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Form 990



Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

Do not enter Social Security numbers on this form as it may be made public By law, the IRS generally cannot redact the information on the form
Information about Form 990 and its instructions is at www.irs.gov/form990

OMB No 1545-0047

2013

Open to Public Inspection

A For the 2013 calendar year, or tax year beginning 07-01-2013, 2013, and ending 06-30-2014

B Check if applicable

☐ Address change

☐ Name change

☐ Initial return

☐ Terminated

☐ Amended return

☐ Application pending

C Name of organization

Central Community Hospital

Doing Business As

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

901 Davidson St NW

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

Elkader, IA 520439015

D Employer identification number

42-0818642

E Telephone number

(563) 245-7000

G Gross receipts \$ 6,032,898

F Name and address of principal officer

Pat Borel
901 Davidson St NW
Elkader,IA 520439015

H(a) Is this a group return for subordinates?

☐ Yes☒ No

H(b) Are all subordinates included?

☐ Yes☐ No

If "No," attach a list (see instructions)

H(c) Group exemption number

I Tax-exempt status

☒ 501(c)(3) ☐ 501(c) () ☐ (insert no) ☐ 4947(a)(1) or ☐ 527

J Website:

www.centralcommunityhospital.com

K Form of organization

☒ Corporation☐ Trust☐ Association☐ Other

L Year of formation

1961

M State of legal domicile

IA

Part I Summary																																											
Activities & Governance	<div><div>1</div><div>Briefly describe the organization's mission or most significant activities</div><div>Provide healthcare services to the surrounding community</div></div>																																										
	<div><div>2</div><div>Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets</div></div>																																										
Revenue	<table><tr><td>3</td><td>Number of voting members of the governing body (Part VI, line 1a)</td><td>7</td></tr><tr><td>4</td><td>Number of independent voting members of the governing body (Part VI, line 1b)</td><td>7</td></tr><tr><td>5</td><td>Total number of individuals employed in calendar year 2013 (Part V, line 2a)</td><td>86</td></tr><tr><td>6</td><td>Total number of volunteers (estimate if necessary)</td><td>35</td></tr><tr><td>7a</td><td>Total unrelated business revenue from Part VIII, column (C), line 12</td><td>0</td></tr><tr><td>7b</td><td>Net unrelated business taxable income from Form 990-T, line 34</td><td>0</td></tr></table>	3	Number of voting members of the governing body (Part VI, line 1a)	7	4	Number of independent voting members of the governing body (Part VI, line 1b)	7	5	Total number of individuals employed in calendar year 2013 (Part V, line 2a)	86	6	Total number of volunteers (estimate if necessary)	35	7a	Total unrelated business revenue from Part VIII, column (C), line 12	0	7b	Net unrelated business taxable income from Form 990-T, line 34	0																								
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Part II Signature Block

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

Sign Here

Signature of officer

Pat Borel CFO

Type or print name and title

2015-04-24

Date

Paid Preparer Use Only

Prnt/Type preparer's name

Carmen Krantz

Preparer's signature

Date

2015-04-24

Check ☐ if self-employed

PTIN P00031958

Firm's name

EIDE BAILLY LLP

Firm's EIN

45-0250958

Firm's address

1545 ASSOCIATES DR STE 101
DUBUQUE, IA 52002

Phone no

(563) 556-1790

May the IRS discuss this return with the preparer shown above? (see instructions)

☒ Yes☐ No

For Paperwork Reduction Act Notice, see the separate instructions.

Cat No 11282Y

Form 990 (2013)

Part IIIStatement of Program Service Accomplishments

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

1Briefly describe the organization’s mission

Every patient matters

2Did 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

3Did 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

4Describe 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 \$ 4,625,854 including grants of \$ 46,258) (Revenue \$ 5,931,226)

Central Community Hospital is a 25-Bed Critical Access Hospital serving residents of Clayton County, Iowa. Requirements of the IRS community benefit standard for tax-exempt organizations are integral to Central Community Hospital's charitable mission. Central Community Hospital is governed by an independent Board, which includes community leaders, consumer representatives and business experts. The Board has a history of commitment to acting with the highest integrity. During this year, the Board worked with management to continue to make improvements to assure the organization is in compliance with all rules and regulations governing the healthcare industry and non-profit organizations. Central Community Hospital makes care accessible to the entire community it serves. Central Community Hospital operates a full-time emergency room and provides care regardless of ability to pay. Central Community Hospital had 968 emergency visits this year and 89 continued care in Observation. The Hospital works with the City of Elkader to provide emergency response and emergency transport services for the local communities. This year the Hospital provided 875 days of inpatient care and 6,526 outpatient visits to the residents in the service area. Central Community Hospital provided care at many levels including SCU, Acute, Skilled, Intermediate, Same-Day-Surgery, Observation, Outpatient, and Rehab services. In addition, Central Community Hospital provides non-emergency services. These services are accessible to the community through participation in government programs like Medicare and Medicaid. Financial counseling is available to patients. Central Community Hospital takes its mission to improve the health and quality of life of the people it serves a step further by reaching out to meet the broad health needs of the community. It strives to identify community needs beyond basic healthcare, working collaboratively with other community organizations. Needs assessments are completed every three years and updated annually by a county wide multi-disciplinary team and used to prioritize community projects. The Hospital provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than established rates. Because the Hospital does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue. The amount of charges foregone for services provided under the Hospital's charity care policy were \$98,834 for the year ended June 30, 2014. The direct and indirect costs related to these forgone charges were \$71,000 at June 30, 2014, based on an average ratio of costs to gross charges. In addition, the Hospital provides services to other patients under certain government-reimbursed public aid programs. Such programs pay providers amounts which are less than established charges for the services provided to the recipients, and for some services the payments are less than the cost of rendering the services provided. The Hospital also commits significant time and resources to endeavors and critical services which meet otherwise unfulfilled community needs. Many of these activities are sponsored with the knowledge that they will not be self-supporting or financially viable.

4b

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

4c

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
















4dOther program services (Describe in Schedule O)

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

4eTotal program service expenses

4,625,854

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A 	1 Yes	
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	2	No
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3	No
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	4	No
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III	5	No
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I 	6	No
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II 	7	No
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III 	8	No
9 Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV 	9	No
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V 	10	No
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI 	11a Yes	
b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII 	11b	No
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII 	11c	No
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX 	11d	No
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X 	11e	No
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X 	11f Yes	
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII 	12a Yes	
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional 	12b	No
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	No
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	No
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV	14b	No
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV	15	No
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV	16	No
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)	17	No
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18	No
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19	No
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H 	20a Yes	
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b Yes	

Part IV

Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	21	Yes	
22	Did the organization report more than \$5,000 of grants or other assistance to individuals in the United States on Part IX, column (A), line 2? <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		No
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		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <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		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <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		No
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a		No
b	If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35b		
36	Section 501(c)(3) organizations. 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? Note. All Form 990 filers are required to complete Schedule O	38	Yes	

Part V

Statements Regarding Other IRS Filings and Tax Compliance

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

☐

		Yes	No			
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable.	1a	30			
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	1b	0			
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	Yes			
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return.	2a	86			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).	2b	Yes			
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a				No
b	If "Yes," has it filed a Form 990-T for this year? <i>If "No" to line 3b, provide an explanation in Schedule O.</i>	3b				
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a				No
b	If "Yes," enter the name of the foreign country: _____ See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.					
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a				No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b				No
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c				
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a				No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b				
7 Organizations that may receive deductible contributions under section 170(c).						
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a				No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b				
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c				No
d	If "Yes," indicate the number of Forms 8282 filed during the year.	7d				
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e				No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f				No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g				
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h				
8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?						
8						
9 Sponsoring organizations maintaining donor advised funds.						
a	Did the organization make any taxable distributions under section 4966?	9a				
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b				
10 Section 501(c)(7) organizations. Enter						
a	Initiation fees and capital contributions included on Part VIII, line 12.	10a				
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.	10b				
11 Section 501(c)(12) organizations. Enter						
a	Gross income from members or shareholders.	11a				
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them).	11b				
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?						
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year.	12b				
13 Section 501(c)(29) qualified nonprofit health insurance issuers.						
a	Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O.	13a				
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans.	13b				
c	Enter the amount of reserves on hand.	13c				
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a				No
b	If "Yes," has it filed a Form 720 to report these payments? <i>If "No," provide an explanation in Schedule O.</i>	14b				

Part VI

Governance, Management, and Disclosure

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

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

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	7	
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	7	
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	Yes
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3	No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4	No
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5	No
6	Did the organization have members or stockholders?	6	Yes
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a	Yes
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	No
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▶
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 ▶Pat Borel 901 Davidson St NW Elkader, IA 520439015 (563) 245-7000

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

1b	Sub-Total	▼			
c	Total from continuation sheets to Part VII, Section A	▼			
d	Total (add lines 1b and 1c)	▼	209,702	0	24,279

2 Total number of individuals (including but not limited to those l
\$100,000 of reportable compensation from the organization▶1

		Yes	No
3	Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	3	No
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	4	No
5	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>	5	No

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A)	(B)	(C)
Name and business address	Description of services	Compensation
Northern Iowa Therapy 1810 4th St SW Suite 103 Waverly IA 50677	Contracted services	438,032
Wapiti Medical Group 107 Flynn Drive Suite 600 Milbank SD 57252	ER physicians	412,127
Mercy Medical Center - Dubuque 250 Mercy Drive Dubuque IA 52001	Purchased services & management fee	166,656
Cerner Healthcare Solutions Inc 1300 Godward Street NE Suite 4100 Minneapolis MN 55413	Consulting & software	135,863
Medical Associates Clinic 1500 Associates Drive Dubuque IA 52002	Contracted services	134,186

