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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
▶ Information about Form 990 and its instructions is at www.IRS.gov/form990

OMB No 1545-0047

2014

Open to Public Inspection

A For the 2014 calendar year, or tax year beginning 01-01-2014 , and ending 12-31-2014

B Check if applicable
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Final return/terminated
- ☐ Amended return
- ☐ Application pending

C Name of organization
Chapters Health System Inc

Doing business as

Number and street (or P O box if mail is not delivered to street address) | Room/suite
12470 Telecom Drive

City or town, state or province, country, and ZIP or foreign postal code
Temple Terrace, FL 33637

D Employer identification number
59-2264957

E Telephone number
(813)871-8111

G Gross receipts $ 72,431,297

F Name and address of principal officer
Kathy Fernandez President & CEO
12470 Telecom Drive
Temple Terrace, FL 33637

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: ▶ chaptershealth org

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

L Year of formation 1982

M State of legal domicile FL

Part I Summary

1 Briefly describe the organization's mission or most significant activities
Through its subsidiaries, the organization provides services that relieve the suffering of those affected by life-limiting illnesses & end-of-life issues so all may live as fully & comfortably as possible

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

Activities & Governance

3	Number of voting members of the governing body (Part VI, line 1a)	**3**	16
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	15
5	Total number of individuals employed in calendar year 2014 (Part V, line 2a)	**5**	340
6	Total number of volunteers (estimate if necessary)	**6**	15
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	0
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	0

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	4,463,284	5,326,262
9	Program service revenue (Part VIII, line 2g)	41,930,500	41,580,557
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	3,250,359	3,747,364
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	350,791	370,822
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	49,994,934	51,025,005
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	25,020	0
14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	22,704,558	21,531,751
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶1,487,412		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	20,504,395	21,252,844
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	43,233,973	42,784,595
19	Revenue less expenses Subtract line 18 from line 12	6,760,961	8,240,410

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	148,811,056	151,486,959
21	Total liabilities (Part X, line 26)	40,357,144	36,412,623
22	Net assets or fund balances Subtract line 21 from line 20	108,453,912	115,074,336

Part II Signature Block

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

Sign Here

****** | 2015-11-06
Signature of officer | Date

david j O'neil chief financial officer
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
NICOLE BENCIK	NICOLE BENCIK			P00756195

Firm's name ▶ CROWE HORWATH LLP — Firm's EIN ▶ 35-0921680

Firm's address ▶ 225 West Wacker Drive, Suite 2600, Chicago, IL 606061224 — Phone no (312) 899-7000

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

Part III **Statement of Program Service Accomplishments**

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

1 Briefly describe the organization's mission

Chapters Health System, Inc (CHS), through its subsidiary organizations, provides services to relieve the suffering of persons residing in its communities affected by life-limiting illnesses and end-of-life issues so all may live as fully and comfortably as possible (continued on Schedule O)

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 $ 37,630,261 including grants of $ 0) (Revenue $ 41,659,363)

A Chapters Health System, Inc provides hospice care and services to patients and families through its two hospice subsidiaries - LifePath Hospice, Inc and Good Shepherd Hospice, Inc Both are not-for-profit hospice programs certified by the Federal Medicare Program and provide a wide range of palliative and supportive care services to help terminally ill patients, their families, and their loved ones In addition, Chapters Health System, Inc is the sole member and operates three additional LLCs - Chapters Health Palliative Care, LLC, Chapters Health Pharmacy, LLC and Chapters Health Staffing, LLC (CONTINUED IN 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** ▶ 37,630,261

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	Yes	
2	Is the organization required to complete *Schedule B, Schedule of Contributors* (see instructions)?	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		No
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4	Yes	
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? *If "Yes," complete Schedule D, Part II*	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		No
9	Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		No
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10	Yes	
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI.*	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII*	11b	Yes	
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	Yes	
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		No
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b		

