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

OMB No 1545-0047

2013

Open to Public Inspection

A For the 2013 calendar year, or tax year beginning 10-01-2013, 2013, and ending 09-30-2014

B Check if applicable

☐ Address change

☐ Name change

☐ Initial return

☐ Terminated

☐ Amended return

☐ Application pending

C Name of organization

ANDERSON REGIONAL MEDICAL CENTER

Doing Business As

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

2124 14TH STREET

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

MERIDIAN, MS 39301

F Name and address of principal officer

JOHN ANDERSON

2124 14TH STREET

MERIDIAN,MS 39301

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.ANDERSONREGIONAL.ORG

K Form of organization

☒ Corporation☐ Trust☐ Association☐ Other

L Year of formation

1928

M State of legal domicile

MS

Part I		Summary	
Activities & Governance	1	Briefly describe the organization's mission or most significant activities THE MISSION OF THE HOSPITAL IS TO CONTINUE OUR HERITAGE OF HEALING AND IMPROVING LIFE FOR THE PEOPLE WE SERVE	
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets	
	3	Number of voting members of the governing body (Part VI, line 1a)	
	4	Number of independent voting members of the governing body (Part VI, line 1b)	
Revenue	5	Total number of individuals employed in calendar year 2013 (Part V, line 2a)	
	6	Total number of volunteers (estimate if necessary)	
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	
	b	Net unrelated business taxable income from Form 990-T, line 34	
	8	Contributions and grants (Part VIII, line 1h)	
	9	Program service revenue (Part VIII, line 2g)	
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	
Expenses	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	
	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	
	14	Benefits paid to or for members (Part IX, column (A), line 4)	
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	
	b	Total fundraising expenses (Part IX, column (D), line 25)	
Net Assets or Fund Balances	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	
	18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	
	19	Revenue less expenses Subtract line 18 from line 12	
		Beginning of Current Year	
	20	Total assets (Part X, line 16)	
	21	Total liabilities (Part X, line 26)	
	22	Net assets or fund balances Subtract line 21 from line 20	

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

G EDWARD TUCKER JR. CEO/PRESIDENT

Type or print name and title

2015-08-11

Date

Paid Preparer Use Only

Print/Type preparer's name

AMY BIBBY

Preparer's signature

Date

Check ☐ if self-employed

PTIN P00445891

Firm's name

DIXON HUGHES GOODMAN LLP

Firm's EIN

56-0747981

Firm's address

500 RIDGEFIELD COURT

ASHEVILLE, NC 28806

Phone no

(828) 254-2254

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 III

Statement of Program Service Accomplishments

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

1

Briefly describe the organization's mission

THE MISSION OF THE HOSPITAL IS TO CONTINUE OUR HERITAGE OF HEALING AND IMPROVING LIFE FOR THE PEOPLE WE SERVE

2

Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?

Yes

No

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

3

Did the organization cease conducting, or make significant changes in how it conducts, any program services?

Yes

No

If "Yes," describe these changes on Schedule O

4

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

4a

(Code) (Expenses \$ 175,431,698 including grants of \$ 177,647) (Revenue \$ 192,999,598)

SEE SCHEDULE O

4b

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

4c

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

4d

















Other program services (Describe in Schedule O)

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

4e

Total program service expenses 175,431,698

Part IV Checklist of Required Schedules

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

Part IV

Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or government on Part IX, column (A), line 1? <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	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>	24a		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	Yes	
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>	28c		No
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	33		No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	34	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	Yes	
b	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35b	Yes	
36	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.	245	
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	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	1,670
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).		2b	Yes
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?		3a	Yes
b If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O.		3b	Yes
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		4a	No
b If "Yes," enter the name of the foreign country: See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.			
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		5a	No
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		5b	No
c If "Yes," to line 5a or 5b, did the organization file Form 8886-T?		5c	
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?		6a	No
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		6b	
7 Organizations that may receive deductible contributions under section 170(c).			
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		7a	No
b If "Yes," did the organization notify the donor of the value of the goods or services provided?		7b	
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		7c	No
d If "Yes," indicate the number of Forms 8282 filed during the year.		7d	
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		7e	No
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		7f	No
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		7g	
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		7h	
8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		8	
9 Sponsoring organizations maintaining donor advised funds.			
a Did the organization make any taxable distributions under section 4966?		9a	
b Did the organization make a distribution to a donor, donor advisor, or related person?		9b	
10 Section 501(c)(7) organizations. Enter			
a Initiation fees and capital contributions included on Part VIII, line 12.		10a	
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.		10b	
11 Section 501(c)(12) organizations. Enter			
a Gross income from members or shareholders.		11a	
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them).		11b	
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		12a	
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year.		12b	
13 Section 501(c)(29) qualified nonprofit health insurance issuers.			
a Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O.		13a	
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans.		13b	
c Enter the amount of reserves on hand.		13c	
14a Did the organization receive any payments for indoor tanning services during the tax year?		14a	No
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O.		14b	

Part VI

Governance, Management, and Disclosure

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

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

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	6	
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	2	
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	No
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	The governing body?	8a	Yes
8b	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	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	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	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes
12c	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	The organization's CEO, Executive Director, or top management official	15a	Yes
15b	Other officers or key employees of the organization	15b	Yes
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	Yes
16b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b	Yes

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed▶
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 ▶G EDWARD TUCKER JR 2124 14TH STREET MERIDIAN,MS 39301 (601) 553-6118

Part VII

Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

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

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

- 1a Complete this table for all persons required to be listed Report compensation for the calendar year ending with or within the organization's tax year
- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation Enter -0- in columns (D), (E), and (F) if no compensation was paid

List all of the organization's **current** key employees, if any See instructions for definition of "key employee "

List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations

List all of the organization's **former** officers, key employees, or highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations

List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations

List persons in the following order individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees, and former such persons

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) DR JOSEPH ANDERSON DIRECTOR - CHAPLAIN	47 00	X						102,649	0	14,902
(2) GAY HILL DIRECTOR - COMMUNITY RELAT	4 00	X						26,558	0	0
(3) JANET G FARRINGTON DIRECTOR - EDUCATION PROGR	6 00	X						24,030	0	0
(4) SHAWN ANDERSON DO DIRECTOR	6 00	X						24,122	0	0
(5) W EUGENE RALEY DIRECTOR (THROUGH JAN 14)	3 00	X						14,530	0	0
(6) PHILLIP BROOKS DIRECTOR (THROUGH AUG 14)	4 00 1 00	X						14,622	0	0
(7) THURMAN EVERETT MD DIRECTOR	2 00	X						12,122	0	0
(8) DAVID VOWELL DIRECTOR (BEG FEB 2014)	0 00	X						0	0	0
(9) LELAND RAY HUMPHREYS PRESIDENT/CEO	50 00 1 00			X				441,599	0	136,346
(10) ANTHONY KEITH HEARTSILL VICE PRESIDENT/CFO	50 00 1 00			X				267,764	0	54,226
(11) JOHN ANDERSON VICE PRESIDENT	50 00 1 00			X				207,348	0	53,256
(12) GEORGE DENTON FARR JR VICE PRESIDENT	50 00			X				154,523	0	50,236
(13) WANDA COOPER VICE PRESIDENT	50 00 2 00			X				191,052	0	53,301
(14) ALPHE D WELLS VICE PRESIDENT	50 00 1 00			X				175,186	0	58,643
(15) MATTHEW J EDWARDS VICE PRESIDENT/CNO	50 00			X				160,293	0	39,336
(16) JAMIE NICHOLE SMITH VICE PRESIDENT (THROUGH APR 14)	50 00			X				114,576	0	26,517
(17) ROBERT P KING JR SENIOR MEDICAL PHYSICIST	40 00					X		220,412	0	39,989

Part VII

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(18) RUSSELL N WILLIAMSON CRNA	40 00					X		216,067	0	44,289
(19) JASON W COLEMAN CRNA	40 00					X		215,938	0	37,032
(20) DUSTIN B IVEY CRNA	40 00					X		206,346	0	22,194
(21) GREGG T WILLIAMS CRNA	40 00					X		205,893	0	39,377
(22) PAMELA S TVARKUNA VICE PRESIDENT/CNO (THROUGH AUG 2012)	0 00						X	183,990	0	0
1b Sub-Total										
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)								3,179,620	0	669,644

2

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

		Yes	No
3	Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	3 Yes	
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 Yes	
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <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) Name and business address	(B) Description of services	(C) Compensation
	HOSPITAL HOUSEKEEPING SYSTEMS LLC 216 E FOURTH STREET AUSTIN TX 78701	ENVIROMENTAL	4,329,954
	MORRISON HEALTH CARE INC PO BOX 102289 ATLANTA GA 30368	FOOD SERVICES	4,202,372
	REHABCARE GROUP EAST INC PO BOX 502096 ST LOUIS MO 63150	MANAGEMENT REHABILITATION	3,136,679
	BLOOD SYSTEM INC PO BOX 621 MERIDIAN MS 39302	WHOLE BLOOD SERVICES	1,504,113
	AMERICAN PROTECTION SERVICES INC 2807 HIGHWAY 11 SOUTH MERIDIAN MS 39307	SECURITY SERVICES	1,404,557
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 ▶47		

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	87,100				
	e	Government grants (contributions) 1e					
	f	All other contributions, gifts, grants, and similar amounts not included above 1f					
	g	Noncash contributions included in lines 1a-1f \$					
	h	Total. Add lines 1a-1f	87,100				
Program Service Revenue	2a	NET PATIENT SERVICE REVENUE	Business Code 621990	190,886,944	189,218,016	1,668,928	
	b	PHARMACY REVENUE	446110	5,545,050	2,210,040	3,335,010	
	c	HEALTH & FITNESS REVENUE	713940	1,092,496	608,029	484,467	
	d	TRAMA CENTER REVENUE	621990	589,951	589,951		
	e	OTHER OPERATING REVENUE	621990	373,562	373,562		
	f	All other program service revenue					
	g	Total. Add lines 2a-2f	198,488,003				
	Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)	38,218			38,218
4		Income from investment of tax-exempt bond proceeds					
5		Royalties					
6a		Gross rents	(i) Real 2,881,337	(ii) Personal			
		b	Less rental expenses	3,936,561			
		c	Rental income or (loss)	-1,055,224			
		d	Net rental income or (loss)	-1,055,224			-1,055,224
7a		Gross amount from sales of assets other than inventory	(i) Securities 74,798	(ii) Other 314,228			
		b	Less cost or other basis and sales expenses	0	0		
		c	Gain or (loss)	74,798	314,228		
		d	Net gain or (loss)	389,026			389,026
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	MISCELLANEOUS REVENUE	900099	385,952			385,952	
b	TAX CREDITS	900099	299,640			299,640	
c	VENDING REVENUE	900099	70,617			70,617	
d	All other revenue		31,165			31,165	
e	Total. Add lines 11a-11d		787,374				
12	Total revenue. See Instructions		198,734,497	192,999,598	5,488,405	159,394	

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.	177,647	177,647		
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.	2,450,851		2,450,851	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B).	319,108	319,108		
7	Other salaries and wages.	64,728,180	55,739,206	8,988,974	
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions).	1,371,770	1,139,278	232,492	
9	Other employee benefits.	8,564,647	7,113,080	1,451,567	
10	Payroll taxes.	4,783,749	3,972,982	810,767	
11	Fees for services (non-employees):				
a	Management.				
b	Legal.	848,541		848,541	
c	Accounting.	108,900		108,900	
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).	27,840,902	26,617,648	1,223,254	
12	Advertising and promotion.	259,885	138,824	121,061	
13	Office expenses.	15,919,434	12,656,749	3,262,685	
14	Information technology.				
15	Royalties.				
16	Occupancy.	4,727,048	4,727,048		
17	Travel.	295,778	217,900	77,878	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials.				
19	Conferences, conventions, and meetings.	14,847	14,847		
20	Interest.	815,334	418,371	396,963	
21	Payments to affiliates.				
22	Depreciation, depletion, and amortization.	11,158,555	11,158,555		
23	Insurance.				
24	Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O).				
a	MEDICAL SUPPLIES	31,584,404	31,584,404		
b	BAD DEBT EXPENSE	19,436,051	19,436,051		
c					
d					
e	All other expenses				
25	Total functional expenses. Add lines 1 through 24e.	195,405,631	175,431,698	19,973,933	0
26	Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720).				

Part X

Balance Sheet

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

				(A)		(B)
				Beginning of year		End of year
Assets	1	Cash—non-interest-bearing		8,148,185	1	3,188,158
	2	Savings and temporary cash investments		10,691,792	2	12,741,642
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		23,302,472	4	21,377,484
	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		528,097	7	947,726
	8	Inventories for sale or use		5,892,106	8	5,780,013
	9	Prepaid expenses and deferred charges		2,324,062	9	1,916,935
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a271,673,620			
	b	Less accumulated depreciation	10b148,827,782	123,809,221	10c	122,845,838
	11	Investments—publicly traded securities			11	
	12	Investments—other securities See Part IV, line 11		57,952	12	130,090
	13	Investments—program-related See Part IV, line 11		1,992,895	13	89,995
	14	Intangible assets		1,112,106	14	2,974,267
	15	Other assets See Part IV, line 11		36,768,432	15	49,622,907
	16	Total assets. Add lines 1 through 15 (must equal line 34)		214,627,320	16	221,615,055
Liabilities	17	Accounts payable and accrued expenses		38,532,886	17	39,167,564
	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			23	
	24	Unsecured notes and loans payable to unrelated third parties		34,190,216	24	37,168,603
	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		957,369	25	1,003,173
	26	Total liabilities. Add lines 17 through 25		73,680,471	26	77,339,340
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		140,946,849	27	144,275,715
	28	Temporarily restricted net assets			28	
	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		140,946,849	33	144,275,715
	34	Total liabilities and net assets/fund balances		214,627,320	34	221,615,055

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	198,734,497
2	Total expenses (must equal Part IX, column (A), line 25)	2	195,405,631
3	Revenue less expenses Subtract line 2 from line 1	3	3,328,866
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	140,946,849
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	0
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	144,275,715

Part XII Financial Statements and Reporting

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

		Yes	No
1	Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		No
2b	Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	Yes	
2c	If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	Yes	
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		No
3b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits		

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 ANDERSON REGIONAL MEDICAL CENTER	Employer identification number 64-0362400
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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)

1

☐

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

2

☐

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

3

☒

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

4

☐

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

5

☐

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

6

☐

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

7

☐

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

8

☐

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

9

☐

An organization that normally receives (1) more than 33¹/₃% 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 33¹/₃% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III)

10

☐

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

11

☐

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

a

☐

Type I

b

☐

Type II

c

☐

Type III - Functionally integrated

d

☐

Type III - Non-functionally integrated

e

☐

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

f

☐

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

g

☐

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

(i)

A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?

(ii)

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

(iii)

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

h

☐

Provide the following information about the supported organization(s)

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

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

Part II

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

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

Section B. Total Support						
Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
11 Total support (Add lines 7 through 10)						
12 Gross receipts from related activities, etc (see instructions)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here ▶						

Section C. Computation of Public Support Percentage						
14 Public support percentage for 2013 (line 6, column (f) divided by line 11, column (f))		14				
15 Public support percentage for 2012 Schedule A, Part II, line 14		15				
16a 33 1/3% support test—2013. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization						▶
b 33 1/3% support test—2012. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization						▶
17a 10%-facts-and-circumstances test—2013. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization						▶
b 10%-facts-and-circumstances test—2012. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization						▶
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions						▶

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

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

Section B. Total Support						
Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here ▶						

Section C. Computation of Public Support Percentage		
15 Public support percentage for 2013 (line 8, column (f) divided by line 13, column (f))	15	
16 Public support percentage from 2012 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage		
17 Investment income percentage for 2013 (line 10c, column (f) divided by line 13, column (f))	17	
18 Investment income percentage from 2012 Schedule A, Part III, line 17	18	
19a 33 1/3% support tests—2013. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization ▶		
b 33 1/3% support tests—2012. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization ▶		
20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ▶		

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

Facts And Circumstances Test

Return Reference	Explanation	
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SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization ANDERSON REGIONAL MEDICAL CENTER	Employer identification number 64-0362400
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Part I

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

	(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year	
2	Aggregate contributions to (during year)	
3	Aggregate grants from (during year)	
4	Aggregate value at end of year	
5	Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? <div><input type="checkbox"/> Yes<input type="checkbox"/> No</div>	
6	Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? <div><input type="checkbox"/> Yes<input type="checkbox"/> No</div>	

Part II

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

1

Purpose(s) of conservation easements held by the organization (check all that apply)

☐ Preservation of land for public use (e g , recreation or education)☐ Preservation of an historically important land area
☐ Protection of natural habitat☐ Preservation of a certified historic structure
☐ Preservation of open space

2

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

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

3

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

4

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

5

Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?

☐ **Yes**☐ **No**

6

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

7

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

8

Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?

☐ **Yes**☐ **No**

9

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

Part III

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

1a

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

b

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

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

▶ \$ _____

(ii) Assets included in Form 990, Part X

▶ \$ _____

2

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

a

Revenues included in Form 990, Part VIII, line 1

▶ \$ _____

b

Assets included in Form 990, Part X

▶ \$ _____

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

- 3

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

☐ Public exhibition

b

☐ Scholarly research

c

☐ Preservation for future generations

d

☐ Loan or exchange programs

e

☐ Other
- 4

Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII
- 5

During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?

☐ Yes

☐ No

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

- 1a

Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?

☐ Yes

☐ No
- b

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

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance
- | | |
|----|--------|
| | Amount |
| 1c | |
| 1d | |
| 1e | |
| 1f | |
- 2a

Did the organization include an amount on Form 990, Part X, line 21?

