complete this part to provide any additional information (see instructions).

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](http://www.irs.gov/form990).

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization  
The Duluth Clinic LTD

Employer identification number  
41-0883623

Part I

Questions Regarding Compensation

	Yes	No
<div><div>1a</div><div>Check the appropriate 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</div><div><div><div><input type="checkbox"/> First-class or charter travel</div><div><input type="checkbox"/> Travel for companions</div><div><input type="checkbox"/> Tax idemnification and gross-up payments</div><div><input type="checkbox"/> Discretionary spending account</div></div><div><div><input type="checkbox"/> Housing allowance or residence for personal use</div><div><input type="checkbox"/> Payments for business use of personal residence</div><div><input type="checkbox"/> Health or social club dues or initiation fees</div><div><input type="checkbox"/> Personal services (e g , maid, chauffeur, chef)</div></div></div></div>		
<div><div>b</div><div>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</div></div>	1b	
<div><div>2</div><div>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?</div></div>	2	
<div><div>3</div><div>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</div><div><div><div><input checked="" type="checkbox"/> Compensation committee</div><div><input checked="" type="checkbox"/> Independent compensation consultant</div><div><input type="checkbox"/> Form 990 of other organizations</div></div><div><div><input type="checkbox"/> Written employment contract</div><div><input checked="" type="checkbox"/> Compensation survey or study</div><div><input checked="" type="checkbox"/> Approval by the board or compensation committee</div></div></div></div>		
<div><div>4</div><div>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</div></div>		
<div><div>a</div><div>Receive a severance payment or change-of-control payment?</div></div>	4a	No
<div><div>b</div><div>Participate in, or receive payment from, a supplemental nonqualified retirement plan?</div></div>	4b	Yes
<div><div>c</div><div>Participate in, or receive payment from, an equity-based compensation arrangement?</div></div> <div>If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III</div>	4c	No
<div><div></div><div>Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.</div></div>		
<div><div>5</div><div>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</div></div>		
<div><div>a</div><div>The organization?</div></div>	5a	No
<div><div>b</div><div>Any related organization?</div></div> <div>If "Yes," to line 5a or 5b, describe in Part III</div>	5b	No
<div><div>6</div><div>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</div></div>		
<div><div>a</div><div>The organization?</div></div>	6a	No
<div><div>b</div><div>Any related organization?</div></div> <div>If "Yes," to line 6a or 6b, describe in Part III</div>	6b	No
<div><div>7</div><div>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</div></div>	7	No
<div><div>8</div><div>Were any amounts reported in Form 990, Part VII, paid or accrued 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</div></div>	8	Yes
<div><div>9</div><div>If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?</div></div>	9	Yes

**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
SCHEDULE J, PART I, LINE 3	ESTABLISHING CEO'S COMPENSATION THE DULUTH CLINIC, LTD RELIED ON ESSENTIA HEALTH'S, SUPPORTING ORGANIZATION OF ESSENTIA HEALTH DULUTH, METHODS FOR ESTABLISHING THE DULUTH CLINIC, LTD 'S PRESIDENT'S COMPENSATION A COMPENSATION COMMITTEE, INDEPENDENT COMPENSATION CONSULTANT, COMPENSATION SURVEY OR STUDY, AND APPROVAL BY THE BOARD OR COMPENSATION COMMITTEE
Schedule J, Part I, Line 4b	Supplemental nonqualified retirement plan Essentia Healths nonqualified retirement plan is offered to designated Essentia Health executives There is a minimum two year vesting date, or vesting is automatic upon reaching retirement age, death, disability or involuntary termination without cause Benefits are subject to income taxes upon vesting and payable from Essentia Healths general assets Reported as Other Reportable Compensation in Schedule J, Part II, Column B (iii), the following individuals listed in Form 990, Part VII, Section A, Line 1a received payment of the vested benefit from the supplemental nonqualified retirement plan during the year Barbara Johnson \$34,120 Robert Norman \$60,185 Ann Watkins \$11,403 Cynthia Sorensen \$12,388 Michael McAvoy \$10,473 Peter Person, MD \$184,836 Reported as Retirement and Other Deferred Compensation in Schedule J, Part II, Column C, Essentia Health made contributions, subject to the vesting terms, during the year into the supplemental nonqualified retirement plan on behalf of the following individuals listed in Form 990, Part VII, Section A, Line 1a Peter Person, MD \$162,266 Timothy Zager, MD \$37,281 Barbara Johnson \$4,975 Daniel Nikcevich, MD \$79,570 Robert Norman \$52,337 Ann Watkins \$5,911 Michael Motley \$5,755 Cynthia Sorensen \$4,362 Michael McAvoy \$2,110 Michael Metcalf \$42,000
Schedule J, Part I, Line 8	Initial Contract Exception The Duluth Clinic, Ltd 's Section Chair, Mark Grim, MD, received compensation during the year under an initial employment agreement subject to the initial contract exception Through the Physician Compensation Committee of Essentia Health East, this compensation arrangement was reviewed and approved by independent persons using comparability data and deliberations and decisions were documented



Additional Data

Software ID:

Software Version:

EIN: 41-0883623

Name: The Duluth Clinic LTD

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				
THOMAS PATNOE MD PRESIDENT & CMO thru 4/12	(i) (ii)	547,888 0	0 0	2,407 0	25,500 0	29,629 0	605,424 0	0 0
MICHAEL METCALF EVP CLINICAL OPERATIONS	(i) (ii)	0 383,432	0 111,150	0 5,856	0 67,500	0 27,797	0 595,735	0 0
ROBERT NORMAN Interim CFO Thru 1/14	(i) (ii)	0 435,704	0 122,489	0 218,898	0 67,637	0 23,637	0 868,365	0 60,185
BARBARA JOHNSON CFO Thru 6/13	(i) (ii)	0 197,655	0 88,700	0 35,681	0 29,333	0 3,852	0 355,221	0 34,120
JOSEPH BIANCO MD BOARD TREASURER	(i) (ii)	305,279 0	0 0	635 0	25,500 0	30,774 0	362,188 0	0 0
RAHUL AGGARWAL MD BOARD DIRECTOR	(i) (ii)	465,570 0	0 0	2,397 0	25,196 0	20,910 0	514,073 0	0 0
DAVID ALEXANDER MD BOARD DIRECTOR	(i) (ii)	658,811 0	0 0	2,906 0	25,500 0	22,050 0	709,267 0	0 0
JEFFREY ENGELSJERD MD BOARD DIRECTOR	(i) (ii)	364,171 0	0 0	996 0	25,500 0	28,607 0	419,274 0	0 0
SCOTT JOHNSON MD BOARD DIRECTOR	(i) (ii)	692,388 0	0 0	1,546 0	25,500 0	30,975 0	750,409 0	0 0
DANIEL NIKCEVICH MD PRESIDENT & CMO	(i) (ii)	0 658,077	0 171,516	0 4,182	0 105,070	0 28,039	0 966,884	0 0
ANNE STEPHEN MD BOARD DIRECTOR	(i) (ii)	270,837 0	0 0	401 0	25,262 0	28,213 0	324,713 0	0 0
TIMOTHY ZAGER MD President	(i) (ii)	0 345,725	0 99,750	0 5,483	0 62,781	0 24,155	0 537,894	0 0
MICHAEL MOTLEY VP COMMUNITY CLINICS & REG OPS	(i) (ii)	190,366 0	27,887 0	34,379 0	28,246 0	27,771 0	308,649 0	0 0
MICHAEL MCAVOY VP HOSPITAL OPS Thru 10/13	(i) (ii)	0 204,189	0 29,526	0 15,839	0 25,971	0 16,761	0 292,286	0 10,473
ANN WATKINS VP SURGICAL SERVICES	(i) (ii)	0 183,708	0 27,089	0 19,543	0 27,051	0 21,071	0 278,462	0 11,403
KIMBERLY BODDICKER MD SECTION CHAIR	(i) (ii)	467,946 0	0 0	513 0	25,500 0	26,282 0	520,241 0	0 0
SCOTT ESKURI MD SECTION CHAIR	(i) (ii)	618,970 0	0 0	1,497 0	25,500 0	30,181 0	676,148 0	0 0
WENDELL SMITH MD SECTION CHAIR	(i) (ii)	472,069 0	0 0	1,081 0	25,500 0	28,150 0	526,800 0	0 0
FREDERICK HARRIS MD PHYSICIAN	(i) (ii)	1,115,426 0	0 0	1,533 0	25,500 0	28,671 0	1,171,130 0	0 0
MICHAEL MARKS DIRECTOR	(i) (ii)	195,570 0	0 0	144 0	10,239 0	16,781 0	222,734 0	0 0