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable . .	1a	838		
b	Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c		Yes	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	340		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? **Note.** If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	2b		Yes	
3a	Did the organization have unrelated business gross income of $1,000 or more during the year? . . .	3a			No
b	If "Yes," has it filed a Form 990-T for this year? *If "No" to line 3b, provide an explanation in Schedule O* . . .	3b			
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a			No
b	If "Yes," enter the name of the foreign country ▶ _____ See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR)				
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		Yes	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		Yes	
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.** Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	8			
9a	Did the sponsoring organization make any taxable distributions under section 4966? . . .	9a			
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person? . . .	9b			
10	**Section 501(c)(7) organizations.** Enter				
a	Initiation fees and capital contributions included on Part VIII, line 12 . . .	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?	12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**				
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** See the instructions for additional information the organization must report on Schedule O	13a			
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b			
c	Enter the amount of reserves on hand	13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a			No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O* . .	14b			

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

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

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	**1a**	16		
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O				
b	Enter the number of voting members included in line 1a, above, who are independent	**1b**	15		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	**2**			No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? .	**3**			No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	**4**			No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .	**5**			No
6	Did the organization have members or stockholders?	**6**			No
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	**7a**			No
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	**7b**			No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body?	**8a**		Yes	
b	Each committee with authority to act on behalf of the governing body?	**8b**		Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*	**9**			No

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

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

Section C. Disclosure

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

18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection Indicate how you made these available Check all that apply

☐ Own website ☐ Another's website ☑ Upon request ☐ Other (explain in Schedule O)

19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year

20 State the name, address, and telephone number of the person who possesses the organization's books and records ▶ David J O'Neil

12470 Telecom Drive Suite 300
Temple Terrace, FL 33637 (813) 871-8111

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			

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			

1b	**Sub-Total**			
c	**Total from continuation sheets to Part VII, Section A**			
d	**Total (add lines 1b and 1c)**	3,546,138	0	746,689

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 ▶37

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

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
ST JOSEPHS HOSPITAL INC 3986 TAMPA ROAD OLDSMAR, FL 34677	PATIENT SERVICES	1,528,316
UNIV COMM HOSPITAL - FLETCHER 3100 E FLETCHER AVENUE TAMPA, FL 33613	PATIENT SERVICES	837,051
LAKELAND REGIONAL MEDICAL CENTER INC 1324 LAKELAND HILLS BLVD LAKELAND, FL 338050448	PATIENT SERVICES	836,492
ELM BUSINESS DEV INC (CROSSTOWN COURIERS) PO BOX 10871 TAMPA, FL 336790871	COURIER SERVICES	833,159
Tampa General Hospital po box 100936 atlanta, GA 303840936	patient services	820,002

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 ▶112

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 50,284				
	b	Membership dues	1b				
	c	Fundraising events	1c 333,868				
	d	Related organizations . . .	1d 666,473				
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f 4,275,637				
	g	Noncash contributions included in lines 1a-1f $	601,135				
	h	**Total.** Add lines 1a-1f . . . . . ▶		5,326,262			
Program Service Revenue			Business Code				
	2a	Shared Services agreement	561000	28,734,429	28,734,429		
	b	Pharmacy	446110	7,170,152	7,170,152		
	c	Rental Income from affiliates	532000	2,535,707	2,535,707		
	d	Medical Staffing Services	900099	1,419,684	1,419,684		
	e	Palliative Care	624100	858,552	858,552		
	f	All other program service revenue		862,033	862,033	0	0
	g	**Total.** Add lines 2a–2f . . . . . ▶		41,580,557			
	3	Investment income (including dividends, interest, and other similar amounts) . . . . . ▶		1,420,209			1,420,209
	4	Income from investment of tax-exempt bond proceeds . . ▶					
	5	Royalties . . . . . ▶					
			(i) Real / (ii) Personal				
	6a	Gross rents					
	b	Less rental expenses					
	c	Rental income or (loss)	0 / 0				
	d	Net rental income or (loss) . . . . . ▶					
			(i) Securities / (ii) Other				
	7a	Gross amount from sales of assets other than inventory	22,135,849 / 300,000				
	b	Less cost or other basis and sales expenses	19,685,811 / 422,883				
	c	Gain or (loss)	2,450,038 / -122,883				
	d	Net gain or (loss) . . . . . ▶		2,327,155			2,327,155
Other Revenue	8a	Gross income from fundraising events (not including $ 333,868 of contributions reported on line 1c) See Part IV, line 18 . . a	54,931				
	b	Less direct expenses . . . b	222,353				
	c	Net income or (loss) from fundraising events . . ▶		-167,422			-167,422
	9a	Gross income from gaming activities See Part IV, line 19 . . . a	2,105				
	b	Less direct expenses . . . b					
	c	Net income or (loss) from gaming activities . . ▶		2,105			2,105
	10a	Gross sales of inventory, less returns and allowances . a	1,494,142				
	b	Less cost of goods sold . . b	1,075,245				
	c	Net income or (loss) from sales of inventory . . ▶		418,897			418,897
		Miscellaneous Revenue	Business Code				
	11a	Vending Income	900099	38,436			38,436
	b	Miscellaneous	900099	78,806	78,806		
	c						
	d	All other revenue		0	0	0	0
	e	**Total.** Add lines 11a–11d . . . . . ▶		117,242			
	12	**Total revenue.** See Instructions . . . . . ▶		51,025,005	41,659,363	0	4,039,380