☐ Yes

☐ No
- b

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

☐

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

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

- 2

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

Board designated or quasi-endowment
- b

Permanent endowment
- c

Temporarily restricted endowment

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

Are there endowment funds not in the possession of the organization that are held and administered for the organization by
- (i) unrelated organizations

3a(i)

Yes

No

(ii) related organizations

3a(ii)

b

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

3b
- 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 | | 14,612,182 | | 14,612,182 |
| b Buildings | | 140,171,885 | 67,670,614 | 72,501,271 |
| c Leasehold improvements | | 1,959,070 | 1,292,110 | 666,960 |
| d Equipment | | 106,166,083 | 79,865,058 | 26,301,025 |
| e Other | | 8,764,400 | | 8,764,400 |
| Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).) | | | | 122,845,838 |
- Schedule D (Form 990) 2013

Part XI

Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

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

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

Part XII

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

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

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

Part XIII

Supplemental Information

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

Return Reference	Explanation
PART X, LINE 2	THE ANDERSON REGIONAL MEDICAL CENTER IS EXEMPT FROM FEDERAL INCOME TAXES UNDER SECTION 501(A) OF THE INTERNAL REVENUE CODE AS AN ORGANIZATION DESCRIBED IN SECTION 501(C)(3), ACCORDINGLY, NO PROVISION FOR INCOME TAXES HAS BEEN MADE IN THE ACCOMPANYING CONSOLIDATED FINANCIAL STATEMENTS. AS LIMITED LIABILITY COMPANIES, EMEC AND JARMC LEVERAGE'S TAXABLE INCOME OR LOSS IS ALLOCATED TO THE MEMBERS AND IS INCLUDED IN THE CALCULATION OF THEIR TAXABLE INCOME. ACCORDINGLY, THE ACCOMPANYING CONSOLIDATED FINANCIAL STATEMENTS DO NOT REFLECT A PROVISION FOR INCOME TAXES. THE MEDICAL CENTER HAS DETERMINED THAT IT DOES NOT HAVE ANY MATERIAL UNRECOGNIZED TAX BENEFITS OR OBLIGATIONS AS OF SEPTEMBER 30, 2014 AND 2013 YEARS ENDING ON OR AFTER SEPTEMBER 30, 2011, REMAIN SUBJECT TO EXAMINATION BY FEDERAL AND STATE TAX AUTHORITIES.

[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
ANDERSON REGIONAL MEDICAL CENTER

Employer identification number
64-0362400

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 checked="" type="checkbox"/> 100% <input 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	Yes	
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was 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		No
		6b		

7

Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)			1,732,596		1,732,596	0 980 %
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			1,732,596		1,732,596	0 980 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)	16	1,169	444,487		444,487	0 250 %
f Health professions education (from Worksheet 5)	2	1,166	23,736		23,736	0 010 %
g Subsidized health services (from Worksheet 6)	1		514,963		514,963	0 290 %
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)	4		199,049		199,049	0 110 %
j Total Other Benefits	23	2,335	1,182,235		1,182,235	0 660 %
k Total . Add lines 7d and 7j	23	2,335	2,914,831		2,914,831	1 640 %

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						
7Community health improvement advocacy						
8Workforce development						
9Other						
10Total						

Part IIIBad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

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

1

No

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

2

5,865,315

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.

3

293,266

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).

5

70,779,470

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

6

78,759,545

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

7

-7,980,075

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?

9a

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.

9b

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				

Section A. Hospital Facilities

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

[illegible]

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)
FACILITY REPORTING GROUP - A

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)

	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 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>11</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	No
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	No
a <input type="checkbox"/> Hospital facility's website (list url)		
b <input type="checkbox"/> Other website (list url)		
c <input 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 type="checkbox"/> Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA		
b <input type="checkbox"/> Execution of the implementation strategy		
c <input type="checkbox"/> Participation in the development of a community-wide plan		
d <input type="checkbox"/> Participation in the execution of a community-wide plan		
e <input type="checkbox"/> Inclusion of a community benefit section in operational plans		
f <input type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA		
g <input type="checkbox"/> Prioritization of health needs in its community		
h <input type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community		
i <input 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 Yes	
8a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	8a	No
b If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	8b	
c If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$		

Part V

Facility Information (continued)

Financial Assistance Policy		Yes	No
9	Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	9	Yes
10	Used federal poverty guidelines (FPG) to determine eligibility for providing free care? If "Yes," indicate the FPG family income limit for eligibility for free care 100 000000000000% If "No," explain in Part VI the criteria the hospital facility used	10	Yes
11	Used FPG to determine eligibility for providing discounted care? If "Yes," indicate the FPG family income limit for eligibility for discounted care 200 000000000000% If "No," explain in Part VI the criteria the hospital facility used	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 checked="" type="checkbox"/> Medical indigency		
d	<input type="checkbox"/> Insurance status		
e	<input checked="" type="checkbox"/> Uninsured discount		
f	<input 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 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 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? If "Yes," check all actions in which the hospital facility or a third party engaged	17	No
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?	19	Yes	
If "No," indicate why			
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 type="checkbox"/> The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged			
d <input checked="" 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?	21		No
If "Yes," explain in Part VI			
22 During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual?	22		No
If "Yes," explain in Part VI			

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? 3

Name and address		Type of Facility (describe)
1	EAST MISSISSIPPI ENDOSCOPIC CLINIC 1926 23RD AVENUE MERIDIAN, MS 39301	OUTPATIENT ENDOSCOPY AMBULATORY SURGICAL
2	REGIONAL MEDICAL SUPPORT CTR - DIS 08-12 2115 13TH STREET MERIDIAN, MS 39301	INDEPENDENT DIAGNOSTIC IMAGING CENTER
3	ANDERSON CARDIAC SURGICAL ASSOCIATES 1400 20TH AVENUE MERIDIAN, MS 39301	CARDIAC SURGICAL CENTER
4		
5		
6		
7		
8		
9		
10		

Part VI

Supplemental Information

Provide the following information

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

Form and Line Reference	Explanation
PART I, LINE 7	THE COST TO CHARGE RATIO WAS USED TO DETERMINE THE FINANCIAL ASSISTANCE AND MEANS-TEST GOVERNMENT PROGRAM SECTIONS THIS COST TO CHARGE RATIO WAS DERIVED FROM WORKSHEET 2 RATIO OF PATIENT CARE COST-TO-CHARGE AND USED TO DETERMINE THE AMOUNTS FOR PART I, LINE 7A

Form and Line Reference	Explanation
PART I, LINE 7G	THE SUBSIDIZED SERVICE COST REPORTED AS A COMMUNITY BENEFIT RELATES TO THE HOSPITAL'S SPORTS MEDICINE PROGRAM THE MAIN FOCUS OF THE PROGRAM IS COVERING SPORTING EVENTS FOR SEVEN SCHOOLS IN LAUDERDALE COUNTY AND THE SURROUNDING AREA WITH EACH SCHOOL HAVING BETWEEN 250 TO 300 SPORTING EVENTS IN A GIVEN YEAR AT THESE EVENTS, THE TRAINERS FOCUS ON INJURY PREVENTION, EQUIPMENT MAINTENANCE, INJURY EVALUATION, FIRST AID AND REHABILITATION OF INJURIES THIS IS A FREE SERVICE TO ALL THE COVERED SCHOOLS WE ALSO HELP THE SCHOOLS WITH VARIOUS HEALTH FAIRS, FIELD DAYS, AND OTHER SCHOOL SPONSORED EVENTS ALTHLETIC TRAINERS ALSO HELP WITH SEVERAL AREAS OF TEACHING, ESPECIALLY DURING THOSE COMPETITION (HEALTH RELATED ORGANIZATION IN THE SCHOOL) THESE SAME SERVICES ARE ALSO PROVIDED AT COMMUNITY RACES SUCH AS ANDERSON CUP RUN, HEART OF DIXIE RUN, AND HOPE VILLAGE RUN

Form and Line Reference	Explanation
PART I, LN 7 COL(F)	THE BAD DEBT EXPENSE OF \$19,436,051 WAS INCLUDED ON FORM 990 PART IX, LINE 25, COLUMN (A) BUT WAS SUBTRACTED FOR PURPOSES OF CALCULATING THE PERCENTAGES IN THIS COLUMN

Form and Line Reference	Explanation
PART II, COMMUNITY BUILDING ACTIVITIES	<p>ANDERSON REGIONAL MEDICAL CENTER IS AN ACUTE CARE HOSPITAL LOCATED IN MERIDIAN, MISSISSIPPI. THE HOSPITAL'S PRIMARY SERVICE AREA IS LAUDERDALE, NEWTON, CLARKE, LEAKE, KEMPER, NESHOBA, WINSTON AND JASPER COUNTIES IN MISSISSIPPI. THE HOSPITAL ALSO SERVES THE AREAS OF CHOCTAW AND SUMTER COUNTIES IN WESTERN ALABAMA. ANDERSON REGIONAL MEDICAL CENTER OPERATES THE ONLY COMPREHENSIVE CANCER CENTER, ANDERSON REGIONAL CANCER CENTER, IN EAST CENTRAL MISSISSIPPI AND WEST ALABAMA. THE HOSPITAL PROVIDES A WIDE ARRAY OF SERVICES INCLUDING MOST MAJOR INPATIENT CLINICAL SERVICES, AN ACUTE CARE SWING BED UNIT, AN INPATIENT REHABILITATION UNIT, AN INPATIENT GERIATRIC PSYCHIATRIC FACILITY, OUTPATIENT SERVICES INCLUDING WOUND CARE SERVICES AND PAIN MANAGEMENT SERVICES, THERAPEUTIC AND DIAGNOSTIC SERVICES, TRAUMA SERVICES AND EMERGENCY SERVICES. ANDERSON PRIDES ITSELF IN BEING THE LEADER IN CARDIOLOGY AND CANCER SERVICES. ANDERSON REGIONAL CANCER CENTER RECENTLY ACQUIRED THE STATE'S ONLY TOMOTHE RAPY RADIATION SYSTEM. ANDERSON REGIONAL MEDICAL CENTER HAS A PRIMARY CERTIFIED STROKE CENTER THAT IS FOCUSED ON PROVIDING PATIENTS WITH THE HIGHEST QUALITY STROKE CARE BASED ON CURRENT SCIENTIFIC RESEARCH. CARDIOLOGY PROGRAMS: THE CARDIAC SUPPORT GROUP IS A BI-MONTHLY EDUCATIONAL MEETING HELD FOR THE COMMUNITY. THE PROGRAMS CENTER ON CARDIAC CARE SUCH AS THE IMPORTANCE OF EXERCISE AND HEALTHY FOOD CHOICES. ANDERSON REGIONAL MEDICAL CENTER IS A MAJOR FINANCIAL SPONSOR OF THE AMERICAN HEART ASSOCIATION AND THE LOCAL GO RED FOR WOMEN EVENT. ANDERSON REGIONAL MEDICAL CENTER OFFERS HEALTH FAIRS TO THE COMMUNITY THROUGH ANDERSON PHYSICIAN ALLIANCE (A WHOLLY OWNED SUBSIDIARY) OF THE HOSPITAL. IN ORDER TO IMPROVE THE GENERAL HEALTH OF THE COMMUNITY, THESE PROGRAMS OFFER FREE BLOOD PRESSURE CHECKS, BLOOD SUGAR SCREENINGS, WEIGHT AND BODY MASS INDEX MEASUREMENTS, AND DISTRIBUTES GENERAL HEALTH EDUCATIONAL MATERIALS. THE HEALTH FAIRS ARE HELD AT VARIOUS COMPANIES THROUGHOUT THE SERVICE AREAS. THE HOSPITAL ALSO PARTICIPATES IN THE MAIN EVENT SPONSORED BY EAST MISSISSIPPI BUSINESS DEVELOPMENT CORPORATION (EMBDC). THIS IS A COMMUNITY WIDE EVENT WHERE WE OFFER FREE BLOOD PRESSURE SCREENINGS. THE HOSPITAL ALSO PARTICIPATES IN THE NESHOBA COUNTY FAIR EACH YEAR. THE HOSPITAL PROVIDES BLOOD PRESSURE SCREENINGS AND FLUIDS FOR THOSE PARTICIPATING IN THIS EVENT. DIABETES PROGRAMS: THE DIABETES SUPPORT GROUP IS A BI-MONTHLY EDUCATIONAL MEETING HELD FOR THE COMMUNITY. THE PROGRAMS CENTER ON DIABETES CARE SUCH AS THE IMPORTANCE OF HEALTHY FOOD CHOICES. THE HOSPITAL ALSO OFFERS A DIABETES MANAGEMENT CENTER THAT EDUCATES THE COMMUNITY ON THE PREVENTION AND TREATMENT OF DIABETES. THE DIABETES CENTER ALSO PARTICIPATES IN THE ANNUAL MISSISSIPPI WALK FOR DIABETES AND SERVES AS VOLUNTEERS FOR THIS EVENT. CANCER PROGRAMS: ANDERSON REGIONAL CANCER CENTER SPONSORS AN ANNUAL FUNDRAISER CALLED THE CHRISTMAS TRIBUTE. ALL THE DONATIONS IN MEMORY OF OR IN HONOR OF VARIOUS PEOPLE IN OUR COMMUNITY GOES TO THE HOSPITAL'S CANCER PATIENT BENEVOLENCE FUND WHICH ASSISTS AREA CANCER PATIENTS WHO ARE IN NEED OF TRANSPORTATION, MEDICINES, PAYMENT OF UTILITY BILLS, ETC. THE MONTHLY MEETINGS OF THE CAREOUSEL BREAST CANCER SUPPORT GROUP ARE HELD IN THE EDUCATION CLASSROOM OF THE CANCER CENTER. THE PURPOSE OF THIS GROUP IS TO PROVIDE INFORMATION AND SUPPORT FOR BREAST CANCER SURVIVORS. THE HOSPITAL IN CONJUNCTION WITH THE AMERICAN CANCER SOCIETY SPONSORS THE "LOOK GOOD, FEEL BETTER" PROGRAM. THIS IS A COMMUNITY EDUCATION PROGRAM THAT SUPPORTS AREA CANCER PATIENTS AND FAMILIES TO HELP THEM COPE WITH CANCER, CANCER TREATMENTS, AND EFFECTS. WE PROVIDE FREE COMMUNITY CANCER SCREENINGS FOR THE GENERAL PUBLIC THAT CENTER AROUND EARLY DETECTION AND EDUCATION ON THE PREVENTION OF CANCER. A LUNCH AND LEARN PROGRAM ABOUT BREAST CANCER WAS HELD IN OCTOBER 2013, A SKIN CANCER SCREENING WAS HELD IN MAY 2014, AND A PROSTATE SCREENING WAS HELD IN SEPTEMBER 2014. OBSTETRICAL AND GYNECOLOGY PROGRAMS: ANDERSON REGIONAL MEDICAL CENTER IS THE LARGEST PROVIDER OF OBSTETRICAL AND GYNECOLOGY SERVICES IN EAST MISSISSIPPI AND WEST ALABAMA. THE SERVICES INCLUDE THOSE OF A NEO-NATAL INTENSIVE CARE UNIT AND NEONATAL PHYSICIAN SERVICES. THE FOLLOWING EDUCATIONAL CLASSES ARE OFFERED FREE TO AREA EXPECTANT MOTHERS AND THEIR FAMILIES: BIG BROTHER! BIG SISTER! SIBLING CLASSES. INTRODUCES CHILDREN, AGE 12 AND UNDER, TO THE UPCOMING CHANGES IN THE FAMILY DYNAMICS. BREASTFEEDING CLASSES PROVIDE INFORMATION ON THE WHY-TO AND HOW-TO OF BREASTFEEDING TO EXPECTANT PARENTS. BREASTFEEDING SUPPORT GROUP MEETINGS ARE HELD TWICE A MONTH. CHILD BIRTH EDUCATION CLASSES IS AN EDUCATION PREPARATION CLASS THAT ADDRESSES WELLNESS, HEALTH, LABOR/DELIVERY STAGES, COPING STRATEGIES, SURGICAL INTERVENTIONS, AND RECOVERY CARE FOR EXPECTANT MOTHERS. NEWBORN CARE CLASSES GIVE NEW PARENTS THE CONFIDENCE REQUIRED TO CARE FOR A BABY WITH DISCUSSIONS CONCERNING NORMAL NEWBORN BEHAVIOR AND CHARACTERISTICS AT DELIVERY TO PRACTICAL ADVICE FOR DAILY CARE. EDUCATIONA</p>

Form and Line Reference	Explanation
PART II, COMMUNITY BUILDING ACTIVITIES	<p>L PROGRAMS ANDERSON REGIONAL MEDICAL CENTER OFFERS EDUCATIONAL PROGRAMS FOR AREA MEDICAL PERSONNEL, SCHOOLS, BUSINESS AND THE COMMUNITY ADVANCED CARDIAC LIFE SUPPORT COURSE (ACLS) IS OFFERED AS AN EDUCATIONAL PROGRAM FOR MEDICAL PERSONNEL IN THE AREA THIS PROGRAM IS OFFERED ONSITE AT THE HOSPITAL THE HOSPITAL COORDINATES AND OFFERS CONTINUE MEDICAL EDUCATION (CME) PROGRAMS TO AREA PHYSICIANS THE MAJORITY OF THESE PROGRAMS ARE OPEN TO THE GENERAL PUBLIC FOR AREA MEDICAL PERSONNEL, ANDERSON REGIONAL MEDICAL CENTER OFFERS A HEALTHCARE PROVIDER COURSE THAT IS DESIGNED TO TEACH CPR SKILLS FOR VICTIMS OF ALL AGES THIS COURSE IS DESIGNATED FOR HEALTHCARE PROVIDERS OTHER AMERICAN HEART ASSOCIATION COURSES THAT ARE PROVIDED UPON REQUEST INCLUDE HEARTSAVER CPR/AED AND/OR HEARTSAVER FIRST AID THESE CLASSES ARE FOR INDIVIDUALS WHO HAVE A DUTY TO RESPOND TO EMERGENCIES BECAUSE OF JOB REQUIREMENTS OR REGULATORY REQUIREMENTS HOWEVER, ANY COMMUNITY PERSON MAY ATTEND THE HEARTSAVER COURSES ANDERSON REGIONAL MEDICAL CENTER CAN ALSO PROVIDE EDUCATION PROGRAMS THAT CENTER AROUND PEDIATRIC CARE SUCH AS HEARTSAVER PEDIATRIC FIRST AID AND CPR COURSE THE PEDIATRIC ADVANCED LIFE SUPPORT (PALS) COURSE IS ALSO PROVIDED TO THE AREA HEALTHCARE PROVIDERS THE INFECTION CONTROL DEPARTMENT OF THE HOSPITAL CONDUCTS FREE INFECTION CONTROL SEMINARS TO INFORM THE COMMUNITY ON THE CAUSES AND PREVENTIONS OF INFECTIONS AND DISEASES THESE ARE TAUGHT AT MERIDIAN COMMUNITY COLLEGE AND AREA SCHOOLS THE HOSPITAL OFFERS SAFETY SEMINARS TO AREA BUSINESSES THROUGH ANDERSON PHYSICIAN ALLIANCE THESE SEMINARS CENTER ON OSHA SAFETY INSTRUCTIONS A BLOOD PRESSURE CHECK IS ALSO PERFORMED ON THE EMPLOYEES OF THE BUSINESS DURING THIS SEMINARY SPORTS MEDICINE ANDERSON REGIONAL MEDICAL CENTER OFFERS A SPORTS MEDICINE PROGRAM THAT PROVIDES ATHLETIC TRAINERS TO LOCAL SCHOOLS THE TRAINERS PERFORM PHYSICALS AND ASSESS INJURIES ON THE ATHLETES OTHER PROGRAMS BENEFITTING THE COMMUNITY ANDERSON REGIONAL MEDICAL CENTER IS THE HOSPITAL OF CHOICE FOR THE CHOCTAW NATION THE HOSPITAL PROVIDES HEALTHCARE TO APPROXIMATELY 8,000 NATIVE AMERICANS A PATIENT LIAISON IS A FULL-TIME EMPLOYEE OF THE HOSPITAL IN ORDER TO REPRESENT THE NATIVE AMERICANS THE LIAISON HELPS THE PATIENT AND FAMILIES WITH ANY HEALTHCARE CONCERNS WE SUPPORT EFFORTS TO IMPROVE THE HEALTH OF THE CHOCTAW NATION ANDERSON REGIONAL MEDICAL CENTER ACTIVELY PARTICIPATES AND IS A SPONSOR OF NUMEROUS BLOOD DRIVES THROUGHOUT THE YEAR WITH UNITED BLOOD SERVICES ANDERSON REGIONAL MEDICAL CENTER'S VOLUNTEER AUXILIARY DONATES MONEY TO MERIDIAN COMMUNITY COLLEGE EACH YEAR FOR THE PURCHASE OF EQUIPMENT TO USE IN THE LEARNING PROCESS FOR NURSING STUDENTS ANDERSON REGIONAL MEDICAL CENTER IS ACTIVE WITH MIDD (MISSISSIPPI INDUSTRIES FOR THE DEVELOPMENTALLY DISABLED) WE HAVE HOSPITAL PERSONNEL WHO ARE VERY ACTIVE ON THE BOARD OF DIRECTORS OF THIS ASSOCIATION AND ATTEND MONTHLY MEETINGS ANDERSON REGIONAL MEDICAL CENTER IS AN ACTIVE PARTICIPANT IN THE UNITED WAY OF EAST MISSISSIPPI PACESETTER DRIVE THE STROKE AND ALZHEIMER'S SUPPORT GROUP ARE PROGRAMS ORGANIZED BY ANDERSON REGIONAL MEDICAL CENTER-SOUTH THIS GROUP GIVES INFORMATION AND PROVIDES FELLOWSHIP FOR CAREGIVERS OF STROKE AND ALZHEIMER'S SURVIVORS</p>