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				
DANIEL MILBRIDGE REGIONAL ADMINISTRATOR	(i) (ii)	0 228,592	0 0	0 6,294	0 11,690	0 25,401	0 271,977	0 0
BENJAMIN YOKEL MD PHYSICIAN	(i) (ii)	896,842 0	0 0	2,622 0	25,500 0	28,699 0	953,663 0	0 0
THERESA GUNNARSON MD BOARD DIRECTOR	(i) (ii)	557,122 20,000	0 0	961 0	25,500 0	30,906 0	614,489 20,000	0 0
Peter Person MD CHIEF EXECUTIVE OFFICER	(i) (ii)	0 989,806	0 273,393	0 352,594	0 937,342	0 30,377	0 2,583,512	0 184,836
MATTHEW LUEDKE MD BOARD DIRECTOR	(i) (ii)	251,108 0	0 0	355 0	25,536 0	28,129 0	305,128 0	0 0
BRIAN KONOWALCHUK MD BOARD DIRECTOR	(i) (ii)	456,566 0	0 0	378 0	20,400 0	27,639 0	504,983 0	0 0
JEFFREY LYON MD BOARD DIRECTOR	(i) (ii)	290,947 0	0 0	1,084 0	25,500 0	23,220 0	340,751 0	0 0
VINCENT OHAJU MD BOARD DIRECTOR Thru 5/14	(i) (ii)	716,271 0	0 0	1,766 0	25,500 0	28,605 0	772,142 0	0 0
MICHELLE OMAN MD SECTION CHAIR	(i) (ii)	343,337 0	0 0	358 0	25,500 0	28,009 0	397,204 0	0 0
WILSON GINETE MD SECTION CHAIR	(i) (ii)	588,487 0	0 0	1,718 0	25,500 0	22,714 0	638,419 0	0 0
JUSTIN CUMMINS MD PHYSICIAN	(i) (ii)	1,008,824 0	0 0	1,183 0	25,500 0	30,638 0	1,066,145 0	0 0
MELISSA LASPI DIRECTOR	(i) (ii)	191,029 0	0 0	157 0	10,171 0	23,163 0	224,520 0	0 0
STEVEN BROADWAY MD PHYSICIAN	(i) (ii)	1,149,895 0	0 0	808 0	25,500 0	30,050 0	1,206,253 0	0 0
CYNTHIA SORENSEN VP Medical Specialties	(i) (ii)	0 191,862	0 25,921	0 13,495	0 27,021	0 28,847	0 287,146	0 12,388
MARK GRIM MD SECTION CHAIR	(i) (ii)	662,453 0	0 0	653 0	25,500 0	29,838 0	718,444 0	0 0
MICHAEL GIBBONS MD PHYSICIAN	(i) (ii)	870,227 0	0 0	2,458 0	25,500 0	23,922 0	922,107 0	0 0

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](http://www.irs.gov/form990).

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization  
The Duluth Clinic LTD

Employer identification number  
41-0883623

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	MN AGRICULTURAL AND ECONOMIC DEVELOPMENT BOARD	41-6007162	604920Z43	05-02-2008	42,909,274	SRS 2008E (SEE PART VI)		X		X		X
B	CASS COUNTY NORTH DAKOTA	45-6002205	148047AU7	02-25-2010	59,573,111	SRS 2008A REOFFERED (SEE PART VI)		X		X		X
C	WI HEALTH AND EDUCATION FACILITIES AUTHORITY	39-1337855	97710BSD5	02-25-2010	12,854,722	SRS 2008B REOFFERED (SEE PART VI)		X		X		X
D	MN AGRICULTURAL AND ECONOMIC DEVELOPMENT BOARD	41-6007162	6049202H0	02-25-2010	165,717,405	SRS 2008C REOFFERED (SEE PART VI)		X		X		X

Part II

Proceeds

		A		B		C		D	
1	Amount of bonds retired	0		0		0		9,295,991	
2	Amount of bonds legally defeased	0		0		0		0	
3	Total proceeds of issue	15,010,957		28,440,203		6,136,844		79,113,489	
4	Gross proceeds in reserve funds	0		0		0		0	
5	Capitalized interest from proceeds	0		0		0		0	
6	Proceeds in refunding escrows	0		0		0		0	
7	Issuance costs from proceeds	327,722		0		0		906,723	
8	Credit enhancement from proceeds	277,909		0		0		0	
9	Working capital expenditures from proceeds	0		0		0		0	
10	Capital expenditures from proceeds	0		0		0		0	
11	Other spent proceeds	14,405,326		28,440,203		6,136,844		78,206,766	
12	Other unspent proceeds	0		0		0		0	
13	Year of substantial completion	2008		2010		2010		2010	
14	Were the bonds issued as part of a current refunding issue?	Yes	No	Yes	No	Yes	No	Yes	No
		X		X		X		X	
15	Were the bonds issued as part of an advance refunding issue?		X		X		X		X
16	Has the final allocation of proceeds been made?	X		X		X		X	
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X		X		X	

Part III

Private Business Use

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

Part III

Private Business Use (Continued)

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts that may result in private business use of bond-financed property?		X		X		X		X
b	If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?								
c	Are there any research agreements that may result in private business use of bond-financed property?		X		X		X		X
d	If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government	0 %		0 %		0 %		0 %	
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government					0 %		0 %	
6	Total of lines 4 and 5					0 %		0 %	
7	Does the bond issue meet the private security or payment test?		X		X		X		X
8a	Has there been a sale or disposition of any of the bond financed property to a nongovernmental person other than a 501(c)(3) organization since the bonds were issued?		X		X		X		X
b	If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of								
c	If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2?		X		X		X		X
9	Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2?	X		X		X		X	

Part IV

Arbitrage

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Has the issuer filed Form 8038-T?		X		X		X		X
2	If "No" to line 1, did the following apply?								
a	Rebate not due yet?		X		X		X		X
b	Exception to rebate?	X		X		X		X	
c	No rebate due?		X		X		X		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		X		X		X
4a	Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X		X		X		X
b	Name of provider	0		0		0			
c	Term of hedge								
d	Was the hedge superintegrated?								
e	Was the hedge terminated?								