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 domestic organizations and domestic governments See Part IV, line 21				
2 Grants and other assistance to domestic individuals See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals See Part IV, lines 15 and 16				
4 Benefits paid to or for members	0	0		
5 Compensation of current officers, directors, trustees, and key employees	3,015,829	286,656	2,497,847	231,326
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	15,017,519	14,401,095		616,424
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	609,525	609,525		
9 Other employee benefits	1,832,604	1,831,712		892
10 Payroll taxes	1,056,274	869,741		186,533
11 Fees for services (non-employees)				
a Management				
b Legal	591,963		591,963	
c Accounting	188,094		188,094	
d Lobbying	140,490		140,490	
e Professional fundraising services See Part IV, line 17	0			0
f Investment management fees	248,528		248,528	
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	1,079,303	1,079,303	0	0
12 Advertising and promotion	113,653	112,535		1,118
13 Office expenses	3,382,806	3,084,444		298,362
14 Information technology	2,341,163	2,341,163		
15 Royalties				
16 Occupancy	1,201,131	1,201,131		
17 Travel	281,970	265,701		16,269
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	132,112	117,032		15,080
20 Interest	678,016	678,016		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	4,500,447	4,500,447		
23 Insurance	1,106,796	1,106,796		
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 Drugs	3,732,944	3,732,944		
b Med, oxygen, IV & DMW	695,026	695,026		
c Bad debt expense	13,030	13,030		
d recruitment	179,140	179,140		
e All other expenses	646,232	524,824	0	121,408
25 **Total functional expenses.** Add lines 1 through 24e	42,784,595	37,630,261	3,666,922	1,487,412
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

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

				(A) Beginning of year		(B) End of year
Assets	1	Cash–non-interest-bearing		6,750	1	9,050
	2	Savings and temporary cash investments		20,650,526	2	13,722,104
	3	Pledges and grants receivable, net		220,446	3	234,356
	4	Accounts receivable, net		491,628	4	659,979
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		0	5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L		0	6	
	7	Notes and loans receivable, net			7	
	8	Inventories for sale or use		373,572	8	310,813
	9	Prepaid expenses and deferred charges		1,686,268	9	1,974,697
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 77,526,518			
	b	Less accumulated depreciation	10b 28,888,468	49,579,871	10c	48,638,050
	11	Investments—publicly traded securities		44,893,387	11	45,100,870
	12	Investments—other securities See Part IV, line 11		10,264,139	12	13,387,994
	13	Investments—program-related See Part IV, line 11		0	13	
	14	Intangible assets		16,397,333	14	16,176,268
	15	Other assets See Part IV, line 11		4,247,136	15	11,272,778
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		148,811,056	16	151,486,959
Liabilities	17	Accounts payable and accrued expenses		6,478,268	17	5,907,594
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities		25,774,718	20	23,871,740
	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		0	22	
	23	Secured mortgages and notes payable to unrelated third parties			23	
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		8,104,158	25	6,633,289
	26	**Total liabilities.** Add lines 17 through 25		40,357,144	26	36,412,623
Net Assets or Fund Balances		**Organizations that follow SFAS 117 (ASC 958), check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		106,530,102	27	112,391,944
	28	Temporarily restricted net assets		1,245,764	28	1,988,605
	29	Permanently restricted net assets		678,046	29	693,787
		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		108,453,912	33	115,074,336
	34	Total liabilities and net assets/fund balances		148,811,056	34	151,486,959