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization ►5

Part VIII

Statement of Revenue

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

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns	1a			
	b	Membership dues	1b			
	c	Fundraising events	1c			
	d	Related organizations	1d			
	e	Government grants (contributions)	1e	18,353		
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	19,046		
	g	Noncash contributions included in lines 1a-1f \$				
	h	Total. Add lines 1a-1f		37,399		
Program Service Revenue	2a	Patient service revenue	Business Code 622110	5,905,709	5,905,709	
	b	Supporting revenue	900099	25,517	25,517	
	c					
	d					
	e					
	f	All other program service revenue				
	g	Total. Add lines 2a-2f		5,931,226		
	Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)	7,231		
4		Income from investment of tax-exempt bond proceeds				
5		Royalties				
6a		Gross rents	(i) Real 57,042	(ii) Personal		
b		Less rental expenses	14,081			
c		Rental income or (loss)	42,961			
d		Net rental income or (loss)	42,961			42,961
7a		Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other		
b		Less cost or other basis and sales expenses				
c		Gain or (loss)				
d		Net gain or (loss)				
8a		Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18	a			
b		Less direct expenses	b			
c		Net income or (loss) from fundraising events				
9a		Gross income from gaming activities See Part IV, line 19	a			
b		Less direct expenses	b			
c		Net income or (loss) from gaming activities				
10a		Gross sales of inventory, less returns and allowances	a			
b		Less cost of goods sold	b			
c		Net income or (loss) from sales of inventory				
	Miscellaneous Revenue	Business Code				
11a						
b						
c						
d	All other revenue					
e	Total. Add lines 11a-11d					
12	Total revenue. See Instructions		6,018,817	5,931,226	0	50,192

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.	46,258	46,258		
2	Grants and other assistance to individuals in the United States. See Part IV, line 22.				
3	Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16.				
4	Benefits paid to or for members.				
5	Compensation of current officers, directors, trustees, and key employees.	233,994		233,994	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B).				
7	Other salaries and wages.	2,028,676	1,669,338	339,042	20,296
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions).	40,721	29,688	11,033	
9	Other employee benefits.	255,103	206,246	46,386	2,471
10	Payroll taxes.	155,960	121,877	32,530	1,553
11	Fees for services (non-employees):				
a	Management.				
b	Legal.				
c	Accounting.	42,605		42,605	
d	Lobbying.				
e	Professional fundraising services. See Part IV, line 17.				
f	Investment management fees.				
g	Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O).	1,932,939	1,558,696	374,243	
12	Advertising and promotion.	5,379		5,379	
13	Office expenses.	263,869	184,354	79,502	13
14	Information technology.				
15	Royalties.				
16	Occupancy.	111,859	108,637	3,222	
17	Travel.	120,321	11,026	109,295	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials.				
19	Conferences, conventions, and meetings.				
20	Interest.	5,845	5,845		
21	Payments to affiliates.				
22	Depreciation, depletion, and amortization.	452,129	452,129		
23	Insurance.	75,265		75,265	
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	Patient supplies.	187,961	187,961		
b	Food.	18,850	18,850		
c	Community benefits.	3,684	3,684		
d					
e	All other expenses.	68,765	21,265	47,500	
25	Total functional expenses. Add lines 1 through 24e.	6,050,183	4,625,854	1,399,996	24,333
26	Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <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) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing				1	
	2	Savings and temporary cash investments			372,489	2	606,366
	3	Pledges and grants receivable, net			11,367	3	2,765
	4	Accounts receivable, net			594,523	4	890,201
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L				5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L				6	
	7	Notes and loans receivable, net				7	
	8	Inventories for sale or use			90,357	8	81,151
	9	Prepaid expenses and deferred charges			104,287	9	50,872
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a	9,654,068			
	b	Less accumulated depreciation	10b	6,062,868	3,091,347	10c	3,591,200
	11	Investments—publicly traded securities			1,723,565	11	654,954
	12	Investments—other securities See Part IV, line 11			172,715	12	172,301
	13	Investments—program-related See Part IV, line 11				13	
	14	Intangible assets				14	
	15	Other assets See Part IV, line 11			10,648	15	237,648
	16	Total assets. Add lines 1 through 15 (must equal line 34)			6,171,298	16	6,287,458
Liabilities	17	Accounts payable and accrued expenses			460,600	17	624,344
	18	Grants payable				18	
	19	Deferred revenue				19	
	20	Tax-exempt bond liabilities				20	
	21	Escrow or custodial account liability Complete Part IV of Schedule D				21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L				22	
	23	Secured mortgages and notes payable to unrelated third parties			89,501	23	73,697
	24	Unsecured notes and loans payable to unrelated third parties				24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17–24) Complete Part X of Schedule D				25	
	26	Total liabilities. Add lines 17 through 25			550,101	26	698,041
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			5,396,429	27	5,405,268
	28	Temporarily restricted net assets			224,768	28	184,149
	29	Permanently restricted net assets				29	
	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			5,621,197	33	5,589,417
	34	Total liabilities and net assets/fund balances			6,171,298	34	6,287,458

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	6,018,817
2	Total expenses (must equal Part IX, column (A), line 25)	2	6,050,183
3	Revenue less expenses Subtract line 2 from line 1	3	-31,366
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	5,621,197
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	-414
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	5,589,417

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 checked="" type="checkbox"/> Separate basis <input 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		

SCHEDULE A
(Form 990 or 990EZ)

Department of the
Treasury
Internal Revenue Service

Public Charity Status and Public Support
Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

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

OMB No 1545-0047

2013

Open to Public
Inspection

Name of the organization Central Community Hospital	Employer identification number 42-0818642
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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)

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

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

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

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

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)

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

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)

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

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

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

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

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)

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

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?

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)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization Central Community Hospital	Employer identification number 42-0818642
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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

▶ \$ _____

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Cat No 52283D

Schedule D (Form 990) 2013

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)

b

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

3b
- 4

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

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

Description of property	(a) Cost or other basis (investment)	(b)Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		26,015		26,015
b Buildings		4,039,909	2,146,021	1,893,888
c Leasehold improvements				
d Equipment		5,588,144	3,916,847	1,671,297
e Other				
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				3,591,200

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	6,027,308
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	0
3	Subtract line 2e from line 1	3	6,027,308
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	-8,491
c	Add lines 4a and 4b	4c	-8,491
5	Total revenue Add lines 3 and 4c. (This must equal Form 990, Part I, line 12)	5	6,018,817

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	6,018,469
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIII)	2d	14,081
e	Add lines 2a through 2d	2e	14,081
3	Subtract line 2e from line 1	3	6,004,388
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	45,795
c	Add lines 4a and 4b	4c	45,795
5	Total expenses Add lines 3 and 4c. (This must equal Form 990, Part I, line 18)	5	6,050,183

Part XIII

Supplemental Information

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

Return Reference	Explanation
Part X, Line 2	The Hospital is organized as an Iowa nonprofit corporation and has been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes under Interanl Revenue Code Section 501(c)(3). The Hospital is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the Hospital is subject to income tax on net income that is derived from business activities that are unrelated to its exempt purpose. The Hospital has determined that it is not subject to unrelated business income tax and has not filed an Exempt Organization Business Income Tax Return (Form 990T) with the IRS. The Hospital believes that it has appropriate support for any tax positions taken affecting its annual filing requirements, and as such, does not have any uncertain tax positions that are material to the financial statements. The Hospital would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred.
Part XI, Line 4b - Other Adjustments	Monona Clinic rent expenses included in revenue on Form 990 -14,081. Restricted donations recorded in fund balance for financial statements 5,590.
Part XII, Line 2d - Other Adjustments	Monona Clinic rent expenses included in revenue on Form 990 14,081.
Part XII, Line 4b - Other Adjustments	Transfer to City EMS Services 45,795.

[illegible]

SCHEDULE H
(Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
Central Community Hospital

Employer identification number
42-0818642

Part I

Financial Assistance and Certain Other Community Benefits at Cost

		Yes	No
1a	Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	1a Yes	
b	If "Yes," was it a written policy?	1b Yes	
2	If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year <input checked="" type="checkbox"/> Applied uniformly to all hospital facilities <input type="checkbox"/> Applied uniformly to most hospital facilities <input type="checkbox"/> Generally tailored to individual hospital facilities		
3	Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year a Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing <i>free</i> care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for <i>free</i> care <input type="checkbox"/> 100% <input checked="" type="checkbox"/> 150% <input type="checkbox"/> 200% <input type="checkbox"/> Other _____ % b Did the organization use FPG as a factor in determining eligibility for providing <i>discounted</i> care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care <input checked="" type="checkbox"/> 200% <input type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% <input type="checkbox"/> Other _____ % c If the organization used factors other than FPG in determining eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care 4 Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	3a Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	3b Yes	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	4	No
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?	5a Yes	
6a	Did the organization prepare a community benefit report during the tax year?	5b Yes	
b	If "Yes," did the organization make it available to the public?	5c	No
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H	6a Yes	
		6b Yes	

7

Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)			71,000		71,000	1 170 %
b Medicaid (from Worksheet 3, column a)						
c Costs of other means-tested government programs (from Worksheet 3, column b) . .						
d Total Financial Assistance and Means-Tested Government Programs . .			71,000		71,000	1 170 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			18,300		18,300	0 300 %
f Health professions education (from Worksheet 5)						
g Subsidized health services (from Worksheet 6)			970,153	763,144	207,009	3 420 %
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)			45,795		45,795	0 760 %
j Total. Other Benefits			1,034,248	763,144	271,104	4 480 %
k Total. Add lines 7d and 7j . .			1,105,248	763,144	342,104	5 650 %

Part IICommunity Building Activities

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

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1Physical improvements and housing						
2Economic development						
3Community support						
4Environmental improvements						
5Leadership development and training for community members						
6Coalition building			460		460	0.010 %
7Community health improvement advocacy			4,080		4,080	0.070 %
8Workforce development						
9Other						
10Total			4,540		4,540	0.080 %

Part IIIBad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

1Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15?