Part IV

Arbitrage (Continued)

5a	Were gross proceeds invested in a guaranteed investment contract (GIC)?	A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
			X		X		X		X
b	Name of provider	0		0		0		0	
c	Term of GIC								
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
6	Were any gross proceeds invested beyond an available temporary period?		X		X		X		X
7	Has the organization established written procedures to monitor the requirements of section 148?	X		X		X		X	

Part V

Procedures To Undertake Corrective Action

	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?	A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
		X		X		X		X	

Part VI

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

Return Reference	Explanation
SCHEDULE K, PART VI	<p>Additional information/comments relating to the reporting of liabilities by related organizations   Essentia Health has an Obligated Group created under the Master Indenture which is composed of the following Members   Essentia Health, Critical Access Group, Essentia Health East, Essentia Health St Joseph's Medical Center, Essentia Health St Mary's-Detroit Lakes, Essentia Health St Mary's Medical Center, Essentia Health Duluth, Essentia Health Polinsky Medical Rehabilitation Center, Essentia Health St Mary's Hospital-Superior, Essentia Health Brainerd Specialty Clinic, Essentia Health Central, St Mary's Innovis Health, The Duluth Clinic, Ltd and Essentia Health West (the "Obligated Group Members" or the "Members of the Obligated Group") The Members of the Obligated Group are jointly and severally obligated on all indebtedness evidenced or secured by Notes issued under the Master Indenture   Series 2008E   The Series 2008E bonds are secured by Notes issued under the Master Indenture   The Obligated Group Members   Essentia Health East, The Duluth Clinic, Ltd , Essentia Health, Essentia Health St Mary's Medical Center and Essentia Health Duluth are the conduit borrowers of the Series 2008E bonds   The conduit borrower, The Duluth Clinic, Ltd , has recorded a portion of the bond liability on its balance sheet which is consolidated with Essentia Health   The Obligated Group Member, Essentia Health West, is an indirect beneficiary of a portion of the Series 2008E borrowing and has recorded a portion of the bond liability on its balance sheet which is consolidated with Essentia Health   Series 2008A Reoffered   The Series 2008A reoffered bonds are secured by Notes issued under the Master Indenture   Essentia Health is the conduit borrower of the Series 2008A reoffered bonds and has recorded a portion of the bond liability on its balance sheet   The Obligated Group Members, Essentia Health West, The Duluth Clinic, Ltd , and Essentia Health St Mary's-Detroit Lakes, are indirect beneficiaries of the Series 2008A reoffered borrowing and have recorded the bond liability on their balance sheets which are consolidated with Essentia Health   Series 2008B Reoffered   The Series 2008B reoffered bonds are secured by Notes issued under the Master Indenture   The Obligated Group Members   The Duluth Clinic, Ltd , Essentia Health and Essentia Health St Mary's Hospital-Superior are the conduit borrowers of the Series 2008B reoffered bonds   The conduit borrowers, The Duluth Clinic, Ltd and Essentia Health, have recorded a portion of the bond liability on their balance sheets which are consolidated with Essentia Health   The Obligated Group Members, Essentia Health West and Essentia Health St Mary's-Detroit Lakes, are indirect beneficiaries of a portion of the Series 2008B reoffered borrowing and have recorded a portion of the bond liability on their balance sheets which are consolidated with Essentia Health   Series 2008C Reoffered   The Series 2008C reoffered bonds are secured by Notes issued under the Master Indenture   The Obligated Group Members   Essentia Health East, Essentia Health St Joseph's Medical Center, Essentia Health St Mary's-Detroit Lakes, The Duluth Clinic, Ltd , Essentia Health, and Essentia Health St Mary's Medical Center, Inc are the conduit borrowers of the Series 2008C reoffered bonds   The conduit borrowers, Essentia Health St Mary's-Detroit Lakes, Essentia Health, and The Duluth Clinic, Ltd , have recorded a portion of the bond liability on their balance sheets which are consolidated with Essentia Health   The Obligated Group Member, Essentia Health West is an indirect beneficiary of a portion of the Series 2008C reoffered borrowing and has recorded a portion of the bond liability on its balance sheet which is consolidated with Essentia Health   Part I, Column (f) Description of Purspose   Series 2008E REFINANCE SERIES 1997 BONDS ISSUED DECEMBER 18, 1997 TO FINANCE EQUIPMENT PURCHASES IN DULUTH, MN   SERIES 2008A REOFFERED   REOFFER SERIES 2008 A-1 AND A-2 BONDS ISSUED MARCH 4, 2008 TO REFINANCE A PORTION OF THE ACQUISITION OF CERTAIN ASSETS OF ESSENTIA HEALTH WEST IN CONNECTION WITH THE AFFILIATION OF ESSENTIA HEALTH WITH ESSENTIA HEALTH WEST   SERIES 2008B REOFFERED   REOFFER SERIES 2008 B-1 BONDS ISSUED MARCH 4, 2008 TO REFUND SERIES 1999B BONDS ISSUED MAY 18, 1999 FOR CONSTRUCTION PROJECTS AND EQUIPMENT PURCHASES IN SUPERIOR, WI AND VARIOUS DULUTH CLINIC LOCATIONS IN NORTHWESTERN WISCONSIN   SERIES 2008C REOFFERED   REOFFER SERIES 2008 C-5 AND 2008 C-4A BONDS ISSUED MARCH 4, 2008 TO REFUND SERIES 2004 BONDS ISSUED MARCH 19, 2004 FOR VARIOUS ACQUISITIONS, CONSTRUCTION PROJECTS, CAPITAL IMPROVEMENTS AND EQUIPMENT PURCHASES IN DULUTH, BRAINERD, AND DETROIT LAKES, MN AND REFUND SERIES 1999A BONDS ISSUED MAY 18, 1999 FOR VARIOUS ACQUISITIONS, CONSTRUCTION PROJECTS, CAPITAL IMPROVEMENTS AND EQUIPMENT PURCHASES IN BRAINERD, DETROIT LAKES AND DULUTH, MN AND VARIOUS DULUTH CLINIC SITES IN NORTHERN MINNESOTA   Part II, Line 3 Issue Price   Series 2008E, Series 2008A Reoffered, Series 2008B Reoffered, and Series 2008C Reoffered were issued by the Essentia Health Obligated Group   The issue price listed in The Dultuh Clinic, Ltd 's Schedule K Part I, Column (e) represents the Essentia Health Obligated Group's total borrowing   Part II, Lines 3 through 12 Proceeds   Series 2008E, Series 2008A Reoffered, Series 2008B Reoffered, and Series 2008C Reoffered were issued by the Essentia Health Obligated Group   A portion of the Series 2008E, Series 2008A Reoffered, Series 2008B Reoffered, and Series 2008C Reoffered borrowings were allocated to The Duluth Clinic, Ltd , an Essentia Health Obligated Group Member   The proceeds listed in The Duluth Clinic, Ltd 's Schedule K Part II Lines 3 through 12 represent The Duluth Clinic, Ltd 's allocated portion of the proceeds</p>

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](http://www.irs.gov/form990).