Part XI Reconcilliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	51,025,005
2	Total expenses (must equal Part IX, column (A), line 25)	2	42,784,595
3	Revenue less expenses Subtract line 2 from line 1	3	8,240,410
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	108,453,912
5	Net unrealized gains (losses) on investments	5	-471,790
6	Donated services and use of facilities	6	-1,282,188
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	133,992
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	115,074,336

Part XII Financial Statements and Reporting

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

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

Additional Data

Software ID: 14000329
Software Version: 2014v1.0
EIN: 59-2264957
Name: Chapters Health System Inc

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

(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) THOMAS E CONGER treasurer	2 00 0	X		X				0	0	0
(1) KATHY L FERNANDEZ PRESIDENT & CEO	40 00 6 00	X		X				644,099	0	82,679
(2) JACK KOLOSKY CHAIR	2 00 0	X		X				0	0	0
(3) GENE FOGARTY VICE CHAIR	2 00 2 00	X		X				0	0	0
(4) JAMES JOINER secretary	2 00 2 00	X		X				0	0	0
(5) MICHAEL ALOIAN board member	2 00 0	X						0	0	0
(6) HERB BELL BOARD MEMBER	2 00 2 00	X						0	0	0
(7) KRISTIN E DIMEO BOARD MEMBER	2 00 2 00	X						0	0	0
(8) SUSAN MCMILLAN BOARD MEMBER	2 00 1 00	X						0	0	0
(9) WILLIAM BECKER JR BOARD MEMBER	2 00 0	X						0	0	0
(10) BRIAN HINTON IMMEDIATE PAST CHAIR	2 00 2 00	X						0	0	0
(11) RICK LENTZ BOARD MEMBER	2 00 0	X						0	0	0
(12) R FENN GILES JR BOARD MEMBER	2 00 0	X						0	0	0
(13) PHIL WEGMAN board member	2 00 2 00	X						0	0	0
(14) JANET DAVIS board member	2 00 2 00	X						0	0	0
(15) Lilly HO-Pehling Board Member	2 00 1 00	X						0	0	0
(16) RONALD S SCHONWETTER CHIEF MED OFFICER	40 00 6 00			X				399,150	0	166,052
(17) H DARRELL WHITE CHIEF LEGAL OFFICER	40 00 6 00			X				255,376	0	122,091
(18) PEGGY M MADILL chief operating officer (partial year)	40 00 6 00			X				239,915	0	85,421
(19) DAVID O'NEIL chief financial officer	40 00 6 00			X				268,333	0	119,984
(20) marcia norman chief operating officer (partial year)	40 00 6 00			X				148,275	0	6,032
(21) SHARON A JONES VP- DEVELOPMENT	40 00 0				X			167,924	0	27,063
(22) JUDITH M GODDARD VP-HR	40 00 0				X			219,931	0	63,504
(23) BRENDAN FLYNN staff physician	40 00 0					X		201,511	0	27,949
(24) STEWART STEIN corporate medical director	40 00 0					X		256,655	0	21,363

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

(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			
(26) mary alfano-torres Medical Director, Palliative Care	40 00 0					X		241,750	0	4,462
(1) hersell foster Hershell Foster - VP, Information Officer	40 00 0					X		163,722	0	7,145
(2) teresa massaro Oncology Program Manager	40 00 0					X		158,948	0	12,547
(3) ANDREW LUTTON Former Chief Operating Officer	 0						X	180,549	0	397

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SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ **Attach to Form 990 or Form 990-EZ.**

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

OMB No 1545-0047

2014

Open to Public Inspection

Name of the organization
Chapters Health System Inc

Employer identification number
59-2264957

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

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

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

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

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

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

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

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

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

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

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

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

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

a ☐ **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization **You must complete Part IV, Sections A and B.**

b ☑ **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s) **You must complete Part IV, Sections A and C.**

c ☐ **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions) **You must complete Part IV, Sections A, D, and E.**

d ☐ **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions) **You must complete Part IV, Sections A and D, and Part V.**

e ☑ Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization

f Enter the number of supported organizations 3

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

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1- 9 above or IRC section (see instructions))	(iv) Is the organization listed in your governing document? Yes	(iv) No	(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
See Additional Data Table						
Total 3					0	