Form and Line Reference	Explanation
PART II, COMMUNITY BUILDING ACTIVITIES, CONTINUATION	<p>ANDERSON REGIONAL MEDICAL CENTER HAS PROVIDED LEADERSHIP FOR MANY OF THE LOCAL HEALTH ORGANIZATIONS OUR PERSONNEL HAVE SERVED AS PRESIDENTS OR ON THE BOARDS OF THE LAUDERDALE COUNTY HEALTH ASSOCIATION, DIABETES FOUNDATION OF MISSISSIPPI, AMERICAN CANCER SOCIETY, UNITED WAY OF EAST MISSISSIPPI, EAST MISSISSIPPI BUSINESS AND DEVELOPMENT CORPORATION, ROTARY CLUB, HOPE VILLAGE FOR CHILDREN BOARD, MERIDIAN COMMUNITY COLLEGE FOUNDATION BOARD, EAST MISSISSIPPI COMMUNITY COLLEGE FOUNDATION BOARD, OPTIMIST CLUB, AMERICAN HEART ASSOCIATION, AND LOCAL CITY COMMITTEES WE ACTIVELY ENCOURAGE OUR PERSONNEL TO PARTICIPATE IN OUR LOCAL COMMUNITY ORGANIZATIONS TO HELP IMPROVE THE COMMUNITY SEVERAL OF THE HOSPITAL'S PERSONNEL PARTICIPATE AS CLINICAL ADVISORS FOR MERIDIAN COMMUNITY COLLEGE AND THE UNIVERSITY OF WEST ALABAMA WE HAVE ALSO SERVED ON LEADERSHIP LAUDERDALE WHEREBY STUDENTS VISIT LOCAL BUSINESSES IN AN EFFORT TO REDUCE THE SHORTAGE OF REGISTERED NURSES AND OTHER HEALTHCARE PERSONNEL, ANDERSON REGIONAL MEDICAL CENTER HAS TAKEN THE FOLLOWING ACTIONS SINCE 1986</p> <p>ANDERSON REGIONAL MEDICAL CENTER HAS PROVIDED NURSING SCHOLARSHIPS TO SOME OF THE TOP STUDENTS AT MERIDIAN COMMUNITY COLLEGE SEVEN SCHOLARSHIPS ARE GIVEN ANNUALLY, THE DR JEFF ANDERSON SCHOLARSHIP, DR JEFFERSON HOLLINGSWORTH SCHOLARSHIP, DR WILLIAM J ANDERSON SCHOLARSHIP, DR WILLIAM J ANDERSON III SCHOLARSHIP, THE WILLIAM J GUNN, ESQUIRE SCHOLARSHIP, THE REUBEN S JOHNSON, JR SCHOLARSHIP, AND THE ANDERSON BOARD OF DIRECTORS SCHOLARSHIP ANDERSON REGIONAL MEDICAL CENTER ASSISTS MERIDIAN COMMUNITY COLLEGE WITH FUNDING FOR THE DEVELOPMENT AND MAINTENANCE OF HEALTH PROGRAMS</p>

Form and Line Reference	Explanation
PART III, LINE 4	THE COST REPORTED ON LINE 2 IS CALCULATED AS THE BAD DEBT EXPENSE FROM THE GENERAL LEDGER TIMES THE RATIO OF COST TO CHARGES AS CALCULATED ON WORKSHEET 2 DISCOUNTS ON PATIENT ACCOUNTS ARE NOT INCLUDED IN BAD DEBT EXPENSE PAYMENTS RECEIVED AFTER BAD DEBTS ARE POSTED TO A BAD DEBT RECOVERY ACCOUNT THIS ACCOUNT IS NETTED AGAINST THE BAD DEBT EXPENSE ACCOUNT THE HOSPITAL THINKS \$293,266 SHOULD QUALIFY AS CHARITY CARE THE FACILITY HAS PROCEDURES IN PLACE TO DETERMINE IF A PATIENT QUALIFIES FOR CHARITY CARE THE PER CAPITA INCOME FOR THE AREA IS APPROXIMATELY \$20,688 AND THE PERCENTAGE OF PERSON BELOW THE POVERTY LEVEL FOR THE AREA IS APPROXIMATELY 23.9%

Form and Line Reference	Explanation
PART III, LINE 8	THE FISCAL YEAR 2014 MEDICARE COST REPORT WAS USED TO DETERMINE THE MEDICARE ALLOWABLE COST AND THE MEDICARE REVENUE THE MEDICARE REVENUE INCLUDES MEDICARE DISPROPORTIONATE SHARE PAYMENT, REVENUE, COINSURANCE, PATIENT DEDUCTIBLES, OUTLIERS, CAPITAL AND BAD DEBT THE ELDERLY (AGE 65 AND OVER) MAKES UP 14.8% OF THE POPULATION FOR THIS AREA THE ELDERLY LIVE ON FIXED INCOMES AND FALL INTO LOW INCOME LEVELS FOR THE AREA ANDERSON REGIONAL MEDICAL CENTER'S PATIENT POPULATION FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2014 WAS MADE UP OF 50% MEDICARE

Form and Line Reference	Explanation
PART III, LINE 9B	IN EMERGENCY CARE SITUATIONS, CARE IS PROVIDED TO ALL PERSON REGARDLESS OF THEIR ABILITY TO PAY NON-EMERGENT ELECTIVE PROCEDURES MAY BE DEFERRED DUE TO A PATIENTS INABILITY TO PAY ANDERSON REGIONAL MEDICAL CENTER'S COLLECTION POLICY OUTLINES THE TYPE OF COLLECTION NOTICES SUCH AS STATEMENTS, LETTERS, AND PHONE CALLS THAT WILL BE SENT TO A PATIENT, THE DETERMINATION OF FINANCIAL ASSISTANCE, AND POSSIBLE FINANCIAL ALTERNATIVES THIS FACILITY MAI LS STATEMENTS EVERY 30 DAYS IF NOT PAYMENT IS RECEIVED ON AN ACCOUNT, THE COLLECTION LETTER PROCESS BEGINS AND A LETTER IS SENT EVERY 30 DAYS DURING THE PROCESS, COLLECTION PHONE CALLS ARE ALSO MADE TO THE PATIENTS WHEN FURTHER COLLECTION ACTION IS DEEMED NECESSARY, AN ACCOUNT IS ASSIGNED TO THE COLLECTION AGENCY AS PART OF THE COLLECTION POLICY, ANDERSON REGIONAL MEDICAL CENTER OFFICER FINANCIAL ASSISTANCE TO ITS PATIENTS PATIENTS WHO ARE UNABLE TO PAY ARE SCREENED FOR ASSISTANCE UNDER MEDICAID AND/OR OTHER GOVERNMENTAL PROGRAMS PATIENTS WHO DO NOT QUALIFY UNDER THESE PROGRAMS MAY BE ELIGIBLE FOR CHARITY ADJUSTMENTS BASED UPON THE FEDERAL POVERTY GUIDELINES A CHARITY ADJUSTMENT IS BASED ON THE PATIENT'S INCOME LEVELWHEN THE PATIENT MEETS THE ESTABLISHED GUIDELINES, THE HOSPITAL WILL THEN ADJUST THE BALANCE BY THE APPLICABLE CHARITY PERCENTAGE PATIENTS WHO DO NOT QUALIFY FOR CHARITY CARE ARE ALSO ASSISTED BY THE FACILITY THE HOSPITAL WILL ASSIST THOSE PATIENTS UNABLE TO MEET THEIR OBLIGATION IN FULL BY ARRANGING PAYMENT ON A MONTHLY BASIS

Form and Line Reference	Explanation
PART VI, LINE 2	THE ORGANIZATION CONDUCTS A COMMUNITY HEALTH NEEDS ASSESSMENT AT LEAST EVERY THREE YEARS TO ASSESS THE NEEDS OF THE COMMUNITY THIS ASSESSMENT TAKES INTO CONSIDERATION INPUT FROM THE COMMUNITY, COMMUNITY LEADERS, AND STATISTICAL INFORMATION

Form and Line Reference	Explanation
PART VI, LINE 3	PATIENT EDUCATION OF ELEGIBILITY ASSISTANCE IS OFFERED AT THE FACILITY BY VARIOUS MEANS THE HOSPITAL HAS ON SITE THE OUTSOURCE GROUP THAT WORKS WITH THE PATIENTS WHO DO NOT HAVE INSURANCE TO DETERMINEIF THEY ARE ELIGIBLE FOR MEDICAID OR ANY GOVERNMENT ASSISTANCE IF THEY ARE NOT ELIGIBLE, THIS GROUP REFERS THE PATIENT TO THE CREDIT DEPARTMENT TO DISCUSS THE CHARITY CARE APPLICATION AND POLICY ALSO THE HOSPITAL HAS CASE MANAGERS ON SITE THAT SCREENS THE PATIENTS AND REFERS THE PATIENT TO THE CREDIT DEPARTMENT FOR FINANCIAL ASSISTANCE THE FACILITY HAS FINANCIAL COUNSELORS IN THE EMERGENCY DEPARTMENT THAT SCREENS PATIENTS AND DISTRIBUTES CHARITY CARE APPLICATIONS

Form and Line Reference	Explanation
PART VI, LINE 4	THE HOSPITAL'S MAIN SERVICE AREA IS LAUDERDALE, NEWTON, CLARKE, LEAKE, KEMPER, NESHOPA, WINSTON, AND JASPER COUNTIES IN MISSISSIPPI THE HOSPITAL ALSO SERVIES THE AREAS OF CHOCTAW AND SUMER COUNTIES IN WESTERN ALABAMA THESE COUNTIESARE LOCATED IN RURAL AREAS OF THE STATES ANDERSON REGIONAL MEDICAL CENTER OPERATES THE ONLY COMPREHENSIVE CANCER CENTER IN EAST CENTRAL MISSISSIPPI AND WEST ALABAMA THE ELDERLY (AGE 65 AND OVER) MAKES UP 14 8% OF THE POPULATION FOR THIS AREA IN JANUARY OF 2012, THE UNEMPLOYMENT RATE IN LAUDERDALE COUNTY WAS 9 7%, WHICH WAS HIGHER THAN THE UNEMPLOYMENT RATE IN MISSISSIPPI STATE AND THE UNITED STATES OVERALL, WHICH HAD AN UNEMPLOYMENT RATE OF 7 9% AND 5 9%, RESPECTIVELY THE PER CAPITA INCOME FOR THE AREA IS APPROXIMATELY \$21,346

Form and Line Reference	Explanation
PART VI, LINE 6	ANDERSON REGIONAL MEDICAL CENTER IS NOT PART OF AN AFFILIATED HEALTH CARE SYSTEM THE HOSPITAL IS A PARTNER IN A JOINT VENTURE THAT OPERATES AN ENDOSCOPY CENTER AND THE HOSPITAL'S SHARE OF THOSE EXPENSES ARE INCLUDED IN PART I OF SCHEDULE H

Software ID:

Software Version:

EIN: 64-0362400

Name: ANDERSON REGIONAL MEDICAL CENTER

990 Schedule H, Supplemental Information

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

Form and Line Reference	Explanation
PART V, SECTION B	FACILITY REPORTING GROUP A
FACILITY REPORTING GROUP A CONSISTS OF	- FACILITY 1 ANDERSON REGIONAL MEDICAL CENTER, - FACILITY 2 ANDERSON REGIONAL MEDICAL CENTER SOUTH
FACILITY 1 -- ANDERSON REGIONAL MEDICAL CENTER PART V, SECTION B, LINE 3	IN RESPONSE TO FEDERAL REQUIREMENTS FOR NOT-FOR-PROFIT HOSPITALS, AS MANDATED BY THE PATIENT PROTECTION AND AFFORDABLE CARE ACT OF 2010, ANDERSON REGIONAL MEDICAL CENTER AND RUSH FOUNDATION HOSPITAL JOINTLY CONDUCTED A COMPREHENSIVE ASSESSMENT OF THE HEALTHCARE NEEDS OF THE MERIDIAN AND LAUDERDALE COUNTY MISSISSIPPI HEALTH SERVICE REGION. ALTHOUGH HOSPITALS ARE INDEPENDENTLY OBLIGATED TO CONDUCT COMMUNITY HEALTH NEEDS ASSESSMENTS, THE LAW ALLOWED FOR COLLABORATION AND OFFICIALS AT ANDERSON REGIONAL MEDICAL CENTER AND RUSH FOUNDATION HOSPITAL DETERMINED THAT IT WOULD BE PRUDENT TO WORK TOGETHER IN ASSESSING THE NEEDS OF THE IR SERVICE AREA WHICH, FOR THE MOST PART, OVERLAPS GEOGRAPHICALLY. THESE HOSPITALS AGREED THAT IT WAS IN THE COMMUNITY'S BEST INTEREST THAT THEY LEVERAGE COMBINED RESOURCES AND AVOID PITFALLS EXPECTED WHEN COMMUNITY MEMBERS ARE ASKED TO SIMULTANEOUSLY PARTICIPATE IN ACTIVITIES THAT IN MOST CASES WOULD BE VIEWED AS REDUNDANT AND PERHAPS EXCESSIVE. PROJECT GOALSTHE PRIMARY GOAL OF THIS PROJECT WAS TO ESTABLISH AN ONGOING, EVIDENCE-BASED PROCESS OF IDENTIFYING AND PRIORITIZING LOCAL COMMUNITY HEALTHCARE NEEDS THE RESULT OF THIS ASSESSMENT WILL ESTABLISH THE BASIS FOR PLANNING APPROPRIATE COMMUNITY BENEFIT PROGRAMS TO ADDRESS THESE IDENTIFIED NEEDS. ADDITIONALLY, THIS INFORMATION WILL BE MADE WIDELY AVAILABLE SO AS TO BETTER INFORMAL COMMUNITY LEADERS AND CITIZENS OF THE HEALTH-RELATED CHALLENGES FACED BY THE COMMUNITY. COMMUNITY HEALTH NEEDS ASSESSMENT TENDS TO VARY SUBSTANTIALLY IN THEIR METHODS, SCOPE, AND DEPTH. GUIDELINES STATED IN THE PATIENT PROTECTION AND AFFORDABLE CARE ACT OF 2010 AND SUBSEQUENT GUIDANCE ISSUED BY THE IRS, REQUIRE THAT THE ASSESSMENT INCLUDE THE "INPUT FROM PERSON WHO REPRESENT THE BOARD INTEREST OF THE COMMUNITY SERVED BY THE HOSPITAL FACILITY, INCLUDING THOSE WITH SPECIAL KNOWLEDGE OF OR EXPERTISE IN PUBLIC HEALTH." BEST PRACTICES IN HEALTH NEEDS ASSESSMENT GENERALLY INCLUDE HEALTHCARE PROVIDERS, PATIENTS /CONSUMERS, BUSINESS LEADERS, AS WELL AS STATE AND/OR LOCAL HEALTH EXPERTS TO MEET THESE GUIDELINES, WE EMPLOYED SEVERAL METHODS, BOTH QUALITATIVE AND QUANTITATIVE. A SECONDARY ANALYSIS OF EXISTING FEDERAL AND STATE DATA (QUANTITATIVE) INTERVIEWS WITH KEY INFORMANTS REPRESENTING THE BOARD INTERESTS OF THE COMMUNITY, INCLUDING EXPERTS IN PUBLIC HEALTH (QUALITATIVE) AN ONLINE COMMUNITY HEALTH NEEDS SURVEY (QUANTITATIVE/QUALITATIVE) A BRIEF PAPER-BASED HEALTH NEEDS SURVEY SPECIFICALLY TARGETED AT THE UNDERSERVED (QUANTITATIVE/QUALITATIVE) COMMUNITY DEFINED WHEN ASSESSING HEALTH NEEDS OF A COMMUNITY, THE "COMMUNITY" MUST FIRST BE DEFINED. SOME HOSPITAL, (E.G. SPECIALTY HOSPITALS) MAY DEFINE THEIR COMMUNITY IN TERMS OF GROUPS OF PEOPLE OR DEMOGRAPHIC CATEGORIES. A WOMEN'S HOSPITAL, FOR INSTANCE WOULD BE PRIMARILY CONCERNED WITH HEALTH ISSUES FACING WOMEN, AND WOULD THUS FOCUS A NEEDS ASSESSMENT ACCORDINGLY. COMMUNITY IS MORE TYPICALLY DEFINED AS A GEOGRAPHIC SERVICE AREA FOR WHICH, IN MOST CASES, THE GREATEST CONCENTRATION OF PATIENTS SERVED IS IN THE COUNTY IN WHICH THE HOSPITAL IS LOCATED. RUSH FOUNDATION HOSPITAL AND ANDERSON REGIONAL MEDICAL CENTER ARE LOCATED APPROXIMATELY ONE BLOCK FROM EACH OTHER, IN MERIDIAN, THE LARGEST MUNICIPALITY IN LAUDERDALE COUNTY. FOR THE PURPOSES OF THIS NEEDS ASSESSMENT, LAUDERDALE COUNTY WILL BE CONSIDERED THE "COMMUNITY" OF FOCUS. MERIDIAN AND LAUDERDALE COUNTY PLAY HOST TO A MULTITUDE OF OTHER HEALTHCARE SERVICE AGENCIES, INCLUDING TWO INPATIENT PSYCHIATRIC HOSPITALS, ONE FEDERALLY QUALIFIES COMMUNITY HEALTH CENTER, ONE COMMUNITY MENTAL HEALTH CENTER, AS WELL AS SEVERAL NURSING HOMES, SPECIALTY CLINICS, AND OUTPATIENT FACILITIES. IN FACT, APPROXIMATELY 15 LAUDERDALE COUNTY IS EMPLOYED IN THE HEALTH AND SOCIAL SERVICES SECTOR, MAKING HEALTHCARE SERVICES A VERY IMPORTANT ECONOMIC ENGINE FOR THE REGION. THE COUNTIES SURROUNDING LAUDERDALE COUNTY HAVE A RANGE OF THE HEALTHCARE SERVICE PROVIDERS AS WELL, INCLUDING HOSPITALS, CLINICS, ETC., AND IN MOST CASES, WILL BE CONDUCTING THEIR OWN RESPECTIVE COUNTY-LEVEL ASSESSMENT IN THE FUTURE. YET, IT IS IMPORTANT TO NOTE THAT THE HOSPITALS SURROUNDING THIS STUDY SERVE AS TERTIARY CARE CENTERS FOR THE SURROUNDING COUNTIES. THEREFORE, WE HAVE DEFINED OUR COMMUNITY GEOGRAPHICALLY (LAUDERDALE COUNTY) AS WELL AS DEMOGRAPHICALLY (ANY NON-LAUDERDALE CO RESIDENT WHO REGULARLY SEEKS HEALTHCARE SERVICES IN LAUDERDALE CO.) THUS WE OPTED TO SEEK INPUT FROM THE SURROUNDING COUNTIES THROUGH AN ONLINE SURVEY. IN AGGREGATE, NON-LAUDERDALE CO PARTICIPANTS REPRESENTED 28.5% OF THE ONLINE SURVEY RESPONDENTS. ALTHOUGH, NO FACE-TO-FACE ASSESSMENT ACTIVITY WAS CONDUCTED OUTSIDE OF LAUDERDALE CO, SEVERAL OF THE KEY INFORMANTS AND FOCUS GROUP PARTICIPANTS REPRESENTED ORGANIZATIONS WHOSE MISSION INVOLVES SERVICE TO MULTIPLE COUNTIES IN EAST MISSISSIPPI. METHODS AND PROCESS AS NOTED ABOVE, THIS ASSESSMENT EMPLOYED A MULTI-METHOD APPROACH THAT INCLUDED A REVIEW OF EXISTING FEDERAL AND STATE DATA (SECONDARY DATA ANALYSIS) PAIRED WITH NEWLY GATHERED DATA FROM THE COMMUNITY (PRIMARY DATA ANALYSIS). THE INITIAL STEP IN THIS PROCESS WAS TO CONDUCT "KEY INFORMANT" INTERVIEWS. KEY INFORMANTS ARE INDIVIDUALS WHO ARE HEAVILY INVOLVED WITH AND KNOWLEDGEABLE ABOUT THE COMMUNITY OF FOCUS. THIS INCLUDES COMMUNITY LEADERS IN THE PUBLIC AND PRIVATE SECTOR, AS WELL AS INDIVIDUALS WITH SPECIAL EXPERTISE IN HEALTHCARE INFORMATION GATHERED THROUGH THESE INTERVIEWS, PAIRED WITH PUBLIC HEALTH INFORMATION, VITAL STATISTICS, AND ECONOMIC DATA PROVIDE A VERY GOOD SNAPSHOT OF THE COMMUNITY'S HEALTH NEEDS. ADDITIONAL PRIMARY DATA COLLECTION WAS CONDUCTED USING A WEB-BASED (I.E. ONLINE) COMMUNITY HEALTH NEEDS SURVEY. AN ACCEPTABLE SAMPLE WAS ACHIEVED HOWEVER, UPON EXAMINATION OF THE DEMOGRAPHIC DATA OF THE PARTICIPANTS, IT BECAME CLEAR THAT WE SHOULD TAKE ADDITIONAL STEPS TO ENSURE THAT LOW-INCOME AND UNDERSERVED POPULATIONS WERE BETTER REPRESENTED. ASSUMING A LACK OF AVAILABILITY OF TECHNOLOGICAL RESOURCES FOR THIS SEGMENT OF THE POPULATION, A BRIEF PAPER SURVEY WAS DEVELOPED AND ADMINISTERED IN LOW, MINORITY NEIGHBORHOODS TO FURTHER AUGMENT OUR UNDERSTANDING OF THE NEEDS OF THE UNDERSERVED, A FOCUS GROUP WAS HELD FOR THE SPECIFIC PURPOSE OF GATHERING IDEAS ABOUT HOW TO BETTER SERVE THOSE WITH THE GREATEST HEALTH RISKS. LOW-INCOME, ELDERLY, MINORITY, DISABLED, AND CHILDREN/YOUTH POPULATIONS. THIS REPORT PROVIDES AN OVERVIEW OF THE INFORMATION GLEANED FROM THIS EXTENSIVE PROCESS. KEY INFORMANT INTERVIEWS WERE CONDUCTED AND SIMILAR RESPONSES WERE NOTED REGARDING BROAD BASED HEALTH NEEDS IN THIS COMMUNITY AND REGION. THESE "MAJOR THEMES" REFLECTED MUCH OF WHAT IS KNOWN THROUGH STATE AND NATIONAL HEALTH DATABASES. THE INTERVIEWS DID, HOWEVER, YIELD MORE INTERESTING INFORMATION. THE INFORMANTS' PROPOSED CAUSES OF AND SOLUTIONS TO HEALTH PROBLEMS/NEEDS VARIED ACCORDING TO THEIR PERSONAL EXPERIENCE AND THE POPULATION THEY AND THEIR ORGANIZATION SERVE. THE RESULTS OF THESE INTERVIEWS ARE SUMMARIZED HERE. GREATEST HEALTH ISSUES -LIFESTYLE-RELATED HEALTH PROBLEMS-OBESITY-DIABETES-STROKE-HYPERTENSION-RENAL FAILURE-CHILDREN AND YOUTH/ADOLESCENT ISSUES-OVERWEIGHT/OBESITY-TEEN PREGNANCY-SEXUALLY TRANSMITTED DISEASES-DRUG AND ALCOHOL USE-LACK OF PREVENTIVE CARE -MENTAL HEALTH-ORAL CARE POTENTIALLY ROOT CAUSES -POVERTY. OFTEN, IT WAS NOTED, THAT POVERTY PLAYS A ROLE IN MAKING IT MORE DIFFICULT TO AFFORD HEALTHCARE SERVICES AND ESPECIALLY MEDICATIONS. LOW INCOME ALSO TENDS TO BE ASSOCIATED WITH SHORT TERM PRIORITIES. PREVENTIVE CARE. ROUTINE CHECKUPS ARE NOT TYPICALLY VIEWED AS ONE OF THESE PRIORITIES. LACK OF FINANCIAL RESOURCES CREATES STRESS ON INDIVIDUALS AND FAMILIES, WHICH CAN EXACERBATE MENTAL HEALTH PROBLEMS ALONG WITH ELEVATING POTENTIAL FOR DOMESTIC VIOLENCE. CULTURAL ISSUES PLAY A ROLE THAT SPANS ACROSS INCOME GROUPS. TRADITIONAL SOUTHERN FOOD TEND TO BE HIGH IN FAT AND SUGAR, BOOSTING OVERALL CALORIC INTAKE. THE "FAMILY UNIT" WAS ALSO BROUGHT INTO QUESTION WITH HECTIC LIFESTYLES BEING THE NORM, FAST FOOD DRIVE THROUGH WINDOWS HAVE SUPPLANTED COOKING AT HOME ON MORE THAN ONE OCCASION, IT WAS NOTED THAT LACK OF EXERCISE SEEMS TO ALSO STEM FROM ONE'S CULTURE. FOR EXAMPLE, WOMEN, IN ORDER TO MAINTAIN STYLISH HAIR, OFTEN FORGO EXERCISE SO THAT THEY MAY AVOID SWEATING AND CONSEQUENTLY RUINING THEIR HAIR STYLE. MEN WHO DO MANUAL LABOR OFTEN THINK THAT WORK IS EXERCISE (AND IT IS, TO A GREAT EXTENT). HOWEVER, WITHOUT AEROBIC EXERCISE, THEY STILL MAY EVENTUALLY SUFFER CARDIOVASCULAR PROBLEMS. LACK OF EDUCATION ABOUT THE RELEVANCE AND IMPORTANCE TO PREVENTIVE CARE AND HEALTH LIFESTYLES.
FACILITY 1 -- ANDERSON REGIONAL MEDICAL CENTER PART V, SECTION B, LINE 3	CHILDREN'S "LIFESTYLE-RELATED" HEALTH ISSUES, TO A LARGE EXTENT, FIND THE IR ROOT CAUSE IN THE HOME AND SCHOOL SYSTEMS IN WHICH CHILDREN LIVE. NORMS HAVE SHIFTED. PARENTS ALLOW CHILDREN TO CONSUME EXCESSIVE "JUNK FOOD," AND DON'T ENCOURAGE PHYSICAL ACTIVITY (E.G., OUTDOOR FREE PLAY). SCHOOLS, OVER THE YEARS, HAVE LIMITED ACCESS TO FREE PLAY AND CEASED REQUIRING STUDENTS TO PARTICIPATE IN PE CLASSES, AND/OR SPORTS. EACH OF THESE, ALONG WITH EXCESSIVE SEDENTARY "SCREEN TIME," HAVE LED TO A YOUTH OBESITY CRISIS THAT IS SURE TO HAVE SIGNIFICANTLY DETRIMENTAL LONG-TERM HEALTH AND ECONOMIC OUTCOMES.
FACILITY 1 -- ANDERSON REGIONAL MEDICAL CENTER PART V, SECTION B, LINE 19C	THE FACILITY OFFERS A 20% DISCOUNT TO ANY UNINSURED PATIENT. THE FACILITY ALSO HAS A CHARITY POLICY THAT IS IN PLACE TO DETERMINE IF THE PATIENT QUALIFIES FOR A CHARITY DISCOUNT.

Schedule I
(Form 990)

Department of the Treasury
Internal Revenue Service

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

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

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

OMB No 1545-0047

2013

Open to Public
Inspection

Name of the organization
ANDERSON REGIONAL MEDICAL CENTER

Employer identification number
64-0362400

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) AMERICAN HEALTH ASSOCIAITON PO BOX 16808 JACKSON,MS 39236	13-5613797	501(C)(3)	20,000				OPERATIONAL SUPPORT
(2) BOYS & GIRLS CLUB OF EAST MISSISSIPPI 1717 45TH AVE MERIDIAN,MS 39307	64-0728662	501(C)(3)	25,000				OPERATIONAL SUPPORT
(3) EAST CENTRAL COMMUNITY COLLEGE PO BOX 129 DECATUR,MS 39327	64-0869444	501(C)(3)	20,000	22,919	COST	EXPIRED MEDICAL SUPPLIES	EXPIRED MEDICAL SUPPLIES
(4) MISSISSIPPI ARTS AND ENTERTAINMENT PO BOX 148 MERIDIAN,MS 39302	35-2193471	501(C)(3)	12,000				OPERATIONAL SUPPORT
(5) MERIDIAN COMMUNITY COLLEGE 910 HWY 19 N MERIDIAN MERIDIAN,MS 39307	64-6035781	501(C)(3)	14,700	63,028	COST	EXPIRED MEDICAL SUPPLIES	EXPIRED MEDICAL SUPPLIES

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table 5

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

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
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Schedule J
(Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 23.
▶ Attach to Form 990. ▶ See separate instructions.

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
ANDERSON REGIONAL MEDICAL CENTER

Employer identification number
64-0362400

Part I

Questions Regarding Compensation

	Yes	No
<div><div>1a</div><div>Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items</div><div><div><div><input type="checkbox"/> First-class or charter travel</div><div><input type="checkbox"/> Travel for companions</div><div><input type="checkbox"/> Tax idemnification and gross-up payments</div><div><input type="checkbox"/> Discretionary spending account</div></div><div><div><input type="checkbox"/> Housing allowance or residence for personal use</div><div><input type="checkbox"/> Payments for business use of personal residence</div><div><input checked="" type="checkbox"/> Health or social club dues or initiation fees</div><div><input type="checkbox"/> Personal services (e g , maid, chauffeur, chef)</div></div></div></div>		
<div><div>b</div><div>If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain</div></div>	Yes	
<div><div>2</div><div>Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, officers, including the CEO/Executive Director, regarding the items checked in line 1a?</div></div>	Yes	
<div><div>3</div><div>Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director Check all that apply Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III</div><div><div><input checked="" type="checkbox"/> Compensation committee</div><div><input checked="" type="checkbox"/> Independent compensation consultant</div><div><input type="checkbox"/> Form 990 of other organizations</div><div><input type="checkbox"/> Written employment contract</div><div><input checked="" type="checkbox"/> Compensation survey or study</div><div><input checked="" type="checkbox"/> Approval by the board or compensation committee</div></div></div>		
<div><div>4</div><div>During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization</div></div>		
<div><div>a</div><div>Receive a severance payment or change-of-control payment?</div></div>		No
<div><div>b</div><div>Participate in, or receive payment from, a supplemental nonqualified retirement plan?</div></div>	Yes	
<div><div>c</div><div>Participate in, or receive payment from, an equity-based compensation arrangement?</div></div> <div>If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III</div>		No
<div><div></div><div>Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.</div></div>		
<div><div>5</div><div>For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of</div></div>		
<div><div>a</div><div>The organization?</div></div>		No
<div><div>b</div><div>Any related organization?</div></div> <div>If "Yes," to line 5a or 5b, describe in Part III</div>		No
<div><div>6</div><div>For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of</div></div>		
<div><div>a</div><div>The organization?</div></div>		No
<div><div>b</div><div>Any related organization?</div></div> <div>If "Yes," to line 6a or 6b, describe in Part III</div>		No
<div><div>7</div><div>For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III</div></div>		No
<div><div>8</div><div>Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53 4958-4(a)(3)? If "Yes," describe in Part III</div></div>		No
<div><div>9</div><div>If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?</div></div>		

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

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

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
See Additional Data Table								

Part III Supplemental Information

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

Return Reference	Explanation
PART I, LINE 1A	AS PART OF THE EMPLOYMENT CONTRACT WITH L RAY HUMPHREYS, CEO, THE HOSPITAL PROVIDES A MEMBERSHIP TO NORTHWOOD COUNTRY CLUB
PART I, LINE 4B	ARMC PROVIDES CERTAIN EXEUCTIVES AN IRC SEC 457(F), NON-QUALIFIED SUPPLEMENTAL RETIREMENT PLAN THE FOLLOWING INDIVIDUALS PARTICIPATED IN THE 457(F) PLAN - LELAND RAY HUMPHREYS \$75,495 - ANTHONY KEITH HEARTSILL 36,150 - JOHN ANDERSON 35,940 - GEORGE DENTON FARR, JR 22,804 - WANDA COOPER 33,896 - ALPHE D WELLS 24,435 - MATTHEW J EDWARDS 17,588 - JAMIE NICHOLE SMITH 14,689

Additional Data

Software ID:
Software Version:
EIN: 64-0362400
Name: ANDERSON REGIONAL MEDICAL CENTER

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
LELAND RAY HUMPHREYS PRESIDENT/CEO	(i) (ii)	427,678 0	0 0	13,921 0	121,020 0	15,326 0	577,945 0	0 0
ANTHONY KEITH HEARTSILL VICE PRESIDENT/CFO	(i) (ii)	263,997 0	0 0	3,767 0	42,425 0	11,801 0	321,990 0	0 0
JOHN ANDERSON VICE PRESIDENT	(i) (ii)	204,587 0	0 0	2,761 0	39,948 0	13,308 0	260,604 0	0 0
GEORGE DENTON FARR JR VICE PRESIDENT	(i) (ii)	154,042 0	0 0	481 0	33,783 0	16,453 0	204,759 0	0 0
WANDA COOPER VICE PRESIDENT	(i) (ii)	186,941 0	0 0	4,111 0	39,681 0	13,620 0	244,353 0	0 0
ALPHE D WELLS VICE PRESIDENT	(i) (ii)	173,916 0	0 0	1,270 0	41,038 0	17,605 0	233,829 0	0 0
MATTHEW J EDWARDS VICE PRESIDENT/CNO	(i) (ii)	159,760 0	0 0	533 0	22,434 0	16,902 0	199,629 0	0 0
ROBERT P KING JR SENIOR MEDICAL PHYSICIST	(i) (ii)	220,104 0	0 0	308 0	21,736 0	18,253 0	260,401 0	0 0
RUSSELL N WILLIAMSON CRNA	(i) (ii)	215,797 0	0 0	270 0	26,773 0	17,516 0	260,356 0	0 0
JASON W COLEMAN CRNA	(i) (ii)	215,834 0	0 0	104 0	20,813 0	16,219 0	252,970 0	0 0
DUSTIN B IVEY CRNA	(i) (ii)	206,245 0	0 0	101 0	5,525 0	16,669 0	228,540 0	0 0
GREGG T WILLIAMS CRNA	(i) (ii)	205,331 0	0 0	562 0	26,692 0	12,685 0	245,270 0	0 0
PAMELA S TVARKUNA VICE PRESIDENT/CNO (THROUGH AUG 2012)	(i) (ii)	183,990 0	0 0	0 0	0 0	0 0	183,990 0	0 0

Schedule L
(Form 990 or 990-EZ)

Transactions with Interested Persons

OMB No 1545-0047

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Internal Revenue Service

► Complete if the organization answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.

► Attach to Form 990 or Form 990-EZ. ► See separate instructions.

► Information about Schedule L (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

Name of the organization
ANDERSON REGIONAL MEDICAL CENTER

Employer identification number
64-0362400

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

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

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

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

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

Part II Loans to and/or From Interested Persons.

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

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

Part III Grants or Assistance Benefitting Interested Persons.