OMB No 1545-0047  
**2013**  
**Open to Public Inspection**

Name of the organization  
The Duluth Clinic LTD

Employer identification number  
41-0883623

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?		(e) Original principal amount	(f) Balance due	(g) In default?		(h) Approved by board or committee?	(i) Written agreement?	
			To	From			Yes	No		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) David Gordon	Related to Michael Motley	644,158	See Schedule L, Part V		No
(2) Christopher Bunch	See Schedule L, Part V	413,159	See Schedule L, Part V		No
(3) Elizabeth Marks	Related to Michael Marks	158,380	See Schedule L, Part V		No

**Part V Supplemental Information**

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

Return Reference	Explanation
Schedule L, Part IV, Line 1, Column D	Compensation of a family member of a key employee
Schedule L, Part IV, Line 2, Column B	Related to Kimberly Boddicker, MD
Schedule L, Part IV, Lines 2 & 3, Column D	Compensation of a family member of a former key employee

**SCHEDULE O**  
(Form 990 or 990-EZ)**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](http://www.irs.gov/form990).**

**2013****Open to Public  
Inspection**

Department of the Treasury  
Internal Revenue Service

Name of the organization  
The Duluth Clinic LTD

**Employer identification number**

41-0883623

**Return  
Reference****Explanation**

FORM 990,  
PART III LINE  
4

PROGRAM SERVICE ACCOMPLISHMENTS The Duluth Clinic, Ltd , is a nationally recognized multi-specialty group with more than 400 physicians who work in Essentia Health Systems 7 hospitals and 16 regional clinics across northeastern Minnesota and northwestern Wisconsin. Our physicians cover 55 medical specialties and subspecialties. The clinic is organized and operated exclusively for charitable, scientific, and educational purposes. The clinic offers a broad range of outpatient services for its patients, including family practice, obstetrics and gynecology, behavioral health, cancer, orthopedics, neuroscience, digestive health, family, pediatrics services, weight management and heart and vascular services. In addition to the medical specialties the clinic also operates pharmacies, optical centers, infusion therapy centers, and a cancer center. Beyond its clinical services, The Duluth Clinic, Ltd also offers educational programs for the community, such as parenting classes and child safety programs such as bicycle helmet fitting, bicycle safety, and pedestrian safety. The Duluth Clinic, Ltd also participates in continuing education programs for health care professionals. The Duluth Clinic, Ltd employs over 480 full time equivalents. The clinics had over 189,000 encounters during the fiscal year ended June 30, 2014. The Duluth Clinic, Ltd paid over \$629,000 in MNCare Tax and Medicaid Surplus, provided over \$1,075,000 in charity care, over \$17,000 in community services, and over \$141,000 in education and workforce development during the fiscal year ended June 30, 2014.



Return Reference	Explanation
FORM 990, PART V, LINE 1A	1099 Reporting VENDOR PAYMENTS AND FORM 1099'S WERE PROCESSED THROUGH ESSENTIA HEALTH ON BEHALF OF CERTAIN LEGAL ENTITIES COMPRISING ESSENTIA HEALTH SYSTEM

Return Reference	Explanation
FORM 990, PART VI LINE 6	Members of Organization ESSENTIA HEALTH EAST IS THE SOLE SHAREHOLDER OF THE DULUTH CLINIC, LTD AND MAY ELECT ONE OR MORE MEMBERS OF THE GOVERNING BODY AS DESCRIBED IN SCHEDULE O PART VI LINE 7A MEMBERS, ESSENTIA HEALTH AND ESSENTIA HEALTH EAST, HAVE RESERVED POWERS WITH RESPECT TO THE DULUTH CLINIC, LTD AS DESCRIBED IN SCHEDULE O PART VI LINE 7B

Return Reference	Explanation
FORM 990, PART VI LINE 7A	Members with right to elect governing body ESSENTIA HEALTH EAST APPOINTS AND REMOVES THE DULUTH CLINIC, LTD 'S GOVERNING BODY

Return Reference	Explanation
FORM 990, PART VI LINE 7B	<p>MEMBER WITH RIGHT TO APPROVE GOVERNING BODY DECISION THE DULUTH CLINIC, LTD IS A SUBSIDIARY OF ESSENTIA HEALTH, WHOSE BOARD OF DIRECTORS HAS RESERVED POWERS WITH RESPECT TO THIS CORPORATION AND ITS SUBSIDIARIES, AND ALL OF THE OTHER DIRECT AND INDIRECT SUBSIDIARIES OF ESSENTIA HEALTH (COLLECTIVELY, THE "SYSTEM") ESSENTIA HEALTH'S RESERVED POWERS ARE AS FOLLOWS STRATEGIC AND BUSINESS PLANS AUTHORITY TO CREATE, AND TO APPROVE, THE SYSTEM'S STRATEGIC AND BUSINESS PLANS MISSION AUTHORITY TO CREATE, AND TO APPROVE, THE MISSION, PURPOSE AND VISION STATEMENTS FOR ALL ENTITIES IN THE SYSTEM BY THE AFFIRMATIVE VOTE OF AT LEAST 67% OF THE ESSENTIA HEALTH BOARD OF DIRECTORS DEBT APPROVAL OF THE INCURRENCE OF DEBT BY , AND THE CREATION OF ALL MORTGAGES, LIENS, SECURITY INTERESTS, OR OTHER ENCUMBRANCES ON THE ASSETS OF, ALL ENTITIES IN THE SYSTEM IN EXCESS OF THE SINGLE OR ANNUAL AGGREGATE DOLLAR LIMITS PRESCRIBED IN WRITING BY THE ESSENTIA HEALTH BOARD OF DIRECTORS, AND THE AUTHORITY TO CAUSE ALL ENTITIES IN THE SYSTEM TO PARTICIPATE IN SYSTEM BORROWING GOVERNING INSTRUMENTS AUTHORITY TO CAUSE, AND TO APPROVE, AMENDMENTS OF THE ARTICLES OF INCORPORATION AND BYLAWS OF ALL ENTITIES IN THE SYSTEM MERGERS AND ACQUISITIONS AUTHORITY TO CAUSE, AND TO APPROVE, ALL MERGERS, CONSOLIDATIONS, AND DISSOLUTIONS OF ALL ENTITIES IN THE SYSTEM AFFILIATIONS AND JOINT VENTURES AUTHORITY TO CAUSE, AND TO APPROVE, ALL AFFILIATIONS, JOINT VENTURES AND OTHER ALLIANCES WITH THIRD PARTIES OF ALL ENTITIES IN THE SYSTEM TRANSFER OF ASSETS WITHIN THE SYSTEM AUTHORITY TO TRANSFER ASSETS, INCLUDING CASH, BETWEEN AND AMONG ENTITIES WITHIN THE SYSTEM, PROVIDED, HOWEVER, THAT ESSENTIA HEALTH SHALL NOT HAVE AUTHORITY TO REQUIRE ANY ENTITY IN THE SYSTEM TO TRANSFER ASSETS (A) THAT WOULD CAUSE SUCH ENTITY TO BE IN DEFAULT OF ITS COVENANTS OR OBLIGATIONS UNDER ANY BOND OR OTHER FINANCING DOCUMENTS, (B) FROM THE CATHOLIC ENTITIES TO THE SECULAR ENTITIES OR FROM THE SECULAR ENTITIES TO THE CATHOLIC ENTITIES IN A MANNER OR TO AN EXTENT THAT WOULD CAUSE THE CATHOLIC ENTITIES TO BE IN VIOLATION OF THE ETHICAL AND RELIGIOUS DIRECTIVES FOR CATHOLIC HEALTH CARE SERVICES (ERDS) IN THE JUDGMENT OF THE LOCAL ORDINARY, OR (C) SUCH THAT MONEY GENERATED BY SERVICES AT SECULAR FACILITIES WITHIN THE SYSTEM BY PROCEDURES THAT ARE CONTRARY TO THE ERDS WOULD BE USED AT THE CATHOLIC ENTITIES OR MONEY GENERATED BY CATHOLIC ENTITIES WOULD BE USED IN THE PROVIDING OF SERVICES CONTRARY TO THE ERDS AT SECULAR FACILITIES WITHIN THE SYSTEM TRANSFER OF ASSETS OUTSIDE THE SYSTEM AUTHORITY TO CAUSE, AND TO APPROVE, THE SALE, LEASE OR OTHER TRANSFER OF ASSETS OF ALL ENTITIES IN THE SYSTEM TO PARTIES OUTSIDE OF THE SYSTEM WHEN THE ASSET'S VALUE EXCEEDS THE SINGLE OR ANNUAL AGGREGATE DOLLAR LIMITS PRESCRIBED IN WRITING BY THE ESSENTIA HEALTH BOARD OF DIRECTORS SERVICES AUTHORITY TO CAUSE, AND TO APPROVE, THE ADDITION OF NEW SERVICES AND SERVICE LOCATIONS AND THE DISCONTINUANCE OF SERVICES AND SERVICE LOCATIONS WITHIN ALL ENTITIES IN THE SYSTEM BUDGETS APPROVAL OF CAPITAL AND OPERATING BUDGETS OF ALL ENTITIES IN THE SYSTEM PROFESSIONAL SERVICES SELECTION OF THE GENERAL LEGAL COUNSEL AND EXTERNAL AUDITORS OF ALL ENTITIES IN THE SYSTEM ACQUISITIONS AUTHORITY TO CAUSE, AND TO APPROVE, ALL ACQUISITIONS BY AND FORMATIONS OF ENTITIES IN THE SYSTEM MARKETING AUTHORITY TO IMPLEMENT SYSTEM-WIDE MARKETING AND PROMOTIONAL ACTIVITIES COMPLIANCE PLANS AUTHORITY TO CREATE, AND TO APPROVE, CORPORATE COMPLIANCE, SAFETY AND RISK MANAGEMENT PLANS FOR ENTITIES WITHIN THE SYSTEM QUALITY PLAN AUTHORITY TO CREATE, AND TO APPROVE, THE SYSTEM'S QUALITY PLAN NON-BUDGETED PURCHASES APPROVAL OF NON-BUDGETED CAPITAL PURCHASES AND LEASES IN EXCESS OF THE SINGLE OR ANNUAL AGGREGATE DOLLAR LIMITS PRESCRIBED IN WRITING BY ESSENTIA HEALTH FOR ENTITIES WITHIN THE SYSTEM HUMAN RESOURCES AUTHORITY TO CREATE HUMAN RESOURCE POLICIES AND PROCEDURES WITHIN THE SYSTEM RESERVED POWERS AUTHORITY TO CREATE ADDITIONAL ESSENTIA HEALTH RESERVED POWERS BY THE AFFIRMATIVE VOTE OF AT LEAST 80% OF THE ESSENTIA HEALTH BOARD OF DIRECTORS (EXCLUDING THE ESSENTIA HEALTH CEO), PROVIDED, HOWEVER, THAT ANY ADDITIONAL ESSENTIA HEALTH RESERVED POWERS SHALL NOT CONTRAVENE OR HINDER THE RESERVED POWERS OF BENEDICTINE SISTERS BENEVOLENT ASSOCIATION</p>