1Yes

Yes

2Enter the amount of the organization's bad debt expense. Explain in Part VI the methodology used by the organization to estimate this amount.

20

3Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy. Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit.

30

4Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements.

Section B. Medicare

5Enter total revenue received from Medicare (including DSH and IME).

52,942,453

6Enter Medicare allowable costs of care relating to payments on line 5.

62,969,673

7Subtract line 6 from line 5. This is the surplus (or shortfall).

7-27,220

8Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used.

☐ Cost accounting system

☐ Cost to charge ratio

☒ Other

Section C. Collection Practices

9aDid the organization have a written debt collection policy during the tax year?

9aYes

Yes

bIf "Yes," did the organization's collection policy that applied to the largest number of its patients during the tax year contain provisions on the collection practices to be followed for patients who are known to qualify for financial assistance? Describe in Part VI.

9bYes

Yes

Part IVManagement Companies and Joint Ventures

(owned 10% or more by officers, directors, trustees, key employees, and physicians—see instructions)

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

Part V

Facility Information

Section A. Hospital Facilities

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

Name, address, primary website address, and state license number

		Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)	Facility reporting group
	See Additional Data Table										

Part V Facility Information (continued)

Section B. Facility Policies and Practices

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

Name of hospital facility or facility reporting group

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

	Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)		
1 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9 If "Yes," indicate what the CHNA report describes (check all that apply)	1 Yes	
a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
b <input checked="" type="checkbox"/> Demographics of the community		
c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d <input checked="" type="checkbox"/> How data was obtained		
e <input checked="" type="checkbox"/> The health needs of the community		
f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
i <input checked="" type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs		
j <input type="checkbox"/> Other (describe in Part VI)		
2 Indicate the tax year the hospital facility last conducted a CHNA 20 <u>12</u>		
3 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3 Yes	
4 Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4 Yes	
5 Did the hospital facility make its CHNA report widely available to the public? If "Yes," indicate how the CHNA report was made widely available (check all that apply)	5 Yes	
a <input checked="" type="checkbox"/> Hospital facility's website (list url) <u>www.centralcommunityhospital.com</u>		
b <input type="checkbox"/> Other website (list url) _____		
c <input checked="" type="checkbox"/> Available upon request from the hospital facility		
d <input type="checkbox"/> Other (describe in Part VI)		
6 If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply as of the end of the tax year)		
a <input checked="" type="checkbox"/> Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA		
b <input checked="" type="checkbox"/> Execution of the implementation strategy		
c <input checked="" type="checkbox"/> Participation in the development of a community-wide plan		
d <input checked="" type="checkbox"/> Participation in the execution of a community-wide plan		
e <input checked="" type="checkbox"/> Inclusion of a community benefit section in operational plans		
f <input checked="" type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA		
g <input checked="" type="checkbox"/> Prioritization of health needs in its community		
h <input checked="" type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community		
i <input checked="" type="checkbox"/> Other (describe in Part VI)		
7 Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	7	No
8a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	8a	No
b If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	8b	
c If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$ _____		

Part V

Facility Information (continued)

Financial Assistance Policy		Yes	No		
9 Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?		9	Yes		
10 Used federal poverty guidelines (FPG) to determine eligibility for providing <i>free</i> care? If "Yes," indicate the FPG family income limit for eligibility for free care <u>150 00000000000000</u> % If "No," explain in Part VI the criteria the hospital facility used		10	Yes		
11 Used FPG to determine eligibility for providing <i>discounted</i> care? If "Yes," indicate the FPG family income limit for eligibility for discounted care <u>200 00000000000000</u> % If "No," explain in Part VI the criteria the hospital facility used		11	Yes		
12 Explained the basis for calculating amounts charged to patients? If "Yes," indicate the factors used in determining such amounts (check all that apply)		12	Yes		
a <input checked="" type="checkbox"/> Income level					
b <input checked="" type="checkbox"/> Asset level					
c <input type="checkbox"/> Medical indigency					
d <input checked="" type="checkbox"/> Insurance status					
e <input type="checkbox"/> Uninsured discount					
f <input checked="" type="checkbox"/> Medicaid/Medicare					
g <input type="checkbox"/> State regulation					
h <input type="checkbox"/> Residency					
i <input type="checkbox"/> Other (describe in Part VI)					
13 Explained the method for applying for financial assistance?		13	Yes		
14 Included measures to publicize the policy within the community served by the hospital facility? If "Yes," indicate how the hospital facility publicized the policy (check all that apply)		14	Yes		
a <input checked="" type="checkbox"/> The policy was posted on the hospital facility's website					
b <input type="checkbox"/> The policy was attached to billing invoices					
c <input type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms					
d <input type="checkbox"/> The policy was posted in the hospital facility's admissions offices					
e <input type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility					
f <input checked="" type="checkbox"/> The policy was available upon request					
g <input checked="" type="checkbox"/> Other (describe in Part VI)					
Billing and Collections					
15 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?		15	Yes		
16 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP					
a <input type="checkbox"/> Reporting to credit agency					
b <input type="checkbox"/> Lawsuits					
c <input type="checkbox"/> Liens on residences					
d <input type="checkbox"/> Body attachments					
e <input type="checkbox"/> Other similar actions (describe in Section C)					
17 Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP?				17	No
If "Yes," check all actions in which the hospital facility or a third party engaged					
a <input type="checkbox"/> Reporting to credit agency					
b <input type="checkbox"/> Lawsuits					
c <input type="checkbox"/> Liens on residences					
d <input type="checkbox"/> Body attachments					
e <input type="checkbox"/> Other similar actions (describe in Section C)					

Part V

Facility Information *(continued)*

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

☒

Notified individuals of the financial assistance policy on admission
- b

☐

Notified individuals of the financial assistance policy prior to discharge
- c

☒

Notified individuals of the financial assistance policy in communications with the individuals regarding the individuals' bills
- d

☒

Documented its determination of whether individuals were eligible for financial assistance under the hospital facility's financial assistance policy
- e

☐

Other (describe in Section C)

Policy Relating to Emergency Medical Care

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

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

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

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

[illegible]

Part V

Facility Information *(continued)*

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

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

Name and address	Type of Facility (describe)
1 _____	
2 _____	
3 _____	
4 _____	
5 _____	
6 _____	
7 _____	
8 _____	
9 _____	
10 _____	

Part VI

Supplemental Information

Provide the following information

- 1
- Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part II and Part III, lines 2, 3, 4, 8 and 9b
- 2
- Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B
- 3
- Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy
- 4
- Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves
- 5
- Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e g , open medical staff, community board, use of surplus funds, etc)
- 6
- Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served
- 7
- State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report

Form and Line Reference	Explanation
Part I, Line 3c	Income Criteria as a % of US Government poverty income guidelines Less than or equal to 150% 0% paid by patient151% - 175% 30% paid by patient176% - 200% 50% paid by patientGreater than 200% 100% paid by patientThere are instances when a patient may appear eligible for financial discounts, but there is no financial assistance form on file or a lack of supporting documentation Central Community Hospital may use outside agencies to determine eligibility These resources may use demographic and household information and/or credit scoring technology to determine eligibility Patients who meet presumptive eligibility criteria may be granted financial assistance without completing the application Presumptive eligibility awards must be 100% discounts Other forms of presumptive eligibility include Eligible for the Iowa Cares Program, bankruptcy, death with no estate resources, and Title XIX eligible and receiving non-covered services

Form and Line Reference	Explanation
Part I, Line 6a	The community benefit report is available on the Hospital's website and upon request

Form and Line Reference	Explanation
Part I, Line 7	Charity care expense was reported at cost on line 7a based on an overall cost-to-charge ratio which addresses all patient segments. Medicaid is cost reimbursed therefore there is no community benefit expense reported. Community health improvement services, line 7e, and cash and in-kind contributions, line 7i, are reported based on actual expenses recorded in the Organization's general ledger. The cost for subsidized health services on line 7g was determined using the Medicare Cost Report.

Form and Line Reference	Explanation
Part II, Community Building Activities	We make every effort to have a constant presence at the community level to promote health related activities and report on the value a hospital brings to a small community. Based on our health needs assessment, we encourage the involvement of all community organizations in activities to promote better health for our service area residents. We offer assistance to patients who qualify for reduced cost of medication through the drug companies. This ensures these individuals receive the prescriptions they need. Two individuals counsel Medicare Part D participants on the program and annually review the participant's choice to assure the most appropriate insurance program is selected. The Hospital's EMTs attend the Central Community School football games to provide immediate assistance to athletes, coaches and fans.

Form and Line Reference	Explanation
Part III, Line 2	All forms of payment, including self-pay, insurance, contractual allowances, and discounts, are applied to the patient's account before the account is classified as bad debt. A payment received on an account previously written off as bad debt reduces bad debt expense. Central Community Hospital does not refuse services to patients that generate bad debt. There is no bad debt expense on line 2.

Form and Line Reference	Explanation
Part III, Line 3	During fiscal year 2014 , Central Community Hospital did not incur any bad debt expense

Form and Line Reference	Explanation
Part III, Line 4	The footnote to the Organization's financial statements can be found on pages 8 and 9 of the attached audited financial statements

Form and Line Reference	Explanation
Part III, Line 8	Central Community Hospital has a Medicare shortfall and considers this a community benefit. The Hospital provides services to Medicare patients regardless of the shortfall because access to healthcare and individual's health is important. Total revenue received from Medicare is the gross reimbursement plus settlement. Both total revenue received from Medicare and the Medicare allowable costs are reported from the Medicare Cost Report. The Medicare Cost Report is completed based on the rules and regulations set forth by Centers for Medicare and Medicaid Services.