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

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

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) JARED ANDERSON TAYLOR	FAMILY RELATIONSHIP OF A BOARD MEMBER	11,250	COMPENSATION FOR SERVICES		No
(2) TRINITY E FARR	FAMILY RELATIONSHIP OF A BOARD MEMBER	71,317	COMPENSATION FOR SERVICES		No
(3) WILLIAM J ANDERSON IV	FAMILY RELATIONSHIP OF A BOARD MEMBER	42,685	COMPENSATION FOR SERVICES		No
(4) STEPHEN A COVINGTON	FAMILY RELATIONSHIP OF A BOARD MEMBER	127,417	COMPENSATION FOR SERVICES		No
(5) JENNIFER L CHESTNUTT	FAMILY RELATIONSHIP OF A BOARD MEMBER	17,810	COMPENSATION FOR SERVICES		No
(6) CASEY CHESTNUTT HARRALA	FAMILY RELATIONSHIP OF A BOARD MEMBER	48,629	COMPENSATION FOR SERVICES		No

Part V Supplemental Information

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

Return Reference	Explanation
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2013

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SCHEDULE O

(Form 990 or 990-EZ)

Department of the Treasury

Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at
www.irs.gov/form990.

Name of the organization

ANDERSON REGIONAL MEDICAL CENTER

Employer identification number

64-0362400

Return Reference	Explanation	
FORM 990, PART III, LINE 4A	ANDERSON REGIONAL MEDICAL CENTER IS AN ACUTE CARE HOSPITAL LOCATED IN MERIDIAN, MISSISSIPPI. THE HOSPITAL'S PRIMARY SERVICE AREA IS LAUDERDALE, NEWTON, CLARKE, LEAKE, KEMPER, NESHOBA, WINSTON AND JASPER COUNTIES IN MISSISSIPPI. THE HOSPITAL ALSO SERVICES THE AREAS OF CHOCTAW AND SUMTER COUNTIES IN WESTERN ALABAMA. ANDERSON REGIONAL MEDICAL CENTER OPERATES THE ONLY COMPREHENSIVE CANCER CENTER, ANDERSON REGIONAL CANCER CENTER, IN EAST CENTRAL MISSISSIPPI AND WEST ALABAMA. THE HOSPITAL PROVIDES A WIDE ARRAY OF SERVICES INCLUDING MOST MAJOR INPATIENT CLINICAL SERVICES, AN ACUTE CARE SWING BED UNIT, AN INPATIENT REHABILITATION UNIT, AN INPATIENT GERIATRIC PSYCHIATRIC FACILITY, OUTPATIENT SERVICES INCLUDING WOUND CARE SERVICES AND PAIN MANAGEMENT SERVICES, THERAPEUTIC AND DIAGNOSTIC SERVICES, TRAUMA SERVICES AND EMERGENCY SERVICES. ANDERSON PRIDES ITSELF IN BEING THE LEADER IN CARDIOLOGY AND CANCER SERVICES. ANDERSON REGIONAL CANCER CENTER RECENTLY ACQUIRED THE STATE'S ONLY TOMOTHERAPY RADIATION SYSTEM. ANDERSON REGIONAL MEDICAL CENTER HAS A PRIMARY CERTIFIED STROKE CENTER THAT IS FOCUSED ON PROVIDING PATIENTS WITH THE HIGHEST QUALITY STROKE CARE BASED ON CURRENT SCIENTIFIC RESEARCH. CARDIOLOGY PROGRAMS. THE CARDIAC SUPPORT GROUP IS A BI-MONTHLY EDUCATIONAL MEETING HELD FOR THE COMMUNITY. THE PROGRAMS CENTER ON CARDIAC CARE SUCH AS THE IMPORTANCE OF EXERCISE AND HEALTHY FOOD CHOICES. ANDERSON REGIONAL MEDICAL CENTER IS A MAJOR FINANCIAL SPONSOR OF THE AMERICAN HEART ASSOCIATION AND THE LOCAL GO RED FOR WOMEN EVENT. ANDERSON REGIONAL MEDICAL CENTER OFFERS HEALTH FAIRS TO THE COMMUNITY THROUGH ANDERSON PHYSICIAN ALLIANCE (A WHOLLY OWNED SUBSIDIARY) OF THE HOSPITAL. IN ORDER TO IMPROVE THE GENERAL HEALTH OF THE COMMUNITY, THESE PROGRAMS OFFER FREE BLOOD PRESSURE CHECKS, BLOOD SUGAR SCREENINGS, WEIGHT AND BODY MASS INDEX MEASUREMENTS, AND DISTRIBUTES GENERAL HEALTH EDUCATIONAL MATERIALS. THE HEALTH FAIRS ARE HELD AT VARIOUS COMPANIES THROUGHOUT THE SERVICE AREAS. THE HOSPITAL ALSO PARTICIPATES IN THE MAIN EVENT SPONSORED BY EAST MISSISSIPPI BUSINESS DEVELOPMENT CORPORATION (EMBDC). THIS IS A COMMUNITY WIDE EVENT WHERE WE OFFER FREE BLOOD PRESSURE SCREENINGS. THE HOSPITAL ALSO PARTICIPATES IN THE NESHOBA COUNTY FAIR EACH YEAR. THE HOSPITAL PROVIDES BLOOD PRESSURE SCREENINGS AND FLUIDS FOR THOSE PARTICIPATING IN THIS EVENT. DIABETES PROGRAMS. THE DIABETES SUPPORT GROUP IS A BI-MONTHLY EDUCATIONAL MEETING HELD FOR THE COMMUNITY. THE PROGRAMS CENTER ON DIABETES CARE SUCH AS THE IMPORTANCE OF HEALTHY FOOD CHOICES. THE HOSPITAL ALSO OFFERS A DIABETES MANAGEMENT CENTER THAT EDUCATES THE COMMUNITY ON THE PREVENTION AND TREATMENT OF DIABETES. THE DIABETES CENTER ALSO PARTICIPATES IN THE ANNUAL MISSISSIPPI WALK FOR DIABETES AND SERVES AS VOLUNTEERS FOR THIS EVENT. CANCER PROGRAMS. ANDERSON REGIONAL CANCER CENTER SPONSORS AN ANNUAL FUNDRAISER CALLED THE CHRISTMAS TRIBUTE. ALL THE DONATIONS IN MEMORY OF OR IN HONOR OF VARIOUS PEOPLE IN OUR COMMUNITY GOES TO THE HOSPITAL'S CANCER PATIENT BENEVOLENCE FUND WHICH ASSISTS AREA CANCER PATIENTS WHO ARE IN NEED OF TRANSPORTATION, MEDICINES, PAYMENT OF UTILITY BILLS, ETC. THE MONTHLY MEETINGS OF THE CAREOUSEL BREAST CANCER SUPPORT GROUP ARE HELD IN THE EDUCATION CLASSROOM OF THE CANCER CENTER. THE PURPOSE OF THIS GROUP IS TO PROVIDE INFORMATION AND SUPPORT FOR BREAST CANCER SURVIVORS. THE HOSPITAL IN CONJUNCTION WITH THE AMERICAN CANCER SOCIETY SPONSORS THE "LOOK GOOD, FEEL BETTER" PROGRAM. THIS IS A COMMUNITY EDUCATION PROGRAM THAT SUPPORTS AREA CANCER PATIENTS AND FAMILIES TO HELP THEM COPE WITH CANCER, CANCER TREATMENTS, AND EFFECTS. WE PROVIDE FREE COMMUNITY CANCER SCREENINGS FOR THE GENERAL PUBLIC THAT CENTER AROUND EARLY DETECTION AND EDUCATION ON THE PREVENTION OF CANCER. A LUNCH AND LEARN PROGRAM ABOUT BREAST CANCER WAS HELD IN OCTOBER 2013, A SKIN CANCER SCREENING WAS HELD IN MAY 2014, AND A PROSTATE SCREENING WAS HELD IN SEPTEMBER 2014. OBSTETRICAL AND GYNECOLOGY PROGRAMS. ANDERSON REGIONAL MEDICAL CENTER IS THE LARGEST PROVIDER OF OBSTETRICAL AND GYNECOLOGY SERVICES IN EAST MISSISSIPPI AND WEST ALABAMA. THE SERVICES INCLUDE THOSE OF A NEONATAL INTENSIVE CARE UNIT AND NEONATAL PHYSICIAN SERVICES. THE FOLLOWING EDUCATIONAL CLASSES ARE OFFERED FREE TO AREA EXPECTANT MOTHERS AND THEIR FAMILIES. BIG BROTHER/BIG SISTER/SIBLING CLASSES INTRODUCES CHILDREN, AGE 12 AND UNDER, TO THE UPCOMING CHANGES IN THE FAMILY DYNAMICS. BREASTFEEDING CLASSES PROVIDE INFORMATION ON THE WHY-TO AND HOW-TO OF BREASTFEEDING TO EXPECTANT PARENTS. BREASTFEEDING SUPPORT GROUP MEETINGS ARE HELD TWICE A MONTH. CHILDBIRTH EDUCATION CLASSES IS AN EDUCATION PREPARATION CLASS THAT ADDRESSES WELLNESS, HEALTH, LABOR/DELIVERY STAGES, COPING STRATEGIES, SURGICAL INTERVENTIONS, AND RECOVERY CARE FOR EXPECTANT MOTHERS. NEWBORN CARE CLASSES GIVE NEW PARENTS THE CONFIDENCE REQUIRED TO CARE FOR A BABY WITH DISCUSSIONS CONCERNING NORMAL NEWBORN BEHAVIOR AND CHARACTERISTICS AT DELIVERY TO PRACTICAL ADVICE FOR DAILY CARE.	

Return Reference	Explanation	
	FORM 990, PART III, LINE 4A	<p>RE EDUCATIONAL PROGRAMS ANDERSON REGIONAL MEDICAL CENTER OFFERS EDUCATIONAL PROGRAMS FOR AREA MEDICAL PERSONNEL, SCHOOLS, BUSINESS AND THE COMMUNITY ADVANCED CARDIAC LIFE SUPPORT COURSE (ACLS) IS OFFERED AS AN EDUCATIONAL PROGRAM FOR MEDICAL PERSONNEL IN THE AREA THIS PROGRAM IS OFFERED ONSITE AT THE HOSPITAL THE HOSPITAL COORDINATES AND OFFERS CONTINUE MEDICAL EDUCATION (CME) PROGRAMS TO AREA PHYSICIANS THE MAJORITY OF THESE PROGRAMS ARE OPEN TO THE GENERAL PUBLIC FOR AREA MEDICAL PERSONNEL, ANDERSON REGIONAL MEDICAL CENTER OFFERS A HEALTHCARE PROVIDER COURSE THAT IS DESIGNED TO TEACH CPR SKILLS FOR VICTIMS OF ALL AGES THIS COURSE IS DESIGNATED FOR HEALTHCARE PROVIDERS OTHER AMERICAN HEART ASSOCIATION COURSES THAT ARE PROVIDED UPON REQUEST INCLUDE HEARTSAVER CPR/AED AND/OR HEARTSAVER FIRST AID THESE CLASSES ARE FOR INDIVIDUALS WHO HAVE A DUTY TO RESPOND TO EMERGENCIES BECAUSE OF JOB REQUIREMENTS OR REGULATORY REQUIREMENTS HOWEVER, ANY COMMUNITY PERSON MAY ATTEND THE HEARTSAVER COURSES ANDERSON REGIONAL MEDICAL CENTER CAN ALSO PROVIDE EDUCATION PROGRAMS THAT CENTER AROUND PEDIATRIC CARE SUCH AS HEARTSAVER PEDIATRIC FIRST AID AND CPR COURSE THE PEDIATRIC ADVANCED LIFE SUPPORT (PALS) COURSE IS ALSO PROVIDED TO THE AREA HEALTHCARE PROVIDERS THE INFECTION CONTROL DEPARTMENT OF THE HOSPITAL CONDUCTS FREE INFECTION CONTROL SEMINARS TO INFORM THE COMMUNITY ON THE CAUSES AND PREVENTIONS OF INFECTIONS AND DISEASES THESE ARE TAUGHT AT MERIDIAN COMMUNITY COLLEGE AND AREA SCHOOLS THE HOSPITAL OFFERS SAFETY SEMINARS TO AREA BUSINESSES THROUGH ANDERSON PHYSICIAN ALLIANCE THESE SEMINARS CENTER ON OSHA SAFETY INSTRUCTIONS A BLOOD PRESSURE CHECK IS ALSO PERFORMED ON THE EMPLOYEES OF THE BUSINESS DURING THIS SEMINARY SPORTS MEDICINE ANDERSON REGIONAL MEDICAL CENTER OFFERS A SPORTS MEDICINE PROGRAM THAT PROVIDES ATHLETIC TRAINERS TO LOCAL SCHOOLS THE TRAINERS PERFORM PHYSICALS AND ASSESS INJURIES ON THE ATHLETES</p>

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 1	<p>A GENERAL EXECUTIVE COMMITTEE OF THE BOARD MAY BE NAMED BY THE BOARD OF DIRECTORS, IN ITS DISCRETION, BY RESOLUTION ADOPTED BY A MAJORITY OF THE WHOLE BOARD, APPOINTING THE MEMBERS THEREOF, AND SPECIFYING ITS AUTHORITY AND RESPONSIBILITY TO THE EXTENT PROVIDED IN SUCH RESOLUTION, OR IN THE ARTICLES OR THESE BYLAWS, SAID EXECUTIVE COMMITTEE MAY HAVE AND EXERCISE ALL OF THE AUTHORITY OF THE BOARD OF DIRECTORS, BUT SHALL NOT HAVE THE AUTHORITY OF THE BOARD OF DIRECTORS IN REFERENCE TO AMENDING THE ARTICLES, ADOPTING A PLAN OF MERGER OR CONSOLIDATION, RECOMMENDING TO THE SHAREHOLDERS THE SALE, LEASE, EXCHANGE, MORTGAGE, PLEDGE OR OTHER DISPOSITION OF ALL OR SUBSTANTIALLY ALL THE PROPERTY AND ASSETS OF THE CORPORATION OTHERWISE THAN IN THE USUAL AND REGULAR COURSE OF ITS BUSINESS, RECOMMENDING TO THE SHAREHOLDERS A VOLUNTARY DISSOLUTION OF THE CORPORATION OR A REVOCATION THEREOF, ELECTING, APPOINTING OR REMOVING DIRECTORS OR FILLING VACANCIES ON THE BOARD OR ANY OF ITS COMMITTEES, OR AMENDING THE ARTICLES OR BYLAWS OF THE CORPORATION ANY SUCH DESIGNATION OF AUTHORITY SHALL NOT OPERATE TO RELIEVE THE BOARD OF DIRECTORS, OR ANY MEMBER THERE OF ANY RESPONSIBILITY IMPOSED BY LAW SUCH COMMITTEE SHALL BY COMPOSED OF NOT LESS THAN THREE (3) MEMBERS OF THE BOARD OF DIRECTORS WHO SHALL SERVE AT THE PLEASURE OF THE BOARD THE EXECUTIVE COMMITTEE SHALL BE ORGANIZED AND SHALL PERFORM ITS FUNCTIONS AS DIRECTED BY THE BOARD AND SHALL REPORT PERIODICALLY TO THE BOARD THE COMMITTEE SHALL ACT BY MAJORITY OF THE MEMBERS THEREOF, AND ANY ACTION DULY TAKEN BY THE EXECUTIVE COMMITTEE WITHIN THE COURSE AND SCOPE OF ITS AUTHORITY SHALL BE BINDING ON THE CORPORATION THE EXECUTIVE COMMITTEE MAY BE ABOLISHED AT ANY TIME BY THE VOTE OF THE WHOLE MAJORITY OF THE BOARD OF DIRECTORS, AND DURING THE COURSE OF THE COMMITTEE'S EXISTENCE, THE MEMBERS THEREOF MAY BE INCREASED AND THE AUTHORITY AND DUTIES OF THE COMMITTEE CHANGED BY THE BOARD OF DIRECTORS AS IT MAY DEEM APPROPRIATE</p>

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 2	THE FOLLOWING BOARD MEMBERS HAVE A FAMILY RELATIONSHIP - DR JOSEPH ANDERSON - GAY WHITWORTH - DR SHAWN ANDERSON - JANET FARRINGTON BOARD MEMBER GAY WHITWORTH AND OFFICER DENTON FARR HAVE A FAMILY RELATIONSHIP BOARD MEMBER DR JOSEPH ANDERSON AND OFFICER JOHN ANDERSON HAVE A FAMILY RELATIONSHIP

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 6	<p>ANDERSON REGIONAL MEDICAL CENTER WAS ESTABLISHED IN 1928 AS A NONPROFIT CORPORATION UNDER THE LAWS OF THE STATE OF MISSISSIPPI. ON THE DATE OF INCORPORATION, ANDERSON REGIONAL MEDICAL CENTER ISSUED ONE-HUNDRED SHARE OF NONPROFIT CAPITAL STOCK TO FOUR INDIVIDUALS, EACH OF WHOM RECEIVED AN EQUAL NUMBER OF SHARES. CURRENTLY, FOUR INDIVIDUALS, FAMILY MEMBERS OF THE ORIGINAL HOLDERS, HOLD THOSE ORIGINAL ONE-HUNDRED SHARE IN EQUAL PROPORTION. IN ADDITION, THESE FOUR INDIVIDUALS, DISCLOSED BELOW, ARE CURRENTLY VOTING BOARD MEMBERS ON ANDERSON REGIONAL MEDICAL CENTER'S BOARD OF DIRECTORS - DR. JOSEPH ANDERSON - JANET G. FARRINGTON - GAY WHITWORTH - SHAWN ANDERSON, D.O. NOTWITHSTANDING THE FORGOING, IT IS THE INTENT OF THE ANDERSON REGIONAL MEDICAL CENTER AND ITS STOCKHOLDERS THAT THE TERM "STOCKHOLDER" SHALL HAVE THE MEANING OF THE TERM "MEMBER" UNDER MISSISSIPPI NONPROFIT CORPORATION ACT AND THAT NO PART OF THE INCOME OR ASSETS OF THE CORPORATION SHALL INURE TO THE BENEFIT OF ANY STOCKHOLDER, AND NO INCOME OR PROFITS OF THE CORPORATION SHALL BE PAID TO ANY STOCKHOLDER.</p>

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11	EACH BOARD MEMBER WAS PROVIDED A COPY OF THE FORM 990 THE BOARD MEMBERS WERE ASKED TO REVIEW THE FORM AND SUBMIT QUESTIONS AND COMMENTS PROIR TO THE FORM 990 BEING FINALIZED AFTER REVIEW, THE FINALIZED FORM 990 WAS PROVIDED TO THE BOARD PRIOR TO FILING

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 12C	EVERY YEAR IN DECEMBER THE BOARD OF DIRECTORS IS EDUCATED ON CONFLICT OF INTEREST PRINCIPLES AND ASKED TO SIGN A CONFLICT OF INTEREST DISCLOSURE STATEMENT THE DISCLOSURE STATEMENT IS REVIEWED BY LEGAL COUNSEL FOR THE HOSPITAL

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 15	THE BOARD OF ARMC HAS A DESIGNATED THREE (3) PERSON COMMITTEE OF INDEPENDENT BOARD MEMBERS TO REVIEW AND APPROVE COMPENSATION THE BOARD ALSO HAD A CONTRACT FOR PROFESSIONAL SERVICES WITH MERCER UNTIL JULY 1, 2013 AND CURRENTLY USES SULLIVAN COTTER TO STUDY AND RECOMMEND COMPENSATION FOR THE CEO, THE VICE PRESIDENTS, AND THE DIRECTORS OF THE HOSPITAL

Return Reference	Explanation
FORM 990, PART VI, SECTION C, LINE 18	IN ADDITION, RECENT FILINGS OF THE FORM 990 ARE MADE AVAILABLE ONLINE AT WWW GUIDESTAR ORG

Return Reference	Explanation
FORM 990, PART VI, SECTION C, LINE 19	THE HOSPITAL'S ARTICLES OF INCORPATION ARE ON FILE AND ARE AVAILABLE TO THE PUBLIC IN THE MISSISSIPPI SECRETARY OF STATE'S OFFICE. THE BYLAWS AND THE CONFLICT OF INTEREST POLICY ARE NOT PUBLICLY AVAILABLE. HOWEVER, THE FINANCIAL STATEMENTS OF THE HOSPITAL ARE AVAILABLE TO THE PUBLIC BOTH THROUGH DUNN & BRADSTREET AND AS A PART OF THIS FORM 990.