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) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(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) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(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 VI)						
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 section 501(c)(3) organization, check this box and **stop here** . . . . . ▶☐

Section C. Computation of Public Support Percentage

14	Public support percentage for 2014 (line 6, column (f) divided by line 11, column (f))	**14**
15	Public support percentage for 2013 Schedule A, Part II, line 14	**15**

16a **33 1/3% support test—2014.** 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—2013.** 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—2014.** 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 VI how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization ▶☐

b **10%-facts-and-circumstances test—2013.** 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 VI how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization ▶☐

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(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) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(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 VI)						
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 section 501(c)(3) organization, check this box and **stop here** ▶☐

Section C. Computation of Public Support Percentage

15	Public support percentage for 2014 (line 8, column (f) divided by line 13, column (f))	15	
16	Public support percentage from 2013 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage

17	Investment income percentage for **2014** (line 10c, column (f) divided by line 13, column (f))	17	
18	Investment income percentage from **2013** Schedule A, Part III, line 17	18	

19a **33 1/3% support tests—2014.** 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—2013.** 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 Supporting Organizations

(Complete only if you checked a box on line 11 of Part I If you checked 11a of Part I, complete Sections A and B If you checked 11b of Part I, complete Sections A and C If you checked 11c of Part I, complete Sections A, D, and E If you checked 11d of Part I, complete Sections A and D, and complete Part V)

Section A. All Supporting Organizations

			Yes	No
1	Are all of the organization's supported organizations listed by name in the organization's governing documents? *If "No," describe in* ***Part VI*** *how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.*	1	Yes	
2	Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? *If "Yes," explain in* ***Part VI*** *how the organization determined that the supported organization was described in section 509(a)(1) or (2).*	2		No
3a	Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? *If "Yes," answer (b) and (c) below.*	3a		No
b	Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? *If "Yes," describe in* ***Part VI*** *when and how the organization made the determination.*	3b		
c	Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? *If "Yes," explain in* ***Part VI*** *what controls the organization put in place to ensure such use.*	3c		
4a	Was any supported organization not organized in the United States ("foreign supported organization")? *If "Yes" and if you checked 11a or 11b in Part I, answer (b) and (c) below.*	4a		No
b	Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? *If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations. . . .*	4b		
c	Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? *If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.*	4c		
5a	Did the organization add, substitute, or remove any supported organizations during the tax year? *If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed, (ii) the reasons for each such action, (iii) the authority under the organization's organizing document authorizing such action, and (iv) how the action was accomplished (such as by amendment to the organizing document).*	5a		No
b	**Type I or Type II only.** Was any added or substituted supported organization part of a class already designated in the organization's organizing document?	5b		
c	**Substitutions only.** Was the substitution the result of an event beyond the organization's control?	5c		
6	Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (a) its supported organizations, (b) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (c) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? *If "Yes," provide detail in* ***Part VI.***	6		No
7	Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in IRC 4958(c)(3)(C)), a family member of a substantial contributor, or a 35-percent controlled entity with regard to a substantial contributor? *If "Yes," complete Part I of Schedule L (Form 990) .*	7		No
8	Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? *If "Yes," complete Part II of Schedule L (Form 990).*	8		No
9a	Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509 (a)(1) or (2))? *If "Yes," provide detail in* ***Part VI.***	9a		No
b	Did one or more disqualified persons (as defined in line 9(a)) hold a controlling interest in any entity in which the supporting organization had an interest? *If "Yes," provide detail in* ***Part VI.***	9b		No
c	Did a disqualified person (as defined in line 9(a)) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? *If "Yes," provide detail in* ***Part VI.***	9c		No
10a	Was the organization subject to the excess business holdings rules of IRC 4943 because of IRC 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? *If "Yes," answer b below.*	10a		No
b	Did the organization have any excess business holdings in the tax year? *(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings).*	10b		
11	Has the organization accepted a gift or contribution from any of the following persons?			
a	A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization?	11a		No
b	A family member of a person described in (a) above?	11b		No
c	A 35% controlled entity of a person described in (a) or (b) above? *If "Yes" to a, b, or c, provide detail in Part VI.*	11c		No

Part IV Supporting Organizations (continued)