Return Reference	Explanation
Form 990, Part VI, Line 7B Continued	<p>ESSENTIA HEALTH EAST ALSO HAS CERTAIN RESERVED POWERS OVER ALL EAST FACILITIES WITHIN ESSENTIA HEALTH</p> <p>ESSENTIA HEALTH EAST'S RESERVED POWERS ARE AS FOLLOWS</p> <p>QUALITY, SAFETY AND SERVICE AUTHORITY TO RECOMMEND QUALITY AND SAFETY INITIATIVES AND TO REVIEW AND EXECUTE APPROVED QUALITY AND SAFETY PLANS FOR THE EAST REGION</p> <p>MISSION, VISION AND VALUES AUTHORITY TO CREATE A MISSION AND A VISION THAT SUPPORT THE MISSION AND VISION OF ESSENTIA HEALTH, RESPONSIBILITY TO OVERSEE THE MISSION PERFORMANCE, INCLUDING CHARITY CARE, OF ALL FACILITIES WITHIN THE EAST REGION, RESPONSIBILITY TO ADOPT THE VALUES OF ESSENTIA HEALTH</p> <p>OPERATING AND FINANCIAL PERFORMANCE RESPONSIBILITY TO OVERSEE THE OPERATING AND FINANCIAL PERFORMANCE OF THE EAST REGION</p> <p>DEVELOPMENT OF BUDGETS, STRATEGIC PLANS AND STRATEGY MAP AUTHORITY TO DEVELOP AND RECOMMEND, BASED ON ESSENTIA HEALTH TARGETS, CAPITAL AND OPERATING BUDGETS FOR THE EAST REGION AND ITS FACILITIES, AUTHORITY TO RECOMMEND, WITHIN THE ESSENTIA HEALTH CONTEXT, REGIONAL AND LOCAL STRATEGIC PLANS FOR THE EAST REGION, AUTHORITY TO DEVELOP EAST REGION GOVERNANCE STRATEGY MAP AND BALANCED SCORECARD WITHIN ESSENTIA HEALTH'S SYSTEM STRATEGY TO MEET SYSTEM GOALS</p> <p>EXECUTION OF APPROVED BUDGETS AND STRATEGIC PLANS RESPONSIBILITY TO EXECUTE THE APPROVED CAPITAL AND OPERATING BUDGETS AND STRATEGIC AND BUSINESS PLANS FOR THE EAST REGION</p> <p>NON-BUDGETED EXPENDITURES AUTHORITY TO APPROVE NON BUDGETED CAPITAL PURCHASES AND LEASES FOR EAST REGION FACILITIES WITHIN DOLLAR LIMITS DEFINED BY ESSENTIA HEALTH</p> <p>ACCREDITATION AND LICENSURE RESPONSIBILITY TO OVERSEE ACCREDITATION AND LICENSURE COMPLIANCE FOR THE FACILITIES OF THE EAST REGION</p> <p>AFFILIATIONS, ACQUISITIONS AND JOINT VENTURES AUTHORITY TO RECOMMEND PROPOSED AFFILIATIONS, ACQUISITIONS, JOINT VENTURES AND OTHER ALLIANCES, RESPONSIBILITY TO OVERSEE NEGOTIATION AND IMPLEMENTATION OF APPROVED ACQUISITIONS AND OPERATION OF ALL APPROVED AFFILIATIONS, JOINT VENTURES AND OTHER ALLIANCES WITH THIRD PARTIES WITHIN THE EAST REGION</p> <p>APPOINTMENT OF DIRECTORS AUTHORITY TO APPOINT OR ELECT DIRECTORS OF THE DIRECT SUBSIDIARIES, AND TO REMOVE SUCH DIRECTORS, WITH OR WITHOUT CAUSE</p> <p>PRESIDENT AUTHORITY TO ADVISE THE CEO OF ESSENTIA HEALTH REGARDING THE APPOINTMENT, REMOVAL AND PERIODIC EVALUATION OF THE PRESIDENT OF SMDC</p> <p>SATISFACTION RESPONSIBILITY TO EXECUTE, EVALUATE AND OVERSEE PATIENT, FAMILY AND CUSTOMER SATISFACTION WITH RESPECT TO SERVICES PROVIDED WITHIN THE EAST REGION AND TO ENSURE ESTABLISHED GOALS ARE MET</p> <p>JOB SATISFACTION RESPONSIBILITY TO OVERSEE JOB SATISFACTION AND STAFF MORALE WITHIN THE EAST REGION FACILITIES</p> <p>HUMAN RESOURCES RESPONSIBILITY TO OVERSEE IMPLEMENTATION OF ESSENTIA HEALTH HUMAN RESOURCE POLICIES AND PROCEDURES THROUGHOUT THE EAST REGION</p> <p>COMPLIANCE RESPONSIBILITY TO EXECUTE THE APPROVED ESSENTIA HEALTH CORPORATE COMPLIANCE AND RISK MANAGEMENT PLANS FOR THE EAST REGION</p> <p>CREDENTIALING RESPONSIBILITY TO PERFORM MEDICAL STAFF CREDENTIALING FOR THE EAST REGION FACILITIES</p> <p>NOMINATIONS AUTHORITY TO NOMINATE PERSONS FOR APPOINTMENT TO THE SMDC BOARD OF DIRECTORS BY BENEDICTINE SISTERS BENEVOLENT ASSOCIATION AND ESSENTIA HEALTH</p> <p>AMENDMENTS AUTHORITY TO SUGGEST PROPOSED AMENDMENTS TO THE ARTICLES OF INCORPORATION AND BYLAWS OF THIS CORPORATION, THE DIRECT SUBSIDIARIES, AND ANY SUBSIDIARIES THEREOF</p> <p>COMPENSATION PLANS RESPONSIBILITY TO REVIEW AND APPROVE COMPENSATION OF EAST REGION EXECUTIVES AND PHYSICIANS FOR REASONABLENESS AND CONSISTENCY WITH THE LAW AND ESSENTIA HEALTH'S COMPENSATION PHILOSOPHY</p> <p>PRESIDENT/CHIEF MEDICAL OFFICER BY ACTION OF THE PRESIDENT OF THIS CORPORATION, AUTHORITY TO APPOINT AND REMOVE, WITH OR WITHOUT CAUSE, THE PRESIDENT/CHIEF MEDICAL OFFICER OF ANY OF THE DIRECT SUBSIDIARIES</p> <p>PUBLIC POLICY RESPONSIBILITY TO SUPPORT ESSENTIA HEALTH PUBLIC POLICY AND ADVOCACY PLANS</p> <p>MARKETING RESPONSIBILITY TO COORDINATE REGIONAL MARKETING AND PROMOTIONAL ACTIVITIES CONSISTENT WITH ESSENTIA HEALTH MARKETING PLANS</p> <p>PHILANTHROPY RESPONSIBILITY TO COORDINATE PHILANTHROPY WITHIN THE EAST REGION CONSISTENT WITH ESSENTIA HEALTH FOUNDATION POLICIES</p> <p>PROFESSIONAL SERVICES RESPONSIBILITY TO OVERSEE EAST REGION MANAGEMENT'S COOPERATION WITH EXTERNAL AUDITORS AND GENERAL LEGAL COUNSEL SELECTED BY ESSENTIA HEALTH AND COORDINATION OF LEGAL SERVICES THROUGH THE ESSENTIA HEALTH OFFICE OF GENERAL COUNSEL</p> <p>CATHOLIC FACILITIES RESPONSIBILITY TO OVERSEE IMPLEMENTATION OF BSBA-APPROVED METHODS, POLICIES AND PROCEDURES PERTAINING TO ADHERENCE BY THE EAST REGION CATHOLIC FACILITIES WITH THE ETHICAL AND RELIGIOUS DIRECTIVES FOR CATHOLIC HEALTH CARE SERVICES AND USE OF RELIGIOUS SYMBOLS, DISTINGUISHING ELEMENTS AND PRAYERS</p> <p>PROJECTS INVOLVING REAL ESTATE AUTHORITY TO RECOMMEND FACILITY DEVELOPMENT PROJECTS, SUBJECT TO THE APPROVAL OF ESSENTIA HEALTH, RESPONSIBILITY TO OVERSEE EXECUTION OF APPROVED DEVELOPMENT PROJECTS ACCORDING TO ESSENTIA HEALTH POLICIES</p>