Return Reference	Explanation
FORM 990, PART IX, LINE 11G	PHYSICIAN FEES PROGRAM SERVICE EXPENSES 3,226,014 MANAGEMENT AND GENERAL EXPENSES 0 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 3,226,014 CONSULTANT FEES PROGRAM SERVICE EXPENSES 189,956 MANAGEMENT AND GENERAL EXPENSES 824,706 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 1,014,662 PURCHASED SERVICES PROGRAM SERVICE EXPENSES 23,201,678 MANAGEMENT AND GENERAL EXPENSES 398,548 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 23,600,226

Return Reference	Explanation
FORM 990, PART XII, LINE 2C	THE PROCESS DID NOT CHANGE FROM THE PRIOR YEAR

Return Reference	Explanation
FORM 990, PART III, LINE 4A, CONINUATION	<p>OTHER PROGRAMS BENEFITTING THE COMMUNITY ANDERSON REGIONAL MEDICAL CENTER IS THE HOSPITAL OF CHOICE FOR THE CHOCTAW NATION THE HOSPITAL PROVIDES HEALTHCARE TO APPROXIMATELY 8,000 NATIVE AMERICANS A PATIENT LIAISON IS A FULL-TIME EMPLOYEE OF THE HOSPITAL IN ORDER TO REPRESENT THE NATIVE AMERICANS THE LIAISON HELPS THE PATIENT AND FAMILIES WITH ANY HEALTHCARE CONCERNS WE SUPPORT EFFORTS TO IMPROVE THE HEALTH OF THE CHOCTAW NATION ANDERSON REGIONAL MEDICAL CENTER ACTIVELY PARTICIPATES AND IS A SPONSOR OF NUMEROUS BLOOD DRIVES THROUGHOUT THE YEAR WITH UNITED BLOOD SERVICES ANDERSON REGIONAL MEDICAL CENTER'S VOLUNTEER AUXILIARY DONATES MONEY TO MERIDIAN COMMUNITY COLLEGE EACH YEAR FOR THE PURCHASE OF EQUIPMENT TO USE IN THE LEARNING PROCESS FOR NURSING STUDENTS ANDERSON REGIONAL MEDICAL CENTER IS ACTIVE WITH MIDD (MISSISSIPPI INDUSTRIES FOR THE DEVELOPMENTALLY DISABLED) WE HAVE HOSPITAL PERSONNEL WHO ARE VERY ACTIVE ON THE BOARD OF DIRECTORS OF THIS ASSOCIATION AND ATTEND MONTHLY MEETINGS ANDERSON REGIONAL MEDICAL CENTER IS AN ACTIVE PARTICIPANT IN THE UNITED WAY OF EAST MISSISSIPPI PACESETTER DRIVE THE STROKE AND ALZHEIMER'S SUPPORT GROUP ARE PROGRAMS ORGANIZED BY ANDERSON REGIONAL MEDICAL CENTER-SOUTH THIS GROUP GIVES INFORMATION AND PROVIDES FELLOWSHIP FOR CAREGIVERS OF STROKE AND ALZHEIMER'S SURVIVORS ANDERSON REGIONAL MEDICAL CENTER HAS PROVIDED LEADERSHIP FOR MANY OF THE LOCAL HEALTH ORGANIZATIONS OUR PERSONNEL HAVE SERVED AS PRESIDENTS OR ON THE BOARDS OF THE LAUDERDALE COUNTY HEALTH ASSOCIATION, DIABETES FOUNDATION OF MISSISSIPPI, AMERICAN CANCER SOCIETY, UNITED WAY OF EAST MISSISSIPPI, EAST MISSISSIPPI BUSINESS AND DEVELOPMENT CORPORATION, ROTARY CLUB, HOPE VILLAGE FOR CHILDREN BOARD, MERIDIAN COMMUNITY COLLEGE FOUNDATION BOARD, EAST MISSISSIPPI COMMUNITY COLLEGE FOUNDATION BOARD, OPTIMIST CLUB, AMERICAN HEART ASSOCIATION, AND LOCAL CITY COMMITTEES WE ACTIVELY ENCOURAGE OUR PERSONNEL TO PARTICIPATE IN OUR LOCAL COMMUNITY ORGANIZATIONS TO HELP IMPROVE THE COMMUNITY SEVERAL OF THE HOSPITAL'S PERSONNEL PARTICIPATE AS CLINICAL ADVISORS FOR MERIDIAN COMMUNITY COLLEGE AND THE UNIVERSITY OF WEST ALABAMA WE HAVE ALSO SERVED ON LEADERSHIP LAUDERDALE WHEREBY STUDENTS VISIT LOCAL BUSINESSES IN AN EFFORT TO REDUCE THE SHORTAGE OF REGISTERED NURSES AND OTHER HEALTHCARE PERSONNEL, ANDERSON REGIONAL MEDICAL CENTER HAS TAKEN THE FOLLOWING ACTIONS SINCE 1986 ANDERSON REGIONAL MEDICAL CENTER HAS PROVIDED NURSING SCHOLARSHIPS TO SOME OF THE TOP STUDENTS AT MERIDIAN COMMUNITY COLLEGE SEVEN SCHOLARSHIPS ARE GIVEN ANNUALLY, THE DR JEFF ANDERSON SCHOLARSHIP, DR JEFFERSON HOLLINGSWORTH SCHOLARSHIP, DR WILLIAM J ANDERSON SCHOLARSHIP, DR WILLIAM J ANDERSON III SCHOLARSHIP, THE WILLIAM J GUNN, ESQUIRE SCHOLARSHIP, THE REUBEN S JOHNSON, JR SCHOLARSHIP, AND THE ANDERSON BOARD OF DIRECTORS SCHOLARSHIP ANDERSON REGIONAL MEDICAL CENTER ASSISTS MERIDIAN COMMUNITY COLLEGE WITH FUNDING FOR THE DEVELOPMENT AND MAINTENANCE OF HEALTH PROGRAMS</p>

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
ANDERSON REGIONAL MEDICAL CENTER

Employer identification number

64-0362400

Part I Identification of Disregarded Entities

Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

Part II Identification of Related Tax-Exempt Organizations

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(1) MEDICAL SUPPORT AND DEVELOPMENT ORGANIATION 122 WOODMONT WAY RIDGELAND, MS 39157 64-0722433	SUPPORTING ORGANIZATION	MS	501(C)(3)	LINE 11C, III-FI	ANDERSON REGIONAL MEDICAL CENTER	Yes	
(2) ANDERSON SUPPORT AND DEVELOPMENT FOUNDATION 7651 POPLAR SPRINGS DR MERIDIAN, MS 39305 64-0730109	SUPPORTING ORGANIZATION	MS	501(C)(3)	LINE 11D, III-O	ANDERSON REGIONAL MEDICAL CENTER	Yes	
(3) MIRACLES OF GRACE FOUNDATION 1827 SUNRISE LANE TOOMSUBA, MS 39364 64-0730366	SUPPORTING ORGANIZATION	MS	501(C)(3)	LINE 11C, III-FI	ANDERSON REGIONAL MEDICAL CENTER	Yes	
(4) CARE CONSISTENCY FOUNDATION INC 7761 MEADOW CIRCLE MERIDIAN, MS 39305 64-0730846	SUPPORTING ORGANIZATION	MS	501(C)(3)	LINE 11D, III-O	ANDERSON REGIONAL MEDICAL CENTER	Yes	
(5) ANDERSON PHYSICIAN ALLIANCE INC 2124 14TH STREET MERIDIAN, MS 39301 27-3274203	SUPPORTING ORGANIZATION	MS	501(C)(3)	LINE 3	ANDERSON REGIONAL MEDICAL CENTER	Yes	
(6) ANDERSON HOSPITAL PROVIDERS INC 2124 14TH STREET MERIDIAN, MS 39301 46-1305481	SUPPORTING ORGANIZATION	MS	501(C)(3)	LINE 3	ANDERSON REGIONAL MEDICAL CENTER	Yes	
(7) ANDERSON ANESTHESIA PROVIDERS 2124 14TH STREET MERIDIAN, MS 39301 46-4069816	SUPPORTING ORGANIZATION	MS	501(C)(3)	LINE 3	ANDERSON REGIONAL MEDICAL CENTER	Yes	

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

Cat No 50135Y

Schedule R (Form 990) 2013

Part III

Identification of Related Organizations Taxable as a Partnership

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512- 514)	(f) Share of total income	(g) Share of end- of-year assets	(h) Disproprtionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) EAST MISSISSIPPI ENDOSCOPY CENTER 1926 23RD AVENUE MERIDIAN, MS 39301 44-0884792	HEALTHCARE	MS	ANDERSON REGIONAL MEDICAL CENTER	RELATED				No		Yes		
(2) JARMC LEVERAGE LLC 2124 14TH STREET MERIDIAN, MS 39301 27-2284311	INVESTMENTS	MS	N/A	EXCLUDED	273,259	6,702,343		No			No	

Part IV

Identification of Related Organizations Taxable as a Corporation or Trust

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of- year assets	(h) Percentage ownership	(i) Section 512 (b)(13) controlled entity?	
								Yes	No
(1) ARMC HOSPITAL PROF & GEN LLFT 512 22ND AVENUE MERIDIAN, MS 39301 20-6131090	TRUST	MS	ANDERSON REGIONAL MEDICAL CENTER	T	280,479	9,808,306	100 000 %	Yes	

Part V

Transactions With Related Organizations

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

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule

1

During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

a

Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity

b

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

c

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

d

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

e

Loans or loan guarantees by related organization(s)

f

Dividends from related organization(s)

g

Sale of assets to related organization(s)

h

Purchase of assets from related organization(s)

i

Exchange of assets with related organization(s)

j

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

k

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

l

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

m

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

n

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

o

Sharing of paid employees with related organization(s)

p

Reimbursement paid to related organization(s) for expenses

q

Reimbursement paid by related organization(s) for expenses

r

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

s

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

Yes

No

1a

No

1b

No

1c

Yes

1d

No

1e

No

1f

Yes

1g

No

1h

No

1i

No

1j

Yes

1k

No

1l

No

1m

No

1n

Yes

1o

No

1p

Yes

1q

Yes

1r

No

1s

No

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

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) ANDERSON PHYSICIAN ALLIANCE INC	P	1,553,114	
(2) ANDERSON PHYSICIAN ALLIANCE INC	N	133,811	
(3) ANDERSON HOSPITAL PROVIDERS INC	N	14,137,858	
(4) ANDERSON HOSPITAL PROVIDERS INC	Q	2,415,273	

Schedule R (Form 990) 2013

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

[illegible]

Part VII

Supplemental Information

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

Return Reference	Explanation
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Additional Data

Software ID:
Software Version:
EIN: 64-0362400
Name: ANDERSON REGIONAL MEDICAL CENTER

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c) (3))	(f) Direct controlling entity	(g) Section 512 (b)(13) controlled entity?	
						Yes	No
(1) MEDICAL SUPPORT AND DEVELOPMENT ORGANIATION 122 WOODMONT WAY RIDGELAND, MS 39157 64-0722433	SUPPORTING ORGANIZATION	MS	501(C)(3)	LINE 11C, III-FI	ANDERSON REGIONAL MEDICAL CENTER	Yes	
(1) ANDERSON SUPPORT AND DEVELOPMENT FOUNDATION 7651 POPLAR SPRINGS DR MERIDIAN, MS 39305 64-0730109	SUPPORTING ORGANIZATION	MS	501(C)(3)	LINE 11D, III-O	ANDERSON REGIONAL MEDICAL CENTER	Yes	
(2) MIRACLES OF GRACE FOUNDATION 1827 SUNRISE LANE TOOMSUBA, MS 39364 64-0730366	SUPPORTING ORGANIZATION	MS	501(C)(3)	LINE 11C, III-FI	ANDERSON REGIONAL MEDICAL CENTER	Yes	
(3) CARE CONSISTENCY FOUNDATION INC 7761 MEADOW CIRCLE MERIDIAN, MS 39305 64-0730846	SUPPORTING ORGANIZATION	MS	501(C)(3)	LINE 11D, III-O	ANDERSON REGIONAL MEDICAL CENTER	Yes	
(4) ANDERSON PHYSICIAN ALLIANCE INC 2124 14TH STREET MERIDIAN, MS 39301 27-3274203	SUPPORTING ORGANIZATION	MS	501(C)(3)	LINE 3	ANDERSON REGIONAL MEDICAL CENTER	Yes	
(5) ANDERSON HOSPITAL PROVIDERS INC 2124 14TH STREET MERIDIAN, MS 39301 46-1305481	SUPPORTING ORGANIZATION	MS	501(C)(3)	LINE 3	ANDERSON REGIONAL MEDICAL CENTER	Yes	
(6) ANDERSON ANESTHESIA PROVIDERS 2124 14TH STREET MERIDIAN, MS 39301 46-4069816	SUPPORTING ORGANIZATION	MS	501(C)(3)	LINE 3	ANDERSON REGIONAL MEDICAL CENTER	Yes	

**ANDERSON REGIONAL MEDICAL CENTER
AND SUBSIDIARIES**

CONSOLIDATED FINANCIAL STATEMENTS

SEPTEMBER 30, 2014 AND 2013

(With Independent Auditors' Report Thereon)



DIXON HUGHES GOODMAN^{LLP}
ATTORNEYS AT LAW, ACCOUNTANTS AND ADVISORS

ANDERSON REGIONAL MEDICAL CENTER AND SUBSIDIARIES
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DIXON HUGHES GOODMAN LLP
Certified Public Accountants and Advisors

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Anderson Regional Medical Center and Subsidiaries
Meridian, Mississippi

We have audited the accompanying consolidated financial statements of Anderson Regional Medical Center and Subsidiaries (the "System"), which comprise the consolidated balance sheets as of September 30, 2014 and 2013, and the related consolidated statements of operations, changes in net assets, and cash flows for the years then ended, and the related notes to the consolidated financial statements

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error

Auditors' Responsibility

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

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

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

To the Board of Directors of
Anderson Regional Medical Center and Subsidiaries

Opinion

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

Dixon Hughes Goodman LLP

January 16, 2015

ANDERSON REGIONAL MEDICAL CENTER AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 16,122,593	\$ 19,195,071
Assets limited as to use - required for current liabilities	1,067,067	1,865,556
Patient accounts receivable, net of allowance for doubtful accounts of \$18,099,000 and \$20,928,000, respectively	22,455,731	24,161,024
Other receivables	519,504	768,217
Due from third-party payors	4,265,126	1,547,220
Inventories	5,780,013	5,892,106
Prepaid expenses	1,961,464	2,437,572
TOTAL CURRENT ASSETS	<u>52,171,498</u>	<u>55,866,766</u>
ASSETS LIMITED AS TO USE		
Held by trustees for deferred compensation	3,999,194	3,763,735
Held by trustee for self-insurance funding	7,878,933	7,838,559
TOTAL ASSETS LIMITED AS TO USE, NET OF CURRENT PORTION	<u>11,878,127</u>	<u>11,602,294</u>
OTHER NONCURRENT ASSETS		
Property and equipment, net	123,322,086	124,296,716
Notes receivable	27,426,345	26,607,935
Other assets	4,525,529	3,550,865
TOTAL OTHER NONCURRENT ASSETS	<u>155,273,960</u>	<u>154,455,516</u>
TOTAL ASSETS	<u>\$ 219,323,585</u>	<u>\$ 221,924,576</u>

The accompanying notes are an integral part of the financial statements.