Form and Line Reference	Explanation
Part III, Line 9b	We make every effort to determine if a patient is eligible for financial assistance. If a patient cannot pay their balance in full in 30 days, a financial counselor is available to discuss payment options. After financial assistance is determined, any personal portion due follows the same debt collection policy as other patients without financial assistance. If a bankruptcy notice is received on any account, all collection activities will cease immediately. Central Community Hospital will not harass a patient for their past due account, nor make false statements to get the patient to pay their account. There are instances when a patient may appear eligible for financial discounts, but there is no financial assistance form on file or a lack of supporting documentation. Central Community Hospital may use outside agencies to determine eligibility. These resources may use demographic and household information and/or credit scoring technology to determine eligibility. Patients who meet presumptive eligibility criteria may be granted financial assistance without completing the application. Presumptive eligibility awards must be 100% discount. Other forms of presumptive eligibility include: eligible for the Iowa Cares Program, bankruptcy, death with no estate resources, and Title XIX eligible and receiving non-covered services (reviewed case by case).

Form and Line Reference	Explanation
Part VI, Line 2	<p>The Community Health Needs Assessment was completed and posted to the website on June 30, 2013. The assessment was conducted with the help of Guttenberg Municipal Hospital in Guttenberg, Iowa (located in Clayton County). Representatives of 18 organizations compiled Clayton County data on their services and populations served. Six priorities for health care needs were established for the county. When Central Community Hospital (CCH) created their Action Plan, they selected five of the priorities. CCH addressed the five priorities completing a quarterly report that was posted to the website and distributed internally. CCH established three action steps to be taken under each of the five priorities. The needs assessment will be conducted again in fiscal year 2016. Quarterly reports will continue through the next fiscal year.</p>

Form and Line Reference	Explanation
Part VI, Line 3	At the time of registrations, CCH staff makes every effort to determine if a patient may possibly need or qualify for any financial assistance. We notify patients of the availability of these programs by posting information in our registration and emergency room areas. We offer a private meeting with a financial counselor. Inpatients are offered an opportunity to meet with the counselor upon discharge. Financial assistance information is provided in all correspondence regarding patient bills. Our financial counselor attempts phone contact whenever possible. Our "Mission Health" charity program information is available on our website. We do an annual article about the service in our newsletter. Our financial counselor will also assist with enrollment in external programs.

Form and Line Reference	Explanation
Part VI, Line 4	Central Community Hospital serves the residents of the central part of Clayton County into the northeast section of the county. It is a rural, agricultural area. The geographic area of Clayton County is 778.54 square miles. The nearest larger city is Dubuque, Iowa, which is 7.2 miles from Elkader, the county seat. With 17,773 people, Clayton County is the 39th most populated county in the state of 99 counties. The population saw a 1.4% decline from 2008-2012. In 2012, the median household income of Clayton County residents was \$46,617. 12.9% of Clayton County residents live in poverty. The median age for Clayton County residents is 44.7 years young. The largest Clayton County racial/ethnic groups are White (96.9%) followed by Hispanic (1.7%) and Other (0.9%).

Form and Line Reference	Explanation
Part VI, Line 5	Central Community Hospital's board members reside in the primary service area except for one who lives in Dubuque, IA. None of the board members are employed by the Hospital nor are they contractors of the Hospital. None of the board members have family members employed by Central Community Hospital. Central Community Hospital extends hospital privileges to all qualified physicians in our service area extending to Dubuque, Iowa, where specialists serve our area. CCH encourages specialists to offer clinics in our facility to improve access for our local residents. Many of CCH older patients are apprehensive to drive 72 miles one-way to a large city to see a specialist. When the Hospital creates its budget, efforts are made by the Administrative Team to allocate funds to improve patient care through updating equipment, expanding supplies or hiring staff. Each year dollars are allocated to improve services based on recommendations submitted by department managers. Central Community Hospital (CCH) works with the city of Elkader to assure tax dollars are collected to purchase ambulances when needed, provide annual maintenance and tires for the vehicles and purchase 50% of the gas consumed. CCH pays the other 50% of the gas bill. The committee that oversees community health and education is the AIM committee, whose purpose is to align with the community needs with hospital goals, inspire staff to cooperatively improve the health of the community and manage those needs to best capability of CCH. Their annual goals are set primarily by the community health needs assessment plan and the needs determined by CCH staff. AIM offers classes at schools and in the community, Corporate Wellness program targeting businesses looking for opportunities to improve the health of their employees and participation in public awareness activities.

Form and Line Reference	Explanation
Part VI, Line 6	Central Community Hospital is affiliated with Mercy Health Network, Des Moines, IA. Mercy Health Network provides 29 affinity meetings on a regular basis covering all aspects of services in the hospital (administrative, clinical, supportive). The staff is available daily to answer questions, provide assistance with policies and procedures and assign experts to offer classes, webinars, written materials and telephone conferences. They offer additional services that include provider recruitment, legal services and administrative support for major decision-making projects including major construction, adding service line or addressing new regulatory mandates. CCH also has a Critical Access Network Agreement with Mercy Medical Center, Dubuque, IA to meet the regulations regarding support for critical access including transportation, communication, quality and credentialing. Mercy Medical Center is committed to supporting health care in rural areas as demonstrated by their joint operations and subsidy of the Elkader Medical Clinic.

Additional Data

Software ID:
Software Version:
EIN: 42-0818642
Name: Central Community Hospital

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.	
Form and Line Reference	Explanation
Central Community Hospital	Part V, Section B, Line 3 The following individuals and groups were consulted as individuals representing the community interests Elkader Care Center, HAWK Partnership for Children, Clayton County VNA, Child Health Specialty Clinics, Community Circle of Care, Central Community Hospital, Central Community Hospital Foundation, Northland Agency on Aging, Clayton County WIC, Clayton County Substance Abuse Services, Guttenberg Municipal Hospital, Northeast Iowa Community Action and Central Community School A Wipfli consultant conducted two focus groups with community members providing input on healthcare needs of Central Community Hospital's service area

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

Form and Line Reference	Explanation
Central Community Hospital	Part V, Section B, Line 4 The community health needs assessment was conducted with Guttenberg Municipal Hospital in Guttenberg, Iowa

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.	
Form and Line Reference	Explanation
Central Community Hospital	Part V, Section B, Line 6i Central Community Hospital adopted an implementation strategy to address the community health needs identified in its Community Health Needs Assessment The implementation strategy is posted to the Hospital's website at www.centralcommunityhospital.com

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

Form and Line Reference	Explanation
Central Community Hospital	Part V, Section B, Line 7 Lead poisoning was a health need found in the Community Health Needs Assessment (CHNA) but was not addressed as existing health care facilities and resources within the community are better able to respond to that need Actions to prevent further increase in obesity in Clayton County children and adults is ongoing with the Hospital establishing wellness meetings and activities Actions to prevent further increase in substance abuse among Clayton County children and adults is ongoing as the Hospital works with area agencies to support local efforts and classes to adults and high school students Preventing an increase in number of falls among older adults in Clayton County is still being addressed as the Hospital implements classes Increasing nurses understanding of mental health issues and techniques to decrease patient stress is ongoing with nurses receiving mental health first aid classes, community education and security and safety policies Improving care coordination in the county is ongoing as the Hospital continues work of the Elkader Healthcare Coalition, participates in Clayton County Healthcare Coalition activities and assures EMR improvement of QI indicators related to care coordination

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

Form and Line Reference	Explanation
Central Community Hospital	Part V, Section B, Line 14g At the time of registrations, CCH staff makes every effort to determine if a patient may possibly need or qualify for any financial assistance We notify patients of the availability of these programs by posting information in our registration and emergency room areas We offer a private meeting with a financial counselor Inpatients are offered an opportunity to meet with the counselor upon discharge Financial assistance information is provided in all correspondence regarding patient bills Our financial counselor attempts phone contact whenever possible We do an annual article about the service in our newsletter

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

Form and Line Reference	Explanation
Central Community Hospital	Part V, Section B, Line 22 All individuals eligible under the hospital financial assistance policy are provided a discount for emergency and other medically necessary care The financial assistance policy does not apply to elective procedures Therefore, FAP-eligible patients without insurance may be charged gross charges on elective procedures

Schedule I
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization
Central Community Hospital

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

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

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

OMB No 1545-0047

2013

Open to Public
Inspection

Employer identification number
42-0818642

Part I

General Information on Grants and Assistance

1

Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?