Section B. Type I Supporting Organizations

		Yes	No
1	Did the directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? *If "No," describe in* ***Part VI*** *how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove directors or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.*	1		
2	Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? *If "Yes," explain in* ***Part VI*** *how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised or controlled the supporting organization.*	2		

Section C. Type II Supporting Organizations

		Yes	No
1	Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? *If "No," describe in* ***Part VI*** *how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).*	1		No

Section D. All Type III Supporting Organizations

		Yes	No
1	Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (1) a written notice describing the type and amount of support provided during the prior tax year, (2) a copy of the Form 990 that was most recently filed as of the date of notification, and (3) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?	1		
2	Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? *If "No," explain in* ***Part VI*** *how the organization maintained a close and continuous working relationship with the supported organization(s).*	2		
3	By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? *If "Yes," describe in* ***Part VI*** *the role the organization's supported organizations played in this regard.*	3		

Section E. Type III Functionally-Integrated Supporting Organizations

1 Check the box next to the method that the organization used to satisfy the Integral Part Test during the year **(see instructions)**

- **a** ☐ The organization satisfied the Activities Test Complete **line 2** below
- **b** ☐ The organization is the parent of each of its supported organizations Complete **line 3** below
- **c** ☐ The organization supported a governmental entity Describe in Part VI how you supported a government entity (see instructions)

		Yes	No
2	Activities Test **Answer (a) and (b) below.**			
a	Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? *If "Yes," then in* ***Part VI identify those supported organizations and explain*** *how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.*	2a		
b	Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? *If "Yes," explain in* ***Part VI*** *the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.*	2b		
3	Parent of Supported Organizations **Answer (a) and (b) below.**			
a	Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? *Provide details in Part VI.*	3a		
b	Did the organization exercise a substantial degree of direction over the policies, programs and activities of each of its supported organizations? *If "Yes," describe in Part VI the role played by the organization in this regard.*	3b		

Part V – Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

1 ☐ Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov 20, 1970 **See instructions.** All other Type III non-functionally integrated supporting organizations must complete Sections A through E

Section A - Adjusted Net Income

			(A) Prior Year	(B) Current Year (optional)
1	Net short-term capital gain	1		
2	Recoveries of prior-year distributions	2		
3	Other gross income (see instructions)	3		
4	Add lines 1 through 3	4		
5	Depreciation and depletion	5		
6	Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6		
7	Other expenses (see instructions)	7		
8	**Adjusted Net Income** (subtract lines 5, 6 and 7 from line 4)	8		

Section B - Minimum Asset Amount

			(A) Prior Year	(B) Current Year (optional)
1	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year)	1		
a	Average monthly value of securities	1a		
b	Average monthly cash balances	1b		
c	Fair market value of other non-exempt-use assets	1c		
d	**Total** (add lines 1a, 1b, and 1c)	1d		
e	**Discount** claimed for blockage or other factors (explain in detail in Part VI) _____			
2	Acquisition indebtedness applicable to non-exempt use assets	2		
3	Subtract line 2 from line 1d	3		
4	Cash deemed held for exempt use Enter 1-1/2% of line 3 (for greater amount, see instructions)	4		
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5		
6	Multiply line 5 by 035	6		
7	Recoveries of prior-year distributions	7		
8	**Minimum Asset Amount** (add line 7 to line 6)	8		

Section C - Distributable Amount

				Current Year
1	Adjusted net income for prior year (from Section A, line 8, Column A)	1		
2	Enter 85% of line 1	2		
3	Minimum asset amount for prior year (from Section B, line 8, Column A)	3		
4	Enter greater of line 2 or line 3	4		
5	Income tax imposed in prior year	5		
6	**Distributable Amount.** Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions)	6		
7	☐ Check here if the current year is the organization's first as a non-functionally-integrated Type III supporting organization (see instructions)			

Section D - Distributions	Current Year
1 Amounts paid to supported organizations to accomplish exempt purposes	
2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3 Administrative expenses paid to accomplish exempt purposes of supported organizations	
4 Amounts paid to acquire exempt-use assets	
5 Qualified set-aside amounts (prior IRS approval required)	
6 Other distributions (describe in Part VI) See instructions	
7 **Total annual distributions.** Add lines 1 through 6	
8 Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI) See instructions	
9 Distributable amount for 2014 from Section C, line 6	
10 Line 8 amount divided by Line 9 amount	