Return Reference	Explanation
New Form 990, Part VI, Line 11A	FORM 990 REVIEW PROCESS THE 2013 FORM 990, INCLUDING ALL SCHEDULES, WAS REVIEWED BY ESSENITA HEALTH EAST'S MANAGEMENT AND GOVERNING BODY ON MARCH 4TH, 2015 PRIOR TO FILING WITH THE INTERNAL REVENUE SERVICE. EACH CURRENT DIRECTOR OF THE GOVERNING BODY RECEIVED A COPY OF THE 2013 FORM 990. ESSENTIA HEALTH EAST'S CHIEF FINANCIAL OFFICER LED THE REVIEW OF THE FORM AND SCHEDULES AND ANY QUESTIONS WERE DISCUSSED.

Return Reference	Explanation
New Form 990, Part VI, Line 12C	<p>Monitoring and enforcing Conflict of Interest policy. Essentia Health's comprehensive conflict of interest program prevents, detects and resolves actual conflicts of interests or the actual or potential appearance of such. Fiduciaries, defined as an Essentia Health board member/trustee, officer, board committee member, senior management employee, or any others considered to be in a position of influence, are covered under Essentia's conflict of interest program. Upon initial appointment, each fiduciary must complete an initial conflict of interest statement and disclosure questionnaire. At the conclusion of each fiscal year, each fiduciary must complete an annual conflict of interest statement and disclosure questionnaire. As needed, a fiduciary will update his/her most recently completed questionnaire each time the fiduciary becomes aware of a financial interest, a potential conflict, or change to any information that the fiduciary previously reported. Essentia Health's Chief Compliance Officer will collect the questionnaires and evaluate the disclosures. If a fiduciary has a potential conflict of interest, the Chief Compliance Officer or designee may request additional information from the fiduciary, the management team, and others. During the evaluation process, the Chief Compliance Officer may also consult with Essentia Health's Board and Audit Committee Chairs, senior management, legal department, or appropriate representatives from Essentia Health. The Chief Compliance Officer reports to the Essentia Health Audit Committee and the Essentia Health Board of Directors any actual or potential conflicts of interest disclosed by the fiduciary, along with recommended actions. The Essentia Health Board of Directors (or designee) will then determine whether to approve the situation or to implement special controls to manage the potential conflict of interest. The Chief Compliance Officer will then officially notify the fiduciary in writing of the board's decision. The decision of whether or not the disclosure constitutes a conflict will be at the Essentia Health Board of Director's (or designee) sole discretion, and its concern must be the welfare of Essentia Health and its affiliate(s) and the advancement of its purposes. When the Essentia Health Board of Directors (or designee) considers a Fiduciary's disclosure as a Conflict of Interest, special controls will be identified to manage, eliminate or reduce the likelihood and/or appearance of a conflict arising. Controls may include, but are not limited to: A. If the conflict involves an on-going matter or relationship, the Fiduciary must not participate in Board, Board committee or management discussions related to the conflict and must recuse themselves and if appropriate, withdraw, from any Board meeting or portion thereof where the matter is being discussed and during the vote on the potential Conflict of Interest. The Fiduciary may answer questions at the Board's or the Board Committee's request. B. If the conflict involves a specific transaction or decision, the Fiduciary will fully disclose their interest and all related material facts. The Board or committee of the Board will determine whether the contemplated transaction may be authorized as just, fair, and reasonable to Essentia Health or its affiliate(s). If the Board determines a conflict does not exist, the Fiduciary may proceed with the transaction, however, he or she will not be eligible to vote on related issues should they arise. If the Board determines a conflict does exist, the Fiduciary will be notified of the decision regarding whether the contemplated transaction will be authorized as just, fair, and reasonable.</p>