☒ Yes ☐ No

2

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

Part II

Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) City of Elkader 207 N Main Street Elkader, IA 52043	42-6004633		45,795				New ambulance fund

2

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

1

3

Enter total number of other organizations listed in the line 1 table

0

Part III

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

(a)Type of grant or assistance	(b)Number of recipients	(c)Amount of cash grant	(d)Amount of non-cash assistance	(e)Method of valuation (book, FMV, appraisal, other)	(f)Description of non-cash assistance

Part IV

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

Return Reference	Explanation
Part I, Line 2	Central Community Hospital provides grants and assistance to other 501(c)(3) and government organizations with the focus of meeting the health care needs of the community

SCHEDULE O

(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No 1545-0047

2013

Open to Public
Inspection

Name of the organization Central Community Hospital	Employer identification number 42-0818642
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Return Reference	Explanation
Form 990, Part III, line 2	Nursing brought together six agencies to address improving coordinated care in the community, called the Elkader Health Care Coalition Their initial focus was to reduce re-admissions to the Hospital and educate the community on resources available to help patients and family members on matters related to the continuum of health care The coalition was started in July 2013

Return Reference	Explanation
Form 990, Part VI, Section A, line 1	<p>The Executive Committee consists of the officers of the Board. The President of the Board chairs the Committee. The Committee has the power to exercise authority of the Board when necessary or advisable between meetings of the Board. The Committee reports all of its actions to the Board at the next regular or special meeting of the Board, and such actions are subject to revision and alteration by the Board, provided however, that the rights of third parties are not affected by any revision or alteration. The Committee has the duty of reviewing the Bylaws of the Board at least annually and recommending to the Board the amendment of the Bylaws of the Hospital. The Executive Committee oversees compliance of the Hospital with requirements of regulatory bodies and meets on the call of the President. Minutes are kept of all meetings.</p>

Return Reference	Explanation
Form 990, Part VI, Section A, line 2	Fran Zical, CEO, and Russel Knight, Board member, have a business relationship

Return Reference	Explanation
Form 990, Part VI, Section A, line 6	The Organization has members who are all of one class and resident citizens of the Central Community Hospital service area

Return Reference	Explanation
Form 990, Part VI, Section A, line 7a	Members of the Board are elected by the resident citizens of the Central Community Hospital service area at the annual meeting to serve for a term of four years

Return Reference	Explanation
Form 990, Part VI, Section B, line 11	The Form 990 is made available to all Board Members before it is filed The CEO and CFO review and approve the 990

Return Reference	Explanation
Form 990, Part VI, Section B, line 12c	<p>Any duality of interest or possible conflict of interest on the part of any Board member and officer is disclosed to the other members of the Board and made a matter of record through an annual procedure and also when the interest becomes a matter of Board action. Any individual having a duality of interest or possible conflict of interest on any matter should not vote or use his or her personal influence on the matter, and should not be counted in determining the quorum for the meeting, even where permitted by law. The minutes of the meeting reflect the disclosure, the abstention from voting, and the quorum situation. Any new member of the Board will be advised of this policy upon entering on the duties of office. The governing board, CEO and CFO complete and sign the conflict of interest form yearly. The forms are reviewed by the Board President, and if a potential conflict is identified the Board President follows up.</p>

Return Reference	Explanation
Form 990, Part VI, Section B, line 15	<p>The process for determining compensation for the CEO is based on salary adjustment recommendations based on an annual evaluation, use of wage scales, committee approval (Board Chair and Mercy Medical Center - Dubuque's CEO), and Board approval. Also, Mercy Medical Center - Dubuque's compensation system is utilized. This includes review of wages in comparison to comparable positions. The organization documents and provides substantiation for their compensation process for the CEO. The process was last undertaken in FY 2014. The Hospital's Board determines compensation for the CFO through an annual evaluation and use of wage scales. The process is documented and was last undertaken in FY 2014.</p>

Return Reference	Explanation
Form 990, Part VI, Section C, line 19	The Organization's governing documents and conflict of interest policy are available upon written request. The financial statements are attached to the Form 990 and therefore available for public inspection.

Return Reference	Explanation
Form 990, Part IX, line 11g	Purchased services Program service expenses 1,268,873 Management and general expenses 257,699 Fundraising expenses 0 Total expenses 1,526,572 Repairs and maintenance Program service expenses 216,098 Management and general expenses 96,356 Fundraising expenses 0 Total expenses 312,454 Professional fees Program service expenses 73,725 Management and general expenses 20,188 Fundraising expenses 0 Total expenses 93,913

Return Reference	Explanation
Form 990, Part XI, line 9	Change in interest in net assets of Central Community Hospital Foundation -414



Financial Statements
June 30, 2014 and 2013



Central Community Hospital
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June 30, 2014 and 2013

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Independent Auditor's Report

The Board of Trustees
Central Community Hospital
Elkader, Iowa

Report on the Financial Statements

We have audited the accompanying financial statements of Central Community Hospital (Hospital), which comprise the balance sheets as of June 30, 2014 and 2013, and the related statements of operations, changes in net assets, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

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

A handwritten signature in cursive script that reads "Eide Bailly LLP".

Dubuque, Iowa
October 22, 2014

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	2014	2013
Assets		
Current Assets		
Cash and cash equivalents	\$ 606,366	\$ 372,489
Receivables		
Patient, net of estimated uncollectibles of \$81,000 in 2014		
and \$120,000 in 2013	890,201	571,448
Estimated third-party pay or settlements	235,000	8,000
Related party - Note 10	-	18,690
Other	5,413	18,400
Supplies	81,151	90,357
Prepaid expenses	50,872	104,287
Total current assets	1,869,003	1,183,671
Assets Limited as to Use or Restricted - Note 3		
Externally restricted by donors for health care services	11,452	52,053
Property and Equipment, Net - Note 4	3,591,200	3,091,347
Other Assets		
Interest in net assets of Central Community Hospital		
Foundation - Note 8	172,301	172,715
Investments - Note 3	643,502	1,671,512
Total other assets	815,803	1,844,227
Total assets	\$ 6,287,458	\$ 6,171,298

See Notes to Financial Statements

Central Community Hospital
Balance Sheets
June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Liabilities and Net Assets		
Current Liabilities		
Current maturities of long-term debt - Note 6	\$ 16.946	\$ 15.803
Accounts payable		
Trade	380.912	222.443
Accrued expenses		
Salaries and wages	20.602	39.212
Paid time-off	180.807	156.950
Payroll taxes and other	<u>42.023</u>	<u>41.995</u>
Total current liabilities	641.290	476.403
Long-Term Debt, Less Current Maturities - Note 6	<u>56.751</u>	<u>73.698</u>
Total liabilities	<u>698.041</u>	<u>550.101</u>
Net Assets		
Unrestricted	5,405.268	5,396.429
Temporarily restricted - Note 7	<u>184.149</u>	<u>224.768</u>
Total net assets	<u>5,589.417</u>	<u>5,621.197</u>
Total liabilities and net assets	<u><u>\$ 6,287.458</u></u>	<u><u>\$ 6,171.298</u></u>

Central Community Hospital
Statements of Operations
Years Ended June 30, 2014 and 2013

	2014	2013
Unrestricted Revenues and Other Support		
Net patient service revenue - Note 2	\$ 5,905,709	\$ 5,785,481
Provision for bad debts	6,919	(57,275)
Net patient service revenue, less provision for bad debts	<u>5,912,628</u>	<u>5,728,206</u>
Other revenue	92,621	132,678
Net assets released from restrictions for operations	<u>-</u>	<u>1,570</u>
Total unrestricted revenues and other support	<u>6,005,249</u>	<u>5,862,454</u>
Expenses		
Salaries and wages	2,118,892	2,038,887
Employee benefits	454,880	463,130
Supplies and other expenses	2,972,642	2,903,262
Interest	5,845	1,280
Depreciation and amortization	466,210	428,217
Total expenses	<u>6,018,469</u>	<u>5,834,776</u>
Operating Income (Loss)	<u>(13,220)</u>	<u>27,678</u>
Other Income		
Unrestricted contributions	14,828	26,335
Investment income - Note 3	7,231	8,333
Affiliation agreement income - Note 10	-	18,690
Other income, net	<u>22,059</u>	<u>53,358</u>
Revenues in Excess of Expenses	8,839	81,036
Net Assets Released from Restriction for Capital Transfer	45,795	-
Capital Transfer to City of Elkader - Note 7	<u>(45,795)</u>	<u>-</u>
Change in Unrestricted Net Assets	<u>\$ 8,839</u>	<u>\$ 81,036</u>

Central Community Hospital
Statements of Changes in Net Assets
Years Ended June 30, 2014 and 2013

	2014	2013
Unrestricted Net Assets		
Revenues in excess of expenses	\$ 8,839	\$ 81,036
Net assets released from restrictions for capital transfer	45,795	-
Transfer to City EMS services	(45,795)	-
Increase in unrestricted net assets	<u>8,839</u>	<u>81,036</u>
Temporarily Restricted Net Assets		
Restricted contributions	5,590	29,279
Net assets released from restrictions	(45,795)	(1,570)
Change in interest in net assets of Central Community Hospital Foundation	<u>(414)</u>	<u>3,762</u>
Increase (decrease) in temporarily restricted net assets	<u>(40,619)</u>	<u>31,471</u>
Change in Net Assets	(31,780)	112,507
Net Assets, Beginning of Year	<u>5,621,197</u>	<u>5,508,690</u>
Net Assets, End of Year	<u>\$ 5,589,417</u>	<u>\$ 5,621,197</u>

Central Community Hospital
Statements of Cash Flows
Years Ended June 30, 2014 and 2013

	2014	2013
Operating Activities		
Change in net assets	\$ (31,780)	\$ 112,507
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation and amortization	466,210	428,217
Provision for bad debts	(6,919)	57,275
Capital and restricted contributions	(5,590)	(29,279)
Investment income	(7,231)	(8,333)
Change in interest in net assets of Central Community Hospital Foundation	414	(3,762)
Changes in assets and liabilities		
Receivables	(280,157)	46,146
Estimated third-party payor settlements	(227,000)	222,000
Supplies	9,206	(444)
Prepaid expenses	53,415	77,902
Accounts payable	(140,346)	62,236
Accrued expenses	5,275	39,169
Net Cash from (used for) Operating Activities	<u>(164,503)</u>	<u>1,003,634</u>
Investing Activities		
Purchase of property and equipment	(667,248)	(359,520)
Purchase of investments and assets limited as to use or restricted	(559,057)	(1,415,511)
Proceeds from sale and maturities of investments	1,627,668	321,227
Investment income	7,231	8,333
Net Cash from (used for) Investing Activities	<u>408,594</u>	<u>(1,445,471)</u>
Financing Activities		
Capital and restricted contributions	5,590	29,279
Repayment of long-term debt	(15,804)	(31,368)
Net Cash used for Financing Activities	<u>(10,214)</u>	<u>(2,089)</u>
Change in Cash and Cash Equivalents	233,877	(443,926)
Cash and Cash Equivalents, Beginning of Year	<u>372,489</u>	<u>816,415</u>
Cash and Cash Equivalents, End of Year	<u>\$ 606,366</u>	<u>\$ 372,489</u>

Central Community Hospital
Statements of Cash Flows
Years Ended June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Supplemental Disclosures of Cash Flow Information		
Cash payments during the year for interest	<u>\$ 5,845</u>	<u>\$ 1,280</u>
Supplemental Disclosure of Non-cash Investing and Financing Activity		
Equipment included in accounts payable	<u>\$ 298,815</u>	<u>\$ -</u>
Equipment financed through capital lease arrangement	<u>\$ -</u>	<u>\$ 90,769</u>

Note 1 - Organization and Significant Accounting Policies

Organization

Central Community Hospital (Hospital) is a 25-bed acute care hospital located in Elkader, Iowa. The Hospital is governed by a Board of Trustees elected by resident citizens of the Central Community Hospital service area.