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2014	(iii) Distributable Amount for 2014
1 Distributable amount for 2014 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2014 (reasonable cause required--see instructions)			
3 Excess distributions carryover, if any, to 2014			
a From 2009.			
b From 2010.			
c From 2011.			
d From 2012.			
e From 2013.			
f **Total** of lines 3a through e			
g Applied to underdistributions of prior years			
h Applied to 2014 distributable amount			
i Carryover from 2009 not applied (see instructions)			
j Remainder Subtract lines 3g, 3h, and 3i from 3f			
4 Distributions for 2014 from Section D, line 7 $ _____			
a Applied to underdistributions of prior years			
b Applied to 2014 distributable amount			
c Remainder Subtract lines 4a and 4b from 4			
5 Remaining underdistributions for years prior to 2014, if any Subtract lines 3g and 4a from line 2 (if amount greater than zero, see instructions)			
6 Remaining underdistributions for 2014 Subtract lines 3h and 4b from line 1 (if amount greater than zero, see instructions)			
7 **Excess distributions carryover to 2015.** Add lines 3j and 4c			
8 Breakdown of line 7			
a From 2010.			
b From 2011.			
c From 2012.			
d From 2013.			
e From 2014.			

Part VI **Supplemental Information.** Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; Part III, line 12; Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c; Part IV, Section B, lines 1 and 2; Part IV, Section C, line 1; Part IV, Section D, lines 2 and 3; Part IV, Section E, lines 1c, 2a, 2b, 3a and 3b; Part V, line 1; Part V, Section B, line 1e; Part V Section D, lines 5, 6, and 8; and Part V, Section E, lines 2, 5, and 6. Also complete this part for any additional information. (See instructions).

Facts And Circumstances Test

Return Reference	Explanation
Schedule A, Part I, Line 11h(vii) AMOUNT OF SUPPORT	CHAPTERS HEALTH SYSTEM, INC PROVIDES SUPPORT SERVICES TO ITS SUBSIDIARIES AND ITS SUPPORTED ORGANIZATIONS (LIFEPATH HOSPICE, INC , GOOD SHEPHERD HOSPICE, INC AND CHAPTERS HEALTH home connect, INC) IN THE FORM OF INFORMATION TECHNOLOGY, HUMAN RESOURCES, LEGAL, FUND RAISING, COMPLIANCE, ACCOUNTING, MANAGEMENT OVERSIGHT AND HEALTHCARE PERSONNEL
Schedule A, Part IV, Section C, Line 1 Majority director detail	The articles of incorporation of Chapters Health System, Inc ("Chapters") identify that the organization is organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the tax-exempt purposes and missions of the supported organizations (LifePath Hospice, Good Shepherd Hospice, and Chapters Home Health Connect) As a supporting organization, Chapters is supervised and controlled in connection with the supported organizations, and therefore is designated a Type II supporting organization Chapters meets this classification because the management of Chapters is vested in the same persons that control and manage the supported organizations The bylaws of each of the supported organizations require that the board of directors of each supported organization shall include Chapters' Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, and Chief Medical Officer The bylaws further require that the management of each supported organization shall include Chapters' Chief Legal Officer and Chief Clinical and Compliance Officer, who will serve as ex-officio nonvoting members of the governing bodies In addition, there are other members of the supported organization governing boards who also serve as directors on the Chapters board The fact that the management of Chapters is vested in the same persons that control and manage the supported organizations allows Chapters and its three supported organizations to function collectively as a health system Chapters provides management and administrative support to the supported organizations and various clinical services that further the supported organizations' tax-exempt purpose of providing hospice and home health services to the community The fact that the core leadership team of each of the supported organizations is also Chapters core leadership team assures that Chapters is responsive to the needs and demands of the supported organizations and that Chapters constitutes an integral part of and maintains a significant involvement in the operations of the supported organizations

Additional Data

Software ID: 14000329
Software Version: 2014v1.0
EIN: 59-2264957
Name: Chapters Health System Inc

Form 990, Sch A, Part I, Line 11g - Provide the following information about the supported organization(s).