Return Reference	Explanation
New Form 990, Part VI, Line 15 A&B	<p>PROCESS FOR DETERMINING COMPENSATION The Executive Compensation Committee of Essentia Health's board of directors is authorized to fulfill the board's responsibilities regarding executive compensation consistent with Essentia's mission, values and tax-exempt status, and the Executive Compensation Committee's Charter The Executive Compensation Committee meets at least twice annually to carry out its responsibilities, which include, but are not limited to, establishing, reviewing and modifying, as appropriate, reasonable compensation and benefits for designated Essentia executives who are officers or key employees of Essentia or any of its affiliates which may be paid by related organizations The Executive Compensation Committee engages qualified independent compensation advisors to provide objective and impartial comparative data and to express opinions on total compensation reasonableness The Executive Compensation Committee may request its independent advisors to monitor comparability data and marketplace trends, make appropriate recommendations regarding salary ranges, and periodically review the market competitiveness of Essentia executive compensation packages Prior to establishing or adjusting executive compensation, the Executive Compensation Committee will obtain and rely upon appropriate data as to comparability of the proposed compensation or adjustments The Executive Compensation Committee will adequately document the basis for its determination concurrently with making those determinations The Executive Compensation Committee minutes will include the terms of the approved compensation and the date approved, the Executive Compensation Committee members present during the review, discussion and approval of the proposed compensation and those who voted on the proposed compensation, identification of the comparability data obtained and relied upon by the Executive Compensation Committee and how the data was obtained, any actions by a member of the Executive Compensation Committee having a conflict of interest, and documentation of the basis for the determination The year this process was last undertaken for The Duluth Clinic, Ltd 's President, Interim Chief Financial Officer, and Executive Vice President Clinical Operations was 2014 The year this process was last undertaken for The Duluth Clinic, Ltd 's Chief Financial Officer, Vice President Surgical Services, Vice President Community Clinics and Regional Operations, Vice President Medical Specialties, and Vice President Hospital Operations was 2013 The Duluth Clinic, Ltd 's Director's compensation was subsequently reviewed after June 30, 2014</p>



Return Reference	Explanation
New Form 990, Part VI, Line 19	Availability of governing documents, conflict of interest policy, & financial statements to the public. Governing documents, conflict of interest policy, and financial statements are made available to the public upon request. The organization is part of Essentia Health's consolidated financial statements which are included in Essentia Health's annual report posted on Essentia Health's web site.

Return Reference	Explanation
New Form 990, Part IX, Line 24E	Affiliate Revenue and Expense allocation AFFILIATE Revenue AND Expense ALLOCATION REPRESENTS THE PORTION OF ESSENTIA HEALTH DULUTH AND ESSENTIA HEALTH ST MARY'S MEDICAL CENTER REVENUE AND EXPENSE RELATED TO THE DULUTH CLINIC, LTD , A RELATED ORGANIZATION, WHICH IS ALLOCATED DIRECTLY TO THE DULUTH CLINIC, LTD NET AFFILIATE (REVENUE) AND EXPENSE ALLOCATION OF \$1,824,674 INCLUDES THE FOLLOWING Grants \$(6,339) Program Service Revenue \$(78,416) Investment Income \$108,856 Misc Revenue \$7,183 Contributions \$272,915 Compensation \$5,449,164 Payroll Taxes \$352,155 Pension Plan Contributions \$278,879 Accounting Fees \$18,374 Legal Fees \$61,567 Interest \$(7,767,064) Other Purchased Services \$1,006,685 Advertising \$128,888 Conferences/Conventions/Meetings \$89,653 Depreciation & Amortization \$(2,985,401) Insurance \$(142,547) Information Technology \$1,642,342 Medical Supplies \$100,771 Occupancy \$552,060 Office Expenses \$948,092 Travel \$146,874 Unrelated Business Income Tax \$5,928 Other Expenses \$617,165 Other Employee Benefits \$1,016,890

Return Reference	Explanation
New Form 990, Part XI, Line 9	Other Changes in Net Assets The total amount of other changes in net assets includes Defined Benefit Pension Plan Liability Adjustment \$847,066 Net Asset transfer with related organization, reallocated Balance Sheet item transferred to align with organizational structure \$49,987 Net Asset transfer with related organization, reallocated Income Statement item transferred to align with organizational structure \$(596,069) Total \$300,984

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](http://www.irs.gov/form990).

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization  
The Duluth Clinic LTD

Employer identification number  
41-0883623

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	No
See Additional Data Table							

Part II

Identification of Related Organizations Taxable as a Partnership

Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512- 514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) PMC-GATEWAY IMAGING LLC  109 COURT AVE S SANDSTONE, MN 55072 26-1634764	IMAGING SERVIces	MN	NA	N/A	0	0			0			

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
(1) EAST RANGE CLINICS LTD  910 6TH AVE N VIRGINIA, MN 55792 41-0909915	CLINICS	MN	Duluth Clinic	C Corp	0	1,423,975	100 000 %	Yes	
(2) ESSENTIA HEALTH INSURANCE SERVICES SPC  94 Solaris Ave PO Box 69 GRAND CAYMAN CJ 000000000	Self Indemnity	CJ	NA	FOREIGN CORP	0	0		Yes	

Part V

Transactions With Related Organizations

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

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 organization 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

b

Gift, grant, or capital contribution to related organization(s)

c

Gift, grant, or capital contribution from related organization(s)

d

Loans or loan guarantees to or for related organization(s)

e

Loans or loan guarantees by related organization(s)

f

Dividends from related organization(s)

g

Sale of assets to related organization(s)

h

Purchase of assets from related organization(s)

i

Exchange of assets with related organization(s)

j

Lease of facilities, equipment, or other assets to related organization(s)

k

Lease of facilities, equipment, or other assets from related organization(s)

l

Performance of services or membership or fundraising solicitations for related organization(s)

m

Performance of services or membership or fundraising solicitations by related organization(s)

n

Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)

o

Sharing of paid employees with related organization(s)

p

Reimbursement paid to related organization(s) for expenses

q

Reimbursement paid by related organization(s) for expenses

r

Other transfer of cash or property to related organization(s)

s

Other transfer of cash or property from related organization(s)

Yes

No

1a

No

1b

No

1c

Yes

1d

No

1e

No

1f

No

1g

No

1h

No

1i

Yes

1j

Yes

1k

Yes

1l

No

1m

Yes

1n

No

1o

Yes

1p

Yes

1q

Yes

1r

Yes

1s

Yes

2

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

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

Schedule R (Form 990) 2013

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.

[illegible]

**Part VII**   **Supplemental Information**

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

Return Reference	Explanation
SCHEDULE R, PART II, COLUMN (A ), Name	The following Essentia Health entities have a doing business as name   Legal Name, Doing Business As Name Brainerd Lakes Integrated Health System, Essentia Health Central Brainerd Medical Center, Inc , Essentia Health Brainerd Specialty Clinic Bridges Medical Center, Essentia Health Ada Deer River Healthcare Center, Inc , Essentia Health Deer River First Care Medical Services, Essentia Health Fosston Graceville Health Center, Essentia Health Holy Trinity Hospital Innovis Health, LLC , Essentia Health West Midwest Medical Equipment and Supplies, Inc , Essentia Health Medical Equipment and Supplies Northern Pines Medical Center, Essentia Health Northern Pines Pine Medical Center, Essentia Health Sandstone Polinsky Medical Rehabilitation Center, Essentia Health Polinsky Medical Rehabilitation Center SMDC Medical Center, Essentia Health Duluth St Joseph's Medical Center, Essentia Health St Joseph's Medical Center St Mary's Duluth Clinic Health System, Essentia Health East St Mary's EMS, Essentia Health St Mary's Emergency Medical Services-Detroit Lakes St Mary's Hospital of Superior, Essentia Health St Mary's Hospital-Superior St Mary's Medical Center, Essentia Health St Mary's Medical Center St Mary's Regional Health Center, Essentia Health St Mary's-Detroit Lakes



Additional Data

Software ID:

Software Version:

EIN: 41-0883623

Name: The Duluth Clinic LTD

Form 990, Schedule R, Part II - Identification of Related Tax-Exempt Organizations

(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	No
(1) BRAINERD LAKES INTEGRATED HEALTH SYSTEM  2024 S 6TH ST BRAINERD, MN 56401 37-1532145	SUPPORT ORG	MN	501(c)(3)	11 Type II	Essentia	Yes	
(1) BRAINERD MEDICAL CENTER INC  2024 S 6TH ST BRAINERD, MN 56401 37-1532148	CLINIC	MN	501(c)(3)	3	BLIHS	Yes	
(2) BRIDGES MEDICAL CENTER  503 E 3rd ST Suite 400 Duluth, MN 55805 20-0479568	CLINIC/HOSP	MN	501(c)(3)	3	Innovis	Yes	
(3) CLEARWATER VALLEY HOSPITAL & CLINICS INC  301 CEDAR AVE OROFINO, ID 83544 82-0497771	CLINIC/HOSP	ID	501(c)(3)	3	CAG	Yes	
(4) Critical Access Group  503 E 3RD ST Suite 400 DULUTH, MN 55805 26-1219624	SUPPORT ORG	MN	501(c)(3)	11 Type II	ESSENTIA	Yes	
(5) FIRST CARE MEDICAL SERVICES  900 HILLIGOSS BLVD SE FOSSTON, MN 56542 41-0706143	CLINIC/HOSP	MN	501(c)(3)	3	Innovis	Yes	
(6) MINNESOTA VALLEY HEALTH CENTER INC  621 S 4TH ST LE SUEUR, MN 56058 41-0837659	HOSPITAL/NURS	MN	501(c)(3)	3	CAG	Yes	
(7) ST JOSEPH'S MEDICAL CENTER  523 N 3RD ST BRAINERD, MN 56401 41-0695602	Clinic/Hosp	MN	501(c)(3)	3	BLIHS	Yes	
(8) ST MARY'S EMS  1027 WASHINGTON AVE DETROIT LAKES, MN 56501 41-1805811	EMERG SVCS	MN	501(c)(3)	9	SMRHC	Yes	
(9) ST MARY'S HOSPITAL INC  PO BOX 137 COTTONWOOD, ID 83522 82-0226453	CLINIC/HOSP	ID	501(c)(3)	3	CAG	Yes	
(10) ST MARY'S INNOVIS HEALTH  1027 WASHINGTON AVE DETROIT LAKES, MN 56501 26-2861321	Pharmacy	MN	501(c)(3)	3	Innovis	Yes	
(11) ST MARY'S REGIONAL HEALTH CENTER  1027 WASHINGTON AVE DETROIT LAKES, MN 56501 41-1620386	CLINIC/HOSP	MN	501(c)(3)	3	Innovis	Yes	
(12) ESSENTIA HEALTH  502 E 2ND ST DULUTH, MN 55805 20-0360007	SUPPORT ORG	MN	501(c)(3)	11TypeIIIFI	NA		No
(13) ESSENTIA INSTITUTE OF RURAL HEALTH  502 E 2ND ST DULUTH, MN 55805 27-1291124	RESEARCH	MN	501(c)(3)	4	ESSENTIA	Yes	
(14) INNOVIS HEALTH LLC  3000 32nd Avenue S FARGO, ND 58103 26-1175213	CLINIC/HOSP	DE	501(c)(3)	3	ESSENTIA	Yes	
(15) ESSENTIA HEALTH FOUNDATION  502 E 2ND ST DULUTH, MN 55805 27-1984704	FOUNDATION	MN	501(c)(3)	7	Essentia	Yes	
(16) MIDWEST MEDICAL EQUIP AND SUPPLIES INC  4418 HAINES RD DULUTH, MN 55811 41-1674021	MEDICAL EQUIP	MN	501(c)(3)	9	SMMC	Yes	
(17) PINE MEDICAL CENTER  109 COURT AVE S SANDSTONE, MN 55072 41-1884597	Hospital/Nurs	MN	501(c)(3)	3	SMDCHS	Yes	
(18) POLINSKY MEDICAL REHABILITATION CENTER  530 E 2ND ST DULUTH, MN 55805 41-0691275	Rehab Service	MN	501(c)(3)	3	SMMC	Yes	
(19) SMDC MEDICAL CENTER  502 E 2ND ST DULUTH, MN 55805 41-1878730	CLINIC/HOSP	MN	501(c)(3)	3	SMDCHS	Yes	

Form 990, Schedule R, Part II - Identification of Related Tax-Exempt Organizations

(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	No
(21) ST MARY'S DULUTH CLINIC HEALTH SYSTEM  407 E 3RD ST DULUTH, MN 55805 41-1836633	Support Org	MN	501(c)(3)	11 Type II	ESSENTIA	Yes	
(1) ST MARY'S HOSPITAL OF SUPERIOR  3500 TOWER AVE SUPERIOR, WI 54880 41-1811073	CLINIC/HOSP	MN	501(c)(3)	3	SMMC	Yes	
(2) ST MARY'S MEDICAL CENTER  407 E 3RD ST DULUTH, MN 55805 41-0695604	HOSPITAL	MN	501(c)(3)	3	SMDCHS	Yes	
(3) Northern Pines Medical Center  5211 Hwy 110 Aurora, MN 55705 41-0841441	Hospital/Nurs	MN	501(c)(3)	3	SMDCHS	Yes	
(4) Graceville Health Center  115 West Second St Graceville, MN 56240 41-0726173	Clinic/Hosp	MN	501(c)(3)	3	Innovis	Yes	
(5) DEER RIVER HEALTHCARE CENTER INC  115 10TH AVE NE DEER RIVER, MN 56636 41-0844574	HOSP/CLIN/NH	MN	501(c)(3)	3	SMDCHS	Yes	

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

(a) Name of other organization	(b) Transaction type(a-s)	(c) Amount Involved	(d) Method of determining amount involved
Deer River Healthcare Center Inc	P	367,703	Actual Costs
Deer River Healthcare Center Inc	Q	488,027	Actual Costs
Essentia Health	M	9,697,846	ACTUAL COSTS
Essentia Health	P	438,726	ACTUAL COSTS
Essentia Health	Q	269,818	ACTUAL COSTS
Essentia INSTITUTE OF RURAL HEALTH	Q	229,115	ACTUAL COSTS
Essentia INSTITUTE OF RURAL HEALTH	R	3,120,612	ACTUAL COSTS
Innovis Health LLC	P	62,809	Actual Costs
INNOVIS HEALTH LLC	Q	55,803	ACTUAL COSTS
NORTHERN PINES MEDICAL CENTER	Q	105,580	ACTUAL COSTS
Pine Medical Center	P	66,126	ACTUAL COSTS
Pine Medical Center	Q	201,266	ACTUAL COSTS
Polinsky Medical Rehabilitation Center	Q	124,899	Actual Costs
SMDC Medical Center	I	804,007	Actual Costs
SMDC Medical Center	P	28,850,465	ACTUAL COSTS
SMDC Medical Center	Q	18,994,747	ACTUAL COSTS
SMDC Medical Center	S	55,234	ACTUAL COSTS
St Mary's Hospital of Superior	J	189,052	ACTUAL COSTS
St Mary's Hospital of Superior	P	362,801	Actual Costs
St Mary's Hospital of Superior	Q	658,253	Actual Costs
St Mary's Medical Center	P	5,339,807	ACTUAL COSTS
St Mary's Medical Center	Q	3,539,121	ACTUAL COSTS
St Mary's Regional Health Center	P	147,655	Actual Costs