Income Taxes

The Hospital is organized as an Iowa nonprofit corporation and has been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes under Internal Revenue Code Section 501(c)(3). The Hospital is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the Hospital is subject to income tax on net income that is derived from business activities that are unrelated to its exempt purpose. The Hospital has determined that it is not subject to unrelated business income tax and has not filed an Exempt Organization Business Income Tax Return (Form 990T) with the IRS.

The Hospital believes that it has appropriate support for any tax positions taken affecting its annual filing requirements, and as such, does not have any uncertain tax positions that are material to the financial statements. The Hospital would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred.

Use of Estimates

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

Cash and Cash Equivalents

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

Patient Receivables

Patient receivables are uncollateralized patient and third-party payor obligations. Unpaid patient receivables are not charged interest on amounts owed.

Patient accounts receivable are reduced by an allowance for doubtful accounts. In evaluating the collectability of accounts receivable, the Hospital analyzes its past history and identifies trends for each of its major payor sources of revenue to estimate the appropriate allowance for doubtful accounts and provision for bad debts. Management regularly reviews data about these major payor sources of revenue in evaluating the sufficiency of the allowance for doubtful accounts. For receivables associated with services provided to patients and who have third-party coverage, the Hospital analyzes contractually due amounts and provides an allowance for doubtful accounts and a provision for bad debts, if necessary (for example, for expected uncollectible deductibles and copayments on accounts for which the third-party payor has not yet paid, or for payors who are known to be having financial difficulties that make the realization of amounts due unlikely).

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

The Hospital's process for calculating the allowance for doubtful accounts for self-pay patients has not significantly changed from June 30, 2013 to June 30, 2014. The Hospital does not maintain a material allowance for doubtful accounts from third-party payors, nor did it have significant write offs from third-party payors. The Hospital has not significantly changed its charity care or uninsured discount policies during fiscal years 2013 or 2014.

Supplies

Supplies are stated at lower of cost (first-in, first-out) or market value. Market value is determined by comparison with recent purchases or realizable value.

Assets Limited as to Use or Restricted

Assets limited as to use include assets set aside by the Board of Trustees externally restricted by donors for health care services, over which the Board retains control and may, at its discretion, subsequently use for other purposes.

Restricted funds are used to differentiate resources, the use of which is restricted by donors or grantors, from resources of general funds on which donors or grantors place no restriction or which arise as a result of the operations of the Hospital for its stated purposes.

Property and Equipment

Property and equipment acquisitions in excess of \$5,000 are capitalized and recorded at cost. Depreciation is provided over the estimated useful life of each depreciable asset and is computed using the straight-line method. Equipment under capital lease obligations is amortized on the straight-line method over the shorter period of the lease term or the estimated useful life of the equipment. Amortization is included in depreciation and amortization in the financial statements. The estimated useful lives of property and equipment are as follows:

Buildings and improvements	5-50 years
Equipment	3-20 years

Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are those whose use by the Hospital has been limited by donors to a specific time period or purpose. Permanently restricted net assets have been restricted by donors to be maintained by the Hospital in perpetuity. At June 30, 2014 and 2013, the Hospital did not have any permanently restricted net assets.

Net Patient Service Revenue

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

The Hospital recognizes patient service revenue associated with services provided to patients who have third-party payor coverage on the basis of contractual rates for the services rendered, as noted above. For uninsured patients that do not qualify for charity care, the Hospital recognizes revenue on the basis of its standard rates for services provided or on the basis of discounted rates, if negotiated. On the basis of historical experience, a certain portion of the Hospital's uninsured patients will be unable or unwilling to pay for the services provided. As a result, the Hospital records a provision for bad debts related to uninsured patients in the period the services are provided. Net patient service revenue, before the provision for bad debts, recognized for the years ended June 30, 2014 and 2013 from these major payor sources is as follows:

	2014	2013
Net Patient Service Revenue		
Third-party payors	\$ 5,367,846	\$ 5,486,090
Self-pay	537,863	299,391
	<u>\$ 5,905,709</u>	<u>\$ 5,785,481</u>

Revenues in Excess of Expenses

Revenues in excess of expenses excludes change in unrealized gains and losses on investments other than trading securities, transfers of assets to and from related parties for other than goods and services, and contributions for long-lived assets, including assets acquired using contributions which were restricted by donors.

Charity Care

The Hospital provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than established rates. Because the Hospital does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue. The amount of charges foregone for services provided under the Hospital's charity care policy were \$98,834 and \$150,647 for the years ended June 30, 2014 and 2013. The direct and indirect costs related to these forgone charges were \$71,000 and \$105,000 at June 30, 2014 and 2013 based on an average ratio of costs to gross charges.

Donor-restricted Gifts

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

Advertising Costs

The Hospital expenses advertising costs as incurred.

Electronic Health Record Incentive Payments

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

Medicare

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

The Hospital did not receive any Medicare incentive payments during the years ended June 30, 2014 and 2013.

Medicaid

The Medicaid EHR incentive payments are available for the next five years and are paid out based on state specific legislation, not to exceed 50% in any one year, 90% in any 2-year period, and paid over a minimum of a 3-year period and a maximum of a 6-year period. To qualify for the first Medicaid EHR incentive payment, the hospital must be in the Adopt, Implement, and Upgrade stages of the meaningful use criteria. To qualify for the second and third Medicaid EHR incentive payments, hospitals must satisfy the meaningful use criteria that are outlined within the Medicare EHR objectives. The Medicaid EHR incentive payments to hospitals for each payment year are calculated as a product of (1) an initial amount, (2) the Medicaid share, and (3) a transition factor applicable to that payment year.

The Hospital did not receive any Medicaid EHR incentive payments during the years ended June 30, 2014 and 2013. The Hospital recognized revenue of \$114,000 in the year ended June 30, 2012 related to an initial Medicaid EHR incentive payment received. The \$114,000 represented 40% of the potential benefit to be received from the State of Iowa Medicaid program. Since the remaining payments are contingent upon the Hospital meeting future EHR objectives, there are no amounts accrued as receivable from the State of Iowa Medicaid program.

Subsequent Events

The Hospital has evaluated subsequent events through October 22, 2014, the date which the financial statements were available to be issued.

Reclassifications

Reclassifications have been made to the June 30, 2013, financial information to make it conform to the current year presentation. The reclassifications had no effect on previously reported operating results or changes in net assets.

Note 2 - Net Patient Service Revenue

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

Medicare: The Hospital is licensed as a Critical Access Hospital (CAH). The Hospital is reimbursed for most inpatient and outpatient services at cost with final settlement determined after submission of annual cost reports by the Hospital and are subject to audits thereof by the Medicare fiscal intermediary. The Hospital's Medicare cost reports have been audited by the Medicare fiscal intermediary through the year ended June 30, 2012.

Medicaid: Inpatient and outpatient services rendered to Medicaid program beneficiaries are paid based on a cost reimbursement methodology. The Hospital is reimbursed for cost reimbursable items at a tentative rate with final settlement determined after submission of annual cost reports by the Hospital and audits thereof by the Medicaid fiscal intermediary. The Hospital's Medicaid cost reports have been processed through the year ended June 30, 2012.

Other Payors: The Hospital has also entered into payment agreements with certain commercial insurance carriers and other organizations. The basis for payment to the Hospital under these agreements may include prospectively determined rates and discounts from established charges.

Revenue from the Medicare, Medicaid, and Blue Cross programs accounted for approximately 63%, 3%, and 16%, respectively, of the Hospital's net patient service revenue for the year ended June 30, 2014, and 64%, 4%, and 19%, respectively, for the year ended June 30, 2013. Laws and regulations governing the Medicare, Medicaid, and other programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. The net patient service revenue for the years ended June 30, 2014 and 2013, increased approximately \$197,000 and \$88,000, respectively, due to prior-year retroactive adjustments differing from amounts previously estimated.

The Centers for Medicare and Medicaid Services (CMS) has implemented a Recovery Audit Contractor (RAC) program under which claims subsequent to October 1, 2007, are reviewed by contractors for validity, accuracy, and proper documentation. A demonstration project completed in several other states resulted in the identification of potential overpayments, some being significant. If selected for audit, the potential exists that the Hospital may incur a liability for a claims overpayment at a future date. The Hospital is unable to determine if it will be audited and, if so, the extent of the liability of overpayments, if any. As the outcome of such potential reviews is unknown and cannot be reasonably estimated, it is the Hospital's policy to adjust revenue for deductions from overpayment amounts or additions from underpayment amounts determined under the RAC audits at the time a change in reimbursement is agreed upon between the Hospital and CMS.