(i) Name of supported organization	**(ii)** EIN	**(iii)** Type of organization (described on lines 1- 9 above or IRC section (see instructions))	**(iv)** Is the organization listed in your governing document?		**(v)** Amount of monetary support (see instructions)	**(vi)** Amount of other support (see instructions)
			Yes	**No**		
(A) LIFEPATH HOSPICE INC	205276870	9	Yes		0	0
(A) GOOD SHEPHERD HOSPICE INC	205276923	9	Yes		0	0
(B) CHAPTERS HEALTH HOME CONNECT INC	275158323	9	Yes		0	0

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493310021275

SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

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

▶ Complete if the organization is described below. ▶ Attach to Form 990 or Form 990-EZ.

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

OMB No 1545-0047

2014

Open to Public Inspection

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

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

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

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

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

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

Name of the organization	Employer identification number
Chapters Health System Inc	59-2264957

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

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

2 Political expenditures ▶ $ _____

3 Volunteer hours _____

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

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

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

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

4a Was a correction made? ☐ Yes ☐ No

b If "Yes," describe in Part IV

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Lobbying Expenditures During 4-Year Averaging Period

Calendar year (or fiscal year beginning in)	(a) 2011	(b) 2012	(c) 2013	(d) 2014	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

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

For each "Yes" response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.		(a) Yes	(a) No	(b) Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?		No	
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?	Yes		
c	Media advertisements?		No	
d	Mailings to members, legislators, or the public?		No	
e	Publications, or published or broadcast statements?		No	
f	Grants to other organizations for lobbying purposes?		No	
g	Direct contact with legislators, their staffs, government officials, or a legislative body?	Yes		137,420
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	Other activities?	Yes		3,070
j	Total Add lines 1c through 1i			140,490
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

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

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

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

Part IV Supplemental Information

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

Return Reference	Explanation
Schedule C, Part II-B, Line 1 DETAILED DESCRIPTION OF THE LOBBYING ACTIVITY	A lobbyist was hired to represent the organization before the Florida Legislature and the Executive Branch of Florida Government, including the Department of Elder Affairs and the Agency of Health Care Administration, and to provide guidance regarding interaction with legislation and agency staff on matters pertaining to specific issue advocacy, legislative and regulatory developments of concern In addition, the Chapters Health System Director of Admin/Public affairs spent approximately 10% of her time on lobbying activities during 2014 The organization pays annual dues to the National Hospice and Palliative Care Organization (NHPCO) for its membership 4 82% of the total dues paid are indirectly related to lobbying activities

Part IV Supplemental Information *(continued)*

Return Reference	Explanation

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SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

OMB No 1545-0047

2014

Open to Public Inspection

Name of the organization
Chapters Health System Inc

Employer identification number
59-2264957

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 value of contributions to (during year)		
3	Aggregate value of grants from (during year)		
4	Aggregate value at end of year		

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? ☐ 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	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	697,796	677,948	162,717	130,765	125,634
b Contributions	15,741	100	515,231	31,952	5,131
c Net investment earnings, gains, and losses	36,956	19,748	0	0	0
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance	750,493	697,796	677,948	162,717	130,765

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

- a Board designated or quasi-endowment ▶ 7 5 %
- b Permanent endowment ▶ 92 5 %
- c Temporarily restricted endowment ▶

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

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

		Yes	No
(i) unrelated organizations	3a(i)		No
(ii) related organizations	3a(ii)		No
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b		

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

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		4,357,395		4,357,395
b Buildings		39,628,056	8,710,093	30,917,963
c Leasehold improvements		8,843,052	4,457,405	4,385,647
d Equipment		24,599,167	15,720,970	8,878,197
e Other		98,848		98,848
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				48,638,050

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

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A) Corporate Bonds	10,105,848	
(B) U S Government Agencies	3,282,146	
Total. *(Column (b) must equal Form 990, Part X, col (B) line 12)* ▶	13,387,994	

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

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

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

(a) Description	(b) Book value
(1) Beneficial Interest In Comm Found	41,364
(2) Deferred Serp	3,566,024
(3) Accum Amort-Refinancing Costs 2009	
(4) Debt Issue Costs	812,526
(5) Cash Surrender Value Life Ins	10,747
(6) Deposits	341,854
(7) amounts due from related parties	6,500,263
Total. *(Column (b) must equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	11,272,778

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

1 (a) Description of liability	(b) Book value