	<u>2014</u>	<u>2013</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 9,696,103	\$ 9,387,480
Accrued salaries, wages, and fees	2,619,263	2,279,754
Accrued vacation pay	4,712,262	4,617,871
Current portion of estimated professional and general liability	1,067,067	1,865,556
Current portion of capital lease obligation	978,410	164,843
Current portion of long-term debt	31,892	30,796
Lines of credit	6,981,450	3,972,267
Other accrued expenses	11,616,163	10,569,559
TOTAL CURRENT LIABILITIES	<u>37,702,610</u>	<u>32,888,126</u>
Estimated professional and general liability, net of current portion	7,815,435	10,229,444
Capital lease obligations, net of current portion	1,787,545	228,486
Long-term debt, net of current portion	30,155,261	30,187,153
Asset retirement obligations	768,808	732,198
TOTAL LIABILITIES	<u>78,229,659</u>	<u>74,265,407</u>
NET ASSETS		
Noncontrolling interest	1,189,538	1,188,942
Unrestricted net assets	139,904,388	146,470,227
TOTAL NET ASSETS	<u>141,093,926</u>	<u>147,659,169</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 219,323,585</u></u>	<u><u>\$ 221,924,576</u></u>

ANDERSON REGIONAL MEDICAL CENTER AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
YEARS ENDED SEPTEMBER 30, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
OPERATING REVENUES		
Patient service revenue		
(net of contractual allowances and discounts)	\$ 207,309,025	\$ 211,104,636
Provision for doubtful accounts	<u>(27,379,790)</u>	<u>(16,129,053)</u>
NET PATIENT SERVICE REVENUE	179,929,235	194,975,583
Other revenue	<u>11,497,533</u>	<u>11,566,679</u>
TOTAL OPERATING REVENUES	<u>191,426,768</u>	<u>206,542,262</u>
OPERATING EXPENSES		
Salaries and wages	81,577,286	77,826,801
Employee benefits	15,846,549	16,707,088
Supplies	21,746,453	22,087,332
Drugs	14,012,053	13,657,199
Purchased services	32,378,383	32,521,778
Administrative and general	21,648,273	24,987,407
Depreciation and amortization	11,305,976	12,251,819
Interest expense	<u>1,114,709</u>	<u>1,005,095</u>
	<u>199,629,682</u>	<u>201,044,519</u>
OPERATING (LOSS) INCOME	<u>(8,202,914)</u>	<u>5,497,743</u>
NONOPERATING REVENUES (EXPENSES)		
Investment income (loss), net	113,037	(69,103)
Interest from new market tax credit notes receivable	1,417,689	1,378,258
Gain on disposal of property and equipment	358,790	53,028
Impairment of goodwill	<u>(48,501)</u>	<u>-</u>
	<u>1,841,015</u>	<u>1,362,183</u>
(DEFICIT) EXCESS OF REVENUES OVER EXPENSES BEFORE NONCONTROLLING INTEREST	(6,361,899)	6,859,926
Noncontrolling interest	<u>(271,847)</u>	<u>(331,969)</u>
(DEFICIT) EXCESS OF REVENUES OVER EXPENSES	<u><u>\$ (6,633,746)</u></u>	<u><u>\$ 6,527,957</u></u>

ANDERSON REGIONAL MEDICAL CENTER AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS
YEARS ENDED SEPTEMBER 30, 2014 AND 2013

	<u>Unrestricted Net Assets</u>	<u>Noncontrolling Interest</u>	<u>Total Net Assets</u>
Balances at September 30, 2012	\$ 140,711,260	\$ 312,749	\$ 141,024,009
Excess of revenues over expenses	6,527,957	331,969	6,859,926
Distributions to noncontrolling interest	-	(392,000)	(392,000)
Transfer of controlling interest to noncontrolling interest	(936,224)	936,224	-
Unrealized losses on other than trading securities, net	(77,262)	-	(77,262)
Contributions restricted to equipment purchases received and expended within the same year	<u>244,496</u>	<u>-</u>	<u>244,496</u>
Change in net assets	<u>5,758,967</u>	<u>876,193</u>	<u>6,635,160</u>
Balances at September 30, 2013	<u>146,470,227</u>	<u>1,188,942</u>	<u>147,659,169</u>
(Deficit) excess of revenues over expenses	(6,633,746)	271,847	(6,361,899)
Distributions to noncontrolling interest	-	(294,000)	(294,000)
Transfer of controlling interest to noncontrolling interest	(22,749)	22,749	-
Unrealized losses on other than trading securities, net	707	-	707
Contributions restricted to equipment purchases received and expended within the same year	<u>89,949</u>	<u>-</u>	<u>89,949</u>
Change in net assets	<u>(6,565,839)</u>	<u>596</u>	<u>(6,565,243)</u>
Balances at September 30, 2014	<u>\$ 139,904,388</u>	<u>\$ 1,189,538</u>	<u>\$ 141,093,926</u>

ANDERSON REGIONAL MEDICAL CENTER AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED SEPTEMBER 30, 2014 AND 2013

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (6,565,243)	\$ 6,635,160
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	11,305,976	12,251,819
Provision for doubtful accounts	27,379,790	16,129,053
Accrual of interest on notes receivable	(818,410)	(778,978)
Accretion of asset retirement obligations	36,610	34,866
Gain on disposal of property and equipment	(358,790)	(53,028)
Impairment of goodwill	48,501	-
Realized and unrealized gains, net	(75,505)	197,464
Restricted contributions for equipment purchases	89,949	(244,496)
Write down of construction in progress	-	2,013,349
Changes in operating assets and liabilities		
Patient accounts receivable, net	(25,674,497)	(17,789,155)
Other receivables	248,713	511,337
Inventories, prepaid expenses, and other assets	(434,964)	1,337,547
Accounts payable and accrued expenses	1,789,127	(4,919,779)
Change in estimated third-party payor settlements	(2,717,906)	(5,428,126)
Estimated professional and general liability	(3,212,498)	2,615,000
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>1,040,853</u>	<u>12,512,033</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures	(9,830,056)	(2,735,274)
Purchases of trading securities	(721,951)	(590,726)
Proceeds from sale or maturity of trading securities	1,320,112	350,000
Proceeds from sale of property and equipment	2,743,666	2,635,000
NET CASH USED BY INVESTING ACTIVITIES	<u>(6,488,229)</u>	<u>(341,000)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long-term debt	(30,796)	(29,739)
Proceeds from line of credit	193,442,512	200,417,824
Payments on line of credit	(190,433,329)	(199,894,049)
Restricted contributions for equipment purchases	(89,949)	244,496
Repayment of capital lease	(513,540)	(235,906)
NET CASH PROVIDED BY FINANCING ACTIVITIES	<u>2,374,898</u>	<u>502,626</u>
NET (DECREASE) INCREASE IN CASH	(3,072,478)	12,673,659
CASH AND CASH EQUIVALENTS, BEGINNING	<u>19,195,071</u>	<u>6,521,412</u>
CASH AND CASH EQUIVALENTS, ENDING	<u>\$ 16,122,593</u>	<u>\$ 19,195,071</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Financing with capital lease obligation	<u>\$ (2,886,166)</u>	<u>\$ -</u>

ANDERSON REGIONAL MEDICAL CENTER AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2014 AND 2013

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Anderson Regional Medical Center and Subsidiaries (the "System") is a not for profit healthcare system located in Meridian, Mississippi. Anderson Regional Medical Center (the "Medical Center") is a not for profit corporation organized in 1928 under the provisions of Chapter 24, Mississippi Code of 1906, which operates Anderson - North, a 260-bed acute care hospital, Anderson - South, a 140-bed sub-acute care hospital that includes a swing bed unit, inpatient rehabilitation unit, wound care center, and pain treatment center, and related outpatient care facilities. The Medical Center's service area includes an eight county area around the City of Meridian, Mississippi. The Medical Center is the sole corporate member of Anderson Physician Alliance, Inc. ("APA"), Anderson Hospital Providers, Inc. ("AHP"), and Anderson Anesthesia Partners, Inc. ("AAP"). APA consists of primary and specialty clinics located within the service area. AHP consists of employed hospital based physicians. AAP consists of medical personnel who provide and manage anesthesia services and related care. The Medical Center maintains a controlling interest (51 percent at September 30, 2014 and 2013) in East Mississippi Endoscopy Center, LLC ("EMEC") and therefore, EMEC's accounts are included in the accompanying consolidated financial statements. EMEC is an outpatient ambulatory surgery center that primarily provides gastroenterology and urology procedures to patients. The Medical Center has an economic interest and continuing involvement with JARMC Leverage, LLC, a special purpose entity created for the New Market Tax Credit program, but has no direct investment in this entity. The Medical Center is the primary beneficiary of this variable interest entity and therefore, the accounts of JARMC Leverage, LLC are included in the consolidated financial statements.

The Medical Center was founded by Dr. Jeff Anderson. As an incorporated nonprofit entity and recognized 501(c)(3) organization, the Medical Center has no owners whatsoever, only members. While the Medical Center's common stock is currently held by four (4) "stockholders," the Medical Center's Bylaws provide that the term "stockholder" has the meaning given to the term "member" under the Mississippi Nonprofit Corporation Act. The Medical Center's common stock is held by Janet H. Farrington, Dr. Shawn Anderson, Nell Gayden Hill and Dr. Joseph Anderson (individually referred to as the "Member" and collectively as the "Members"). Each Member holds 25 shares of the Medical Center's 100 shares of common stock. Along with this 25% interest, each Member is entitled to voting rights. Through voting rights, each Member has the ability to make certain decisions regarding the Medical Center's activities including appointment of members to the board of directors. As a result, each Member has some degree of control over the Medical Center's activities. Under the terms of incorporation, no earnings arising from operations of the System can accrue to the benefit of the stockholders or be declared as dividends.

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of the Medical Center, APA, AHP, AAP, JARMC Leverage and EMEC. All significant intercompany accounts and transactions have been eliminated upon consolidation.

ANDERSON REGIONAL MEDICAL CENTER AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2014 AND 2013

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Principles of Consolidation (Continued)

For consolidated subsidiaries that are less than wholly owned, the third-party equity interests are referred to as noncontrolling interests. The portion of excess (deficit) of revenues over expenses attributable to noncontrolling interest for such subsidiaries is presented as noncontrolling interest on the consolidated statements of operations, and the portion of net assets of such subsidiaries is presented as noncontrolling interest on the consolidated balance sheets and consolidated statements of changes in net assets.

Use of Estimates

The preparation of consolidated financial statements in conformity with United States generally accepted accounting principles requires that management make estimates and assumptions affecting the reported amounts of assets, liabilities, revenues, and expenses, as well as disclosures regarding contingent assets and liabilities. Actual results could differ from those estimates.

Significant items subject to such estimates and assumptions include the determination of the allowances for doubtful accounts and contractual allowances, reserves for professional and general liability claims, reserves for employee healthcare claims, and estimated third-party payor settlements. In particular, laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates related to these programs could change by a material amount in the near term.

Cash Equivalents

The System considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

Patient Accounts Receivable

Receivables from patients, insurance companies and third-party contractual agencies are recorded at regular patient service charge rates. A majority of the System's patients are insured by third-party insurers (principally Blue Cross, Medicare, and Medicaid) based on contractual agreements which generally result in the System collecting less than the established charge rates. Final determination of payments under these agreements is subject to review by appropriate authorities.

ANDERSON REGIONAL MEDICAL CENTER AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2014 AND 2013

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Patient Accounts Receivable (Continued)

Patient accounts receivable is reduced by an allowance for doubtful accounts. In evaluating the collectibility of accounts receivable, the System analyzes its past history and identifies trends for each of its major payor sources of revenue to estimate the appropriate contractual allowance and allowance for doubtful accounts. Management regularly reviews data about these major payor sources of revenue in evaluating the sufficiency of the allowance for doubtful accounts. For patient accounts associated with services provided to patients who have third-party coverage, the System analyzes contractually due amounts and records a contractual allowance. For patient accounts receivable associated with non-third-party payors (which includes both patients without insurance and patients with deductible and copayments balances for which third-party coverage exists for part of the bill), the System records an allowance for doubtful accounts 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 System's write offs decreased approximately \$5,459,000 from \$40,084,000 for the year ended September 30, 2013 to \$34,625,000 for the year ended September 30, 2014. Due to industry trends toward higher deductible health insurance plans, the System increased the rate at which patient responsible portion of receivables are reserved in the current year.

Inventories

Inventories, consisting primarily of medical supplies and pharmaceuticals, are stated at the lower of cost (first-in, first-out) or replacement market.

Assets Limited as to Use

Assets limited as to use consist of assets set aside by the board of directors (the "Board") for future capital improvements, over which the Board retains control and may at its discretion subsequently use for other purposes, assets held by trustees for deferred compensation, and assets held by trustee for self-insurance funding. Amounts required to meet current liabilities of the System are classified as current assets in the accompanying consolidated balance sheets.

Long-Lived Assets

Long-lived assets, such as property and equipment, including leasehold improvements, are recorded at cost. Property and equipment under capital leases are initially valued and recorded based on the present value of minimum lease payments. Depreciation is computed on the straight-line method based upon the shorter of the estimated useful lives of the assets or the lease term.

ANDERSON REGIONAL MEDICAL CENTER AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2014 AND 2013

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Long-Lived Assets (Continued)

Gifts of long-lived assets such as land, buildings, or equipment are reported as unrestricted support, and are excluded from excess (deficit) of revenues over expenses, unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service. Contributions restricted to the purchase of property and equipment, which restrictions are met within the same year as received, are reported as increases in unrestricted net assets in the accompanying consolidated financial statements.

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

Goodwill

Goodwill, included in other assets, is the amount by which the purchase price exceeds the fair value of assets acquired. Goodwill and indefinite-lived intangible assets are no longer amortized, but are reviewed for impairment annually, or more frequently if circumstances indicate potential impairment.

Investments and Investment Income

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the consolidated balance sheets. Investment income or loss (including unrealized gains and losses on trading securities, realized gains and losses on all investments, interest, and dividends) is included in the consolidated statements of operations as nonoperating revenue (expense) unless the income is restricted by donor or law. Unrealized gains and losses on other-than-trading securities are reported as a change in unrestricted net assets and are excluded from excess (deficit) of revenues over expenses.

The System regularly evaluates its individual investments for unrealized losses that are deemed to be other-than-temporary, which the System generally defines as individual investments with an unrealized loss greater than 30% of original cost sustained for a period greater than one year. Any such losses are included in deficit (excess) of revenues over expenses in the period of determination.

ANDERSON REGIONAL MEDICAL CENTER AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2014 AND 2013

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Estimated Professional and General Liability Costs

The provision for estimated professional and general liability claims includes estimates of the ultimate costs for both reported claims and claims incurred but not reported

Asset Retirement Obligations

The System recognizes the fair value of a liability for legal obligations associated with the retirements in the period in which it is incurred, if a reasonable estimate of the fair value of the obligation can be made. When the liability is initially recorded, the System capitalizes the cost of the asset retirement obligation by increasing the carrying amount of the related long-lived asset. Over time, the liability is accreted to its present value each period, and the capitalized cost associated with the retirement obligation is depreciated over the useful life of the related asset. Upon settlement of the obligation, any differences between the cost to settle the asset retirement obligation and the liability recorded is recognized as a gain or loss in the consolidated statements of operations.

Consolidated Statements of Operations

For purposes of presentation, transactions deemed by management to be ongoing, major, or central to the provision of healthcare services are reported as operating revenues and expenses. Peripheral or incidental transactions are reported as nonoperating revenues (expenses). Changes in unrestricted net assets which are excluded from (deficit) excess of revenues over expenses, consistent with industry practice and relevant accounting literature, include unrealized gains (losses) on other than trading securities, contributions restricted to equipment purchases received and expended within same year, and adjustments which may from time to time be required to apply new accounting standards.

Charity Care

The System provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Because the System does not pursue collection of amounts determined to qualify as charity care, they are excluded from revenues reported in the accompanying consolidated statements of operations.

Net Patient Service Revenue

Net patient service revenue is reported at estimated net realizable amounts from patients, third-party payors, and others for services rendered and includes estimated retroactive revenue adjustments due to future audits, reviews, and investigations. Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered, and such amounts are adjusted in future periods as adjustments become known or as years are no longer subject to such audits, reviews, or investigations.

ANDERSON REGIONAL MEDICAL CENTER AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2014 AND 2013

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Income Taxes

The Medical Center, APA, AHP, and AAP are exempt from federal income taxes under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3), accordingly, no provision for income taxes has been made in the accompanying consolidated financial statements. As limited liability companies, EMEC and JARMC Leverage's taxable income or loss is allocated to the members and is included in the calculation of their taxable income. Accordingly, the accompanying consolidated financial statements do not reflect a provision for income taxes.

The System has determined that it does not have any material unrecognized tax benefits or obligations as of September 30, 2014 and 2013. Years ending on or after September 30, 2011, remain subject to examination by federal and state tax authorities.

Functional Expense Classification

All expenses in the accompanying consolidated statements of operations were incurred for or related to the provision of healthcare services by the System.

Reclassifications

Certain reclassifications have been made to the accompanying 2013 consolidated financial statements included herein to conform to the 2014 presentation. These reclassifications had no material effect on the financial position, results of operations, or cash flows of the System.

NOTE B - NET PATIENT SERVICE REVENUE

The System has agreements with governmental and other third-party payors that provide for reimbursement to the System at amounts different from its established rates. Contractual adjustments under third-party reimbursement programs represent the difference between the System's billings at established rates for services and amounts reimbursed by third-party payors. A summary of the basis of reimbursement with major third-party payors follows:

Medicare

Substantially all acute care services rendered to Medicare program beneficiaries are paid at prospectively determined rates. These rates vary according to patient classification systems that are based on clinical, diagnostic, and other factors. Certain defined payments related to Medicare beneficiaries are paid based upon retroactive-determination methodologies. These payments for cost reimbursable items are made at tentative rates, with final settlement determined after submission of annual cost reports by the System and audits by the Medicare fiscal intermediary. The System's cost reports have been audited and settled for all fiscal years through 2011.

ANDERSON REGIONAL MEDICAL CENTER AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2014 AND 2013

NOTE B - NET PATIENT SERVICE REVENUE (Continued)

Medicaid

Inpatient and outpatient services rendered to Medicaid program beneficiaries are generally paid based upon prospective reimbursement methodologies established by the State of Mississippi

The State of Mississippi has implemented the Medicare Upper Payment Limit ("UPL") program for providers participating in the state Medicaid program. The System has a net receivable of approximately \$2,478,000 from the UPL program as of September 30, 2014. The System had no receivable nor liability as of September 30, 2013. The net benefit to the System associated with its participation in the UPL program totaling approximately \$6,573,000 and \$7,629,000 for the years ended September 30, 2014 and 2013, respectively, is recognized as a reduction in related contractual adjustments in the accompanying consolidated statements of operations. There can be no assurance that the System will continue to qualify for future participation in this program or that the program will not ultimately be discontinued or materially modified.

Blue Cross

All acute care services rendered to Blue Cross subscribers are reimbursed at prospectively determined rates.

The System has also entered into other reimbursement arrangements providing for payment methodologies, which include prospectively determined rates per discharge, discounts from established charges, and prospectively determined per diem rates.

Revenue from these programs, as a percentage of the System's net patient service revenue, follows:

	<u>2014</u>	<u>2013</u>
Medicare	43%	47%
Medicaid	11	13
Blue Cross	14	14
Other payors	32	26
	<u>100%</u>	<u>100%</u>

Adjustments from finalization of prior year cost reports and other third-party settlement estimates resulted in an increase in net patient service revenue of approximately \$1,200,000 and \$1,900,000 for the years ended September 30, 2014 and 2013, respectively.

ANDERSON REGIONAL MEDICAL CENTER AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2014 AND 2013

NOTE B - NET PATIENT SERVICE REVENUE (Continued)

The composition of net patient service revenue for the years ended September 30 follows

	2014	2013
Gross patient service revenue	\$ 622,852,997	\$ 640,567,228
Less provision for contractual and other adjustments	<u>415,543,972</u>	<u>429,462,592</u>
Patient service revenue (net of contractual allowances and discounts)	<u>207,309,025</u>	<u>211,104,636</u>
Provision for doubtful accounts	<u>(27,379,790)</u>	<u>(16,129,053)</u>
Net patient service revenue	<u><u>\$ 179,929,235</u></u>	<u><u>\$ 194,975,583</u></u>

NOTE C - CHARITY CARE

The System maintains records to identify and monitor the level of charity care it provides. These records include the amount of charges foregone for services and supplies furnished under its charity care policy. Charges foregone, based on established rates decreased approximately \$4,586,000 from \$10,406,000 for the year ended September 30, 2013 to \$5,820,000 for the year ended September 30, 2014 mainly due to a change in Medicaid reimbursement from a per diem methodology to a DRG methodology.