A summary of patient service revenue and contractual adjustments and discounts for the years ended June 30, 2014 and 2013 is as follows:

	<u>2014</u>	<u>2013</u>
Total Patient Service Revenue	\$ 7,984,861	\$ 8,000,867
Contractual Adjustments and Discounts		
Medicare	(993,523)	(1,250,744)
Medicaid	(185,242)	(103,290)
Other	(900,387)	(854,716)
Policy discounts	-	(6,636)
Total contractual adjustments and discounts	<u>(2,079,152)</u>	<u>(2,215,386)</u>
Net Patient Service Revenue	5,905,709	5,785,481
Provision for Bad Debts	<u>6,919</u>	<u>(57,275)</u>
Net Patient Service Revenue, Less Provision for Bad Debts	<u>\$ 5,912,628</u>	<u>\$ 5,728,206</u>

Note 3 - Investments and Investment Income

Assets Limited as to Use or Restricted

Investments are stated at fair value. The composition of assets limited as to use or restricted at June 30, 2014 and 2013 is as follows:

	<u>2014</u>	<u>2013</u>
Cash and Cash Equivalents	<u>\$ 11,452</u>	<u>\$ 52,053</u>

Other Investments

The composition of investments reported under other assets at June 30, 2014 and 2013 is as follows:

	<u>2014</u>	<u>2013</u>
Money Market	\$ 129,443	\$ 1,161,407
Certificates of Deposits	<u>514,059</u>	<u>510,105</u>
	<u>\$ 643,502</u>	<u>\$ 1,671,512</u>

Investment income

Total investment income consists of the following:

	<u>2014</u>	<u>2013</u>
Other Income		
Interest income	<u>\$ 7,231</u>	<u>\$ 8,333</u>

Note 4 - Property and Equipment

A summary of property and equipment at June 30, 2014 and 2013 follows

	2014		2013	
	Cost	Accumulated Depreciation	Cost	Accumulated Depreciation
Hospital				
Land and improvements	\$ 9,765	\$ -	\$ 9,765	\$ -
Buildings and improvements	3,634,474	1,808,854	3,620,678	1,672,954
Equipment				
Fixed	2,335,676	2,097,918	2,335,788	1,991,116
Major movable	3,252,468	1,818,929	2,035,070	1,609,670
Construction in progress	-	-	265,018	-
Total Hospital	<u>9,232,383</u>	<u>5,725,701</u>	<u>8,266,319</u>	<u>5,273,740</u>
Elkader Clinic Building	<u>245,486</u>	<u>189,288</u>	<u>245,486</u>	<u>177,440</u>
Monona Clinic				
Land	16,250	-	16,250	-
Building	<u>159,949</u>	<u>147,879</u>	<u>159,949</u>	<u>145,477</u>
Total Monona Clinic	<u>176,199</u>	<u>147,879</u>	<u>176,199</u>	<u>145,477</u>
	<u>\$ 9,654,068</u>	<u>\$ 6,062,868</u>	<u>\$ 8,688,004</u>	<u>\$ 5,596,657</u>
Net property and equipment		<u>\$ 3,591,200</u>		<u>\$ 3,091,347</u>

Note 5 - Leases

The Hospital leases certain equipment under noncancelable long-term lease agreements. Certain leases have been recorded as capital leases and others as operating leases. Total lease expense for the years ended June 30, 2014 and 2013, for all operating leases was \$38,875 and \$63,359, respectively. The capitalized leased assets consist of

	2014	2013
Major Movable Equipment	\$ 90,769	\$ 111,431
Less accumulated amortization	<u>(20,236)</u>	<u>(14,539)</u>
	<u>\$ 70,533</u>	<u>\$ 96,892</u>

Minimum future lease payments for the capital and operating leases are as follows

Years Ending June 30.	Capital Leases	Operating Leases
2015	\$ 21,568	\$ 18,180
2016	21,568	18,180
2017	21,569	18,180
2018	19,771	10,605
Total Minimum Lease Payments	84,476	\$ 65,145
Less interest	(10,779)	
Present Value of Minimum Lease Payments - Note 6	<u>\$ 73,697</u>	

Note 6 - Long-Term Debt

Long-term debt consists of

	2014	2013
Capitalized Lease Obligation, 7.00% Due in Monthly Installments of \$1,797 Through May 2018	\$ 73,697	\$ 89,501
Less current maturities	(16,946)	(15,803)
Long-term debt, less current maturities	<u>\$ 56,751</u>	<u>\$ 73,698</u>

Long-term debt maturities are as follows

Years Ending June 30.	Amount
2015	\$ 16,946
2016	18,171
2017	19,485
2018	19,095
Total	<u>\$ 73,697</u>

Note 7 - Temporarily Restricted Net Assets

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

	2014	2013
Interest in Future Distributions of Net Assets of Central Community Hospital Foundation	\$ 172,301	\$ 172,715
Health Care Services	11,848	52,053
	<u>184,149</u>	<u>224,768</u>
Total Temporarily Restricted Net Assets	<u>\$ 184,149</u>	<u>\$ 224,768</u>

During the years ended June 30, 2014 and 2013, the Hospital received temporarily restricted donations in the amounts of \$5,590 and \$29,279. During the years ended June 30, 2014 and 2013, net assets were released from donor restrictions by incurring expenditures satisfying the restricted purposes in the amount of \$45,795 and \$1,570. The \$45,795 released in 2014 represents a transfer of restricted funds to the City of Elkader to purchase an ambulance. These amounts are included in net assets released from restrictions in the accompanying financial statements.

Note 8 - Interest in Net Assets of Central Community Hospital Foundation

The Central Community Hospital Foundation (Foundation) was formed to solicit funds to support and further the quality and availability of health care provided by Central Community Hospital. The Foundation is authorized by the Hospital to solicit contributions on its behalf. The Foundation's unrestricted resources are distributed to the Hospital in amounts and in periods determined by the Foundation's Board of Directors. A summary of compiled financial statements of the Foundation follows. The Hospital's beneficial interest in the net assets of the Foundation is reported as a non-current asset in the balance sheets.

Central Community Hospital
Notes to Financial Statements
June 30, 2014 and 2013

	(Compiled) 2014	(Compiled) 2013
Assets		
Cash, cash equivalents, and other assets	<u>\$ 172,301</u>	<u>\$ 172,715</u>
Liabilities	<u>\$ -</u>	<u>\$ -</u>
Net Assets		
Unrestricted	156,151	156,840
Temporarily restricted	<u>16,150</u>	<u>15,875</u>
Total net assets	<u>172,301</u>	<u>172,715</u>
Total liabilities and net assets	<u>\$ 172,301</u>	<u>\$ 172,715</u>
Revenues, Gains and Other Support	\$ 43,971	\$ 46,879
Expenditures	<u>44,385</u>	<u>43,117</u>
Revenues in Excess of (Less than) Expenditures	(414)	3,762
Net Assets, Beginning of Year	<u>172,715</u>	<u>168,953</u>
Net Assets, End of Year	<u>\$ 172,301</u>	<u>\$ 172,715</u>

For the years ended June 30, 2014 and 2013 the Foundation did not make any capital contributions to the Hospital

Note 9 - 401(k) Plan

The Hospital sponsors a 401(k) plan. An employee becomes eligible to participate after completing one year of service, working 1,000 hours and attaining age 21. A participant may elect to defer compensation of 1% to 15%. Any contributions to the 401(k) plan are 100% vested.

The Hospital will make matching contributions to the plan equal to one-half of the amount that is contributed by the employee up to a total matching amount of 3% of the employee's compensation.

Total pension expense for the years ended June 30, 2014 and 2013 was \$42,445 and \$43,690.

Note 10 - Management Services and Affiliation Agreement

Effective July 1, 2013, the Hospital has a contractual arrangement with Mercy Health Network, Inc (Mercy) under which Mercy and Central Community Hospital coordinate resources, management services and other administrative capabilities. The arrangement does not alter the authority or responsibility of the Board of Trustees of Central Community Hospital. Fees of \$226,581 were incurred for the year ended June 30, 2014.

Note 11 - Related Organization

Master Affiliation Agreement

Through June 30, 2013, the Hospital entered into a Master Affiliation Agreement with Mercy Medical Center – Dubuque to provide hospital, physician, and other health care services in Elkader, Iowa. Operating gains and losses from the consolidated operation of the Hospital services and Mercy Medical Center – Dubuque are shared equally in accordance with the formulas outlined in the Agreement. The total operating loss allocated between Mercy Medical Center – Dubuque and the Hospital totaled (\$37,379) for the year ended June 30, 2013.

Management Services

Through June 30, 2013, the Hospital also had a contractual arrangement with Mercy Medical Center – Dubuque under which Mercy Medical Center – Dubuque provides an administrator, management consultation, and other services to Central Community Hospital. The arrangement does not alter the authority or responsibility of the Board of Trustees of Central Community Hospital. Expenses for the administrative and management services received were \$198,645 for the year ended June 30, 2014.

Note 12 - Concentrations of Credit Risk

The Hospital grants credit without collateral to its patients, most of whom are local residents and insured under third-party payor agreements. The Hospital also grants credit without collateral for other miscellaneous receivables. The mix of receivables from third-party payors and patients at June 30, 2014 and 2013 follows:

	2014	2013
Medicare	55%	52%
Medicaid	5%	2%
Blue Cross	19%	16%
Commercial Insurance	14%	14%
Private Pay	7%	16%
	<u>100%</u>	<u>100%</u>

The Hospital's cash balances are maintained in various bank deposit accounts. At various times during the year, the balance of these deposits may be in excess of federally insured limits. Management believes these financial institutions have strong credit ratings and that credit risk related to these deposits is minimal.