The cost of charity care provided in 2014 and 2013 approximated \$1,733,000 and \$2,868,000, respectively. The System estimated these costs by calculating a ratio of cost to gross charges and then multiplying that ratio by the gross uncompensated charges associated with providing care to charity patients.

NOTE D - CONCENTRATIONS

The System grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payor arrangements. The mix of receivables from patients and third-party payors at September 30, was as follows:

	2014	2013
Medicare	35%	38%
Medicaid	13	12
Blue Cross	10	10
Other third-party payors	20	20
Self-pay	<u>22</u>	<u>20</u>
	<u><u>100%</u></u>	<u><u>100%</u></u>

ANDERSON REGIONAL MEDICAL CENTER AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2014 AND 2013

NOTE E - ASSETS LIMITED AS TO USE

The composition of assets limited as to use at September 30 follows

	2014	2013
Held by trustee for self-insurance funding		
Cash and cash equivalents	\$ 504,532	\$ 342,188
Certificates of deposit	250,000	250,000
Fixed-income investments, principally obligations of the U S government and its agencies	8,101,473	9,029,694
Accrued interest income	89,995	82,233
	<u>8,946,000</u>	<u>9,704,115</u>
Held by trustees for deferred compensation		
Money market	166,594	167,061
Funds held in insurance company general account	757,618	931,418
Mutual funds		
Large cap equity securities	1,442,878	1,219,558
Small and mid-cap equity securities	805,717	672,345
Debt securities	273,405	275,883
International equity securities	552,982	497,470
	<u>3,999,194</u>	<u>3,763,735</u>
 Total assets limited as to use	 12,945,194	 13,467,850
 Less amounts required for current liabilities	 <u>1,067,067</u>	 <u>1,865,556</u>
	<u><u>\$ 11,878,127</u></u>	<u><u>\$ 11,602,294</u></u>

Net investment income for the years ended September 30 is comprised of the following

	2014	2013
Nonoperating gains, net		
Interest and dividend income	\$ 38,239	\$ 51,099
Realized and unrealized gains (losses), net	<u>74,798</u>	<u>(120,202)</u>
 Net investment income (loss)	 <u><u>\$ 113,037</u></u>	 <u><u>\$ (69,103)</u></u>
Other changes in unrestricted net assets		
Unrealized gains (losses) on other-than-trading securities, net	<u><u>\$ 707</u></u>	<u><u>\$ (77,262)</u></u>

There were no other-than-trading securities with unrealized losses at September 30, 2014 and 2013

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NOTE F - PROPERTY AND EQUIPMENT

A summary of property and equipment at September 30 follows

	2014	2013
Land	\$ 14,612,182	\$ 14,612,182
Land improvements	1,605,404	1,605,404
Buildings	140,336,515	137,450,768
Fixed equipment	38,834,791	38,795,305
Leasehold improvements	353,666	353,666
Movable equipment	68,222,261	65,878,472
	<u>263,964,819</u>	<u>258,695,797</u>
Less accumulated depreciation	<u>149,407,133</u>	<u>139,046,747</u>
	114,557,686	119,649,050
Construction in progress	<u>8,764,400</u>	<u>4,647,666</u>
	<u>\$ 123,322,086</u>	<u>\$ 124,296,716</u>

Construction in progress at September 30, 2014, is principally comprised of costs related to the upgrade of information technology software and infrastructure. The expected costs to complete ongoing projects total approximately \$7,775,000, which are expected to be completed by June 2015.

NOTE G - OTHER ASSETS

A summary of other assets at September 30 follows

	2014	2013
Goodwill	\$ 1,862,161	\$ 1,910,662
Other intangible assets	1,112,106	1,112,106
Other	<u>1,551,262</u>	<u>528,097</u>
	<u>\$ 4,525,529</u>	<u>\$ 3,550,865</u>

The System periodically reviews the carrying value of its goodwill to determine whether an impairment exists. As of September 30, 2014, the System determined that the carrying amount of the net assets of EMEC (its 51% owned subsidiary) exceeded its fair value. Accordingly, the System concluded that a goodwill impairment loss was probable and recognized an estimated loss of \$49,000.

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NOTE H - OTHER ACCRUED EXPENSES

A summary of other accrued expenses at September 30 follows

	2014	2013
Payroll taxes withheld	\$ 277,250	\$ 256,231
Deferred compensation	3,999,194	3,763,735
Benefit plan liabilities	4,042,513	3,981,777
Employee health accrual	1,722,237	1,026,267
Other	1,574,969	1,541,549
	<u>\$ 11,616,163</u>	<u>\$ 10,569,559</u>

NOTE I - ASSET RETIREMENT OBLIGATION

The System's asset retirement obligations arise primarily from a legal obligation to remove asbestos in the System facilities at the time of major renovation or demolition

The following table presents the activity of the asset retirement obligations for the years ended September 30

	2014	2013
Balance at beginning of year	\$ 732,198	\$ 697,332
Accretion	36,610	34,866
	<u>\$ 768,808</u>	<u>\$ 732,198</u>

NOTE J - NEW MARKET TAX CREDIT PROGRAM

The System entered into a transaction on April 14, 2010 to obtain financing through the New Market Tax Credit ("NMTC") Program sponsored by the Department of Treasury. The NMTC Program permits certain corporate taxpayers to receive a credit against federal income taxes for making qualified equity investments ("QEI") in community development entities. The credit provided to the investor totals 39% of the initial value of the QEI and is claimed over a seven-year credit allowance period.

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NOTE J - NEW MARKET TAX CREDIT PROGRAM (Continued)

As part of this transaction, the System contributed approximately \$24,000,000 to four supporting foundations. These foundations created JARMC Leverage, LLC, which provided the funding for the NMTC program. The System has an economic interest in and control over operations of JARMC Leverage, LLC, and therefore, the entity is included in the consolidated financial statements. JARMC Leverage, LLC provided funding and received two notes receivable as part of the NMTC program at September 30 as follows:

	<u>2014</u>	<u>2013</u>
Notes receivable with interest paid quarterly at a rate of 1.23% and an accrued interest rate of 2.63% to be paid with a balloon payment due April 14, 2017		
Principal	\$ 6,759,900	\$ 6,759,900
Accrued interest	837,783	643,671
Notes receivable with interest paid quarterly at a rate of 1.26% and an accrued interest rate of 3.01% to be paid with a balloon payment due April 14, 2017		
Principal	17,272,900	17,272,900
Accrued interest	2,555,762	1,931,464
	<u>\$ 27,426,345</u>	<u>\$ 26,607,935</u>

As part of the NMTC transaction, the Medical Center obtained funding in exchange for two promissory notes of \$8,265,000 and \$21,700,000 (see Note K).

NOTE K - LONG-TERM DEBT AND LINES OF CREDIT

Long-term debt consisted of the following as of September 30, 2014 and 2013:

	<u>2014</u>	<u>2013</u>
Note payable associated with NMTC Program, interest paid quarterly at an interest rate of 1.30% with a balloon payment on April 14, 2017	\$ 8,265,000	\$ 8,265,000
Note payable associated with NMTC Program, interest paid quarterly at an interest rate of 1.00% with a balloon payment on April 14, 2017	21,700,000	21,700,000
Note payable with an interest rate of 3.50% due in monthly installments of \$3,263 through February 2016	222,153	252,949
	30,187,153	30,217,949
Less current portion	31,892	30,796
	<u>\$ 30,155,261</u>	<u>\$ 30,187,153</u>

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NOTE K - LONG-TERM DEBT AND LINES OF CREDIT (Continued)

In May 2012, the System entered into a revolving loan and security agreement with a third-party lender that is collateralized by the System's accounts receivable. Prior to December 2012, the agreement consisted of a revolving commitment of \$25,000,000 with a borrowing limit equal to the lesser of \$25,000,000 or the Borrowing Base. Beginning in December 2012, the revolving commitment was reduced to \$20,000,000 with a borrowing limit equal to the lesser of \$20,000,000 or the Borrowing Base. The Borrowing Base is equal to the result of the Adjusted Expected Net Value of Eligible Receivables as defined in the agreement multiplied by the Advance Rate Percentage of 85%. The revolving loan bears a variable interest rate equal to the applicable LIBOR plus 3.5% (4.82% at September 30, 2014), and matures May 31, 2016. As of September 30, 2014, the System's Borrowing Base was valued at approximately \$13,156,000 and the System had approximately \$7,802,000 available under this facility. The agreement requires the System to meet certain restrictive covenants. The restrictive covenants include certain restrictions on liquidity requirements, fixed-charge coverage, ratio, and also require the audited financial statements to be delivered to the lender within 150 days after the end of the fiscal year. For the year ended September 30, 2013, the System was in compliance with all covenants. However, for the year ended September 30, 2014, the System violated the fixed-charge coverage ratio, but received a waiver from its lender related to this violation.

In February 2014, the System entered into a short term, unsecured line of credit with a third-party lender. The total amount available under the line of credit is \$2,000,000 with an interest rate of 3.250%. Interest payments are due each month with all outstanding principal due at the maturity date, February 4, 2015.

The total amounts outstanding on the lines of credit at September 30, 2014 is \$6,981,450.

The aggregate annual maturities of long-term debt at September 30, 2014 are as follows:

2015	\$	31,892
2016		33,026
2017		29,999,201
2018		35,417
2019		36,677
Thereafter		50,940
		<hr/>
	\$	30,187,153

The System paid interest of approximately \$714,000 and \$686,000 for the years ended September 30, 2014 and 2013, respectively.

NOTE L - BENEFIT PLANS

The System sponsors a trustee noncontributory defined contribution retirement plan covering substantially all full-time employees who meet certain age and length of service eligibility requirements. Contributions equal 2% of the compensation of the covered participants. Contributions are subject to certain limitations. Plan assets totaling approximately \$3,999,000 and \$3,764,000 at September 30, 2014 and 2013, respectively, are reported as assets limited as to use, with a corresponding liability included within other accrued expenses in the accompanying consolidated balance sheets. The System has recorded an additional provision for contributions payable totaling approximately \$1,226,000 and \$1,324,000 at September 30, 2014 and 2013, respectively.

The System also sponsors a benefit plan to provide supplemental retirement benefits for certain key System employees. Deferred compensation benefits provided to employees under the plan remain taxable under IRC Section 457(f). The corresponding liability for benefits granted to System employees, which is estimated at approximately \$2,817,000 and \$2,658,000 for September 30, 2014 and 2013, respectively, has been included in other accrued expenses in the accompanying consolidated balance sheets.

The System is self-insured with respect to employee health coverage, up to an individual annual claim limit of \$250,000. Coverage with a third-party carrier is maintained for excess losses.

NOTE M - LIABILITY INSURANCE

The System is self-insured with respect to professional and general liability risks in an underlying \$2 million/\$10 million layer of coverage. Claims reported but not settled prior to June 15, 2003, are generally covered under the terms of certain prior claims-made policies.

The System maintains liability coverage in excess of self-insurance limits under the terms of certain claims-made insurance policies, which currently expire in July 1, 2015. To the extent that any claims-made coverage is not renewed or replaced with equivalent insurance, claims based on occurrences during the term of such coverage, but reported subsequently, would be uninsured. In any event, management anticipates that the claims-made policies in place will be renewed or replaced with equivalent insurance as the term of such coverage expires.

Incurred losses identified through the System's incident reporting system and incurred but unreported losses are accrued based on estimates that incorporate the System's current inventory of reported claims and historical experience as well as other considerations such as the nature of each claim or incident, relevant trend factors, and other advice from consulting actuaries. The System has established a self-insurance trust fund for payment of liability claims and makes deposits to the fund in amounts recommended by consulting actuaries.

NOTE N - FAIR VALUE MEASUREMENTS

The fair value of a financial instrument is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions are used by the System in estimating the fair value of each class of financial instruments:

Current assets and liabilities The carrying amounts approximate fair value because of the short maturity of these instruments.

Assets limited as to use and deferred compensation trust fund Assets limited as to use and deferred compensation trust fund are reported at fair value as of the date of the consolidated financial statements.

Capital lease obligations The fair value of the System's capital lease obligations is estimated as the present value of future minimum lease payments during the lease term.

Accounting principles generally accepted in the United States of America establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the System has the ability to access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

The level in the fair value hierarchy within which a fair value measurement falls is based on the lowest-level input that is significant to the fair value measurement in its entirety.

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NOTE N - FAIR VALUE MEASUREMENTS (Continued)

The following tables represent the levels within the fair value hierarchy for the System's assets that are measured at fair value on a recurring basis at September 30, 2014 and 2013

September 30, 2014				
	Level 1	Level 2	Level 3	Total
Held by trustee for self-insurance funding				
Cash and cash equivalents	\$ 504,532	\$ -	\$ -	\$ 504,532
Certificates of deposit	250,000	-	-	250,000
Fixed-income securities				
U S government agencies	-	296,620	-	296,620
Corporate bonds	-	7,804,853	-	7,804,853
Accrued interest income	89,995	-	-	89,995
	<u>844,527</u>	<u>8,101,473</u>	<u>-</u>	<u>8,946,000</u>
Held by trustees for deferred compensation				
Money market funds	166,594	-	-	166,594
Group fixed annuity contracts	-	757,618	-	757,618
Mutual funds				
Large cap equities	1,442,878	-	-	1,442,878
Small and mid-cap equities	805,717	-	-	805,717
Fixed income	273,405	-	-	273,405
International equities	552,982	-	-	552,982
	<u>3,241,576</u>	<u>757,618</u>	<u>-</u>	<u>3,999,194</u>
Total assets limited as to use	<u>\$ 4,086,103</u>	<u>\$ 8,859,091</u>	<u>\$ -</u>	<u>\$ 12,945,194</u>

ANDERSON REGIONAL MEDICAL CENTER AND SUBSIDIARIES
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NOTE N - FAIR VALUE MEASUREMENTS (Continued)

	September 30, 2013			Total
	Level 1	Level 2	Level 3	
Held by trustee for				
self-insurance funding				
Cash and cash equivalents	\$ 342,188	\$ -	\$ -	\$ 342,188
Certificates of deposit	250,000	-	-	250,000
Fixed-income securities				
U S government agencies	-	945,613	-	945,613
Corporate bonds	-	8,084,081	-	8,084,081
Accrued interest income	82,233	-	-	82,233
	<u>674,421</u>	<u>9,029,694</u>	<u>-</u>	<u>9,704,115</u>
Held by trustees for deferred				
compensation				
Money market funds	167,061	-	-	167,061
Group fixed annuity contracts	-	931,418	-	931,418
Mutual funds				
Large cap equities	1,219,558	-	-	1,219,558
Small and mid-cap equities	672,345	-	-	672,345
Fixed income	275,883	-	-	275,883
International equities	497,470	-	-	497,470
	<u>2,832,317</u>	<u>931,418</u>	<u>-</u>	<u>3,763,735</u>
Total assets limited as to use	<u>\$ 3,506,738</u>	<u>\$ 9,961,112</u>	<u>\$ -</u>	<u>\$ 13,467,850</u>

The investments classified as Level 2 include bonds whose fair values are determined by independent vendors and group fixed annuity contracts that are backed by funds held in insurance company general accounts. To value the bonds, vendors compile prices from various sources and may apply matrix pricing for similar bonds or loans where no price is observable in an actively traded market. If available, the vendor may also use quoted prices for recent trading activity of assets with similar characteristics to the bond being valued. Group fixed annuity contracts are reported at contract value as reported by the insurance companies, which represents contributed funds plus credited interest, less withdrawals and charges. Contract value approximates fair value.

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NOTE O - LEASES

The System has entered into capital leases for medical equipment. Scheduled payments on capital lease obligations as of September 30, 2014 are as follows:

Year ending September 30	
2015	\$ 1,037,892
2016	941,579
2017	364,492
2018	304,099
2019	254,278
Total minimum lease payments	<u>2,902,340</u>
Less interest	<u>136,385</u>
Capital lease obligation	<u>2,765,955</u>
Less current portion	<u>978,410</u>
	<u><u>\$ 1,787,545</u></u>

Capital assets totaling approximately \$4,576,000 and \$988,000 are related to the above capital lease obligations at September 30, 2014 and 2013, respectively. Related accumulated depreciation was approximately \$1,800,000 and \$595,000 at September 30, 2014 and 2013, respectively.

Rental expense for all operating leases was approximately \$3,331,000 and \$2,700,000 in 2014 and 2013, respectively. Management expects that most lease agreements will be replaced, as they expire, with similar agreements. At September 30, 2014, future minimum lease payments required under noncancelable operating leases are as follows:

Year ending September 30	
2015	\$ 3,998,472
2016	3,863,944
2017	2,369,189
2018	1,436,841
2019	848,889
Thereafter	<u>2,847,916</u>
	<u><u>\$ 15,365,251</u></u>

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NOTE P - COMMUNITY BENEFIT

The mission of the System is to provide effective, compassionate medical care and to promote healthy lifestyles for the community it serves. Growth in unreimbursed care constitutes both a challenge and an opportunity for the System. It is a challenge to ensure that the necessary personnel and facility infrastructures are in place to meet the demand for all patients, regardless of ability to pay, and it is an opportunity to provide access for needed healthcare services for the uninsured and underinsured patient population.

The System defines community benefit under several headings including: 1) care to underinsured and uninsured patients, 2) meeting charitable needs in its community through volunteer and other efforts by its employees, 3) providing vital healthcare services, many of which operate at a deficit, to meet patient and community needs, and 4) promoting healthy lifestyles and disease prevention to its community.

The cornerstone of the System's overall community benefit is its commitment to provide needed access to all patients regardless of their ability to pay or their insurance coverage. This has been possible through the commitment to allow for access to high-quality healthcare services for the most vulnerable citizens.

The System provides care, without charge or at discounted rates, to uninsured patients who meet certain criteria under its charity care policy. Key elements used to determine eligibility include a demonstrated inability to pay based on family size and household income relative to the federal income poverty guidelines. Mississippi's Medicaid program, while providing healthcare coverage for many of the poor, disabled, and elderly residents, does not include all who are unable to pay for healthcare. Also, Medicaid, by design, reimburses healthcare providers at less than actual cost and has not kept pace in recent years with the industry's rapidly rising cost of technology and utilization. In many cases, the only access for the financially indigent in the community to certain outpatient care is through the System. The System serves uninsured patients who are eligible for Medicaid, and other governmental funding.

The System and its employees provide benefit to the community by becoming actively involved in, or contributing to, various organizations that seek to improve the overall health and well-being of its citizens. System employees have actively donated hundreds of dollars and volunteer hours to charitable organizations such as the United Way, schools, churches, and many other community serving entities. They have been very generous with their contributions and with their time in sponsoring community programs.

The System and its employees are committed to, and well invested in, the communities it serves.

NOTE Q - SUBSEQUENT EVENTS

The System has evaluated subsequent events from the consolidated balance sheet date through January 16, 2015, the date at which the consolidated financial statements were available to be issued.