Note 13 - Functional Expenses

The Hospital provides health care services to residents within its geographic location. Expenses related to providing these services by functional class for the years ended June 30, 2014 and 2013 are as follows:

	2014	2013
Program	\$ 4,594,140	\$ 4,581,595
Management and General Support	1,399,996	1,226,806
Fundraising	24,333	26,375
Total	<u>\$ 6,018,469</u>	<u>\$ 5,834,776</u>

Note 14 - Contingencies

Malpractice Insurance

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

Excess Liability Umbrella Insurance

The Hospital also has excess liability umbrella coverage on an occurrence basis subject to a limit of \$1 million per occurrence and an annual aggregate limit of \$1 million.

Litigations, Claims, and Disputes

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

The health care industry is subject to numerous laws and regulations of federal, state, and local governments. Compliance with these laws and regulations, specifically those relating to the Medicare and Medicaid programs, can be subject to government review and interpretation, as well as regulatory actions unknown and unasserted at this time. Federal government activity has increased with respect to investigations and allegations concerning possible violations by health care providers of regulations, which could result in the imposition of significant fines and penalties, as well as significant repayments of previously billed and collected revenues from patient services.

Note 15 - Subsequent Events

The Hospital has evaluated subsequent events through October 22, 2014, the date which the financial statements were available to be issued.



Supplementary Information
June 30, 2014 and 2013





Independent Auditor's Report on Supplementary Information

The Board of Trustees
Central Community Hospital
Elkader, Iowa

We have audited the financial statements of Central Community Hospital as of and for the years ended June 30, 2014 and 2013, and our report thereon dated October 22, 2014, which expressed an unmodified opinion on those financial statements, appears on page 1. Our audits were performed for the purpose of forming an opinion on the financial statements as a whole. The schedules of net patient service revenue, other revenue, and expenses are presented for the purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The schedules of statistical information have not been subjected to the auditing procedures applied in the audits of the financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Eide Bailly LLP

Dubuque, Iowa
October 22, 2014

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	2014		
	Inpatient	Outpatient	Total
Patient Service Revenue			
Routine services	\$ 695,158	\$ -	\$ 695,158
Intensive care	12,280	-	12,280
Operating room	14,330	346,763	361,093
Anesthesiology	-	103,050	103,050
Radiology	68,934	1,357,941	1,426,875
Laboratory	135,785	1,498,835	1,634,620
Physical therapy	76,872	1,225,386	1,302,258
Occupational therapy	68,856	435,588	504,444
Speech therapy	6,295	6,753	13,048
Electrocardiology	10,606	68,738	79,344
Central supply and services	10,527	53,838	64,365
Pharmacy	136,528	239,097	375,625
Cardiac rehab	-	129,048	129,048
Emergency room	13,438	1,017,170	1,030,608
Ambulance	-	351,879	351,879
	<u>\$ 1,249,609</u>	<u>\$ 6,834,086</u>	8,083,695
Charity care			(98,834)
Total patient service revenue			<u>7,984,861</u>
Contractual Adjustments and Discounts			
Medicare			(993,523)
Medicaid			(185,242)
Other			(900,387)
Policy discounts			-
Total contractual adjustments and discounts			<u>(2,079,152)</u>
Net Patient Service Revenue			5,905,709
Provision for Bad Debts			<u>6,919</u>
Net Patient Service Revenue, Less Provision for Bad Debts			<u>\$ 5,912,628</u>

Central Community Hospital
Schedules of Net Patient Service Revenue
Years Ended June 30, 2014 and 2013

2013		
Inpatient	Outpatient	Total
\$ 559,070	\$ -	\$ 559,070
14,766	-	14,766
50,880	537,217	588,097
2,480	154,535	157,015
71,698	1,292,728	1,364,426
166,543	1,411,579	1,578,122
89,978	1,188,674	1,278,652
89,377	317,932	407,309
2,466	5,532	7,998
11,952	78,542	90,494
8,635	97,913	106,548
268,950	267,413	536,363
-	148,838	148,838
27,832	997,273	1,025,105
-	288,711	288,711
<u>\$ 1,364,627</u>	<u>\$ 6,786,887</u>	8,151,514
		(150,647)
		<u>8,000,867</u>
		(1,250,744)
		(103,290)
		(854,716)
		(6,636)
		<u>(2,215,386)</u>
		5,785,481
		<u>(57,275)</u>
		<u>\$ 5,728,206</u>

Central Community Hospital
Schedules of Other Revenue
Years Ended June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Other Revenue		
Rent	\$ 57,042	\$ 56,578
Grant income	16,981	34,958
Cafeteria	9,565	8,744
Medical records	504	1,082
Lifeline	-	7,270
Miscellaneous	<u>8,529</u>	<u>24,046</u>
Total Other Revenue	<u>\$ 92,621</u>	<u>\$ 132,678</u>

Central Community Hospital
Schedules of Expenses
Years Ended June 30, 2014 and 2013

	2014	2013
Nursing Administration		
Salaries and wages	\$ 82,821	\$ 75,838
Supplies and other expenses	6,862	10,098
	<u>89,683</u>	<u>85,936</u>
Routine Services		
Salaries and wages	596,523	592,698
Supplies and other expenses	59,708	52,912
	<u>656,231</u>	<u>645,610</u>
Intensive Care		
Supplies and other expenses	-	2,179
	<u>-</u>	<u>-</u>
Operating Room		
Salaries and wages	93,715	80,695
Supplies and other expenses	43,051	59,772
	<u>136,766</u>	<u>140,467</u>
Anesthesiology		
Supplies and other expenses	46,588	69,102
	<u>46,588</u>	<u>69,102</u>
Radiology		
Salaries and wages	144,225	155,601
Supplies and other expenses	276,781	297,980
	<u>421,006</u>	<u>453,581</u>
Laboratory		
Salaries and wages	177,394	168,100
Supplies and other expenses	210,773	211,942
	<u>388,167</u>	<u>380,042</u>
Respiratory Therapy		
Supplies and other expenses	-	17,135
	<u>-</u>	<u>17,135</u>
Physical Therapy		
Salaries and wages	25,579	24,920
Supplies and other expenses	333,999	344,238
	<u>359,578</u>	<u>369,158</u>
Occupational Therapy		
Supplies and other expenses	131,863	109,973
	<u>131,863</u>	<u>109,973</u>

Central Community Hospital
Schedules of Expenses
Years Ended June 30, 2014 and 2013

	2014	2013
Speech Therapy		
Supplies and other expenses	\$ 5,482	\$ 4,047
Electrocardiology		
Supplies and other expenses	4,482	1,073
Central Supply and Services		
Salaries and wages	18,801	17,526
Supplies and other expenses	22,651	40,191
	41,452	57,717
Pharmacy		
Salaries and wages	74,756	42,772
Supplies and other expenses	124,525	171,937
	199,281	214,709
Cardiac Rehab		
Salaries and wages	22,537	24,537
Supplies and other expenses	20,034	26,506
	42,571	51,043
Emergency Room		
Salaries and wages	62,840	76,745
Supplies and other expenses	581,641	516,364
	644,481	593,109
Ambulance		
Salaries and wages	99,292	102,340
Supplies and other expenses	15,431	12,290
	114,723	114,630
Medical Records		
Salaries and wages	49,678	43,697
Supplies and other expenses	10,450	17,571
	60,128	61,268
Dietary		
Salaries and wages	66,092	55,301
Supplies and other expenses	22,170	38,235
	88,262	93,536
Operation of Plant		
Salaries and wages	104,042	99,971
Supplies and other expenses	148,346	145,943
	252,388	245,914

Central Community Hospital
Schedules of Expenses
Years Ended June 30, 2014 and 2013

	2014	2013
Housekeeping		
Salaries and wages	\$ 51,043	\$ 46,546
Supplies and other expenses	7,183	8,619
	<u>58,226</u>	<u>55,165</u>
Laundry		
Supplies and other expenses	<u>17,135</u>	<u>21,611</u>
Administrative Services		
Salaries and wages	425,234	405,166
Supplies and other expenses	864,892	697,173
	<u>1,290,126</u>	<u>1,102,339</u>
Community Education		
Salaries and wages	-	67
Supplies and other expenses	3,684	3,736
	<u>3,684</u>	<u>3,803</u>
Lifeline		
Supplies and other expenses	<u>5,782</u>	<u>15,030</u>
Monona Clinic		
Supplies and other expenses	<u>3,437</u>	<u>-</u>
Wellness Center		
Supplies and other expenses	<u>4,402</u>	<u>1,617</u>
Professional Services Sold		
Supplies and other expenses	<u>1,277</u>	<u>5,980</u>
Foundation		
Salaries and wages	24,320	26,375
Supplies and other expenses	13	-
	<u>24,333</u>	<u>26,375</u>
Unassigned Expenses		
Depreciation and amortization	466,210	428,217
Interest	5,845	1,280
Employee benefits	454,880	463,130
	<u>926,935</u>	<u>892,627</u>
Total Expenses	<u><u>\$ 6,018,469</u></u>	<u><u>\$ 5,834,776</u></u>

Central Community Hospital
Schedules of Statistical Information (Unaudited)
Years Ended June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Patient Days		
Acute	338	371
Swing-bed	529	469
Intensive care	<u>8</u>	<u>7</u>
Total patient days	<u><u>875</u></u>	<u><u>847</u></u>
Number of Staffed Beds	<u><u>16</u></u>	<u><u>16</u></u>
Percentage of Occupancy	<u><u>15.0%</u></u>	<u><u>14.5%</u></u>
Discharges		
Acute	141	140
Swing-bed	<u>55</u>	<u>45</u>
Total discharges	<u><u>196</u></u>	<u><u>185</u></u>
Average Length of Stay		
Acute	<u><u>2.4</u></u>	<u><u>2.7</u></u>
Swing-bed	<u><u>9.6</u></u>	<u><u>10.4</u></u>
Outpatient Services	<u><u>6,526</u></u>	<u><u>7,217</u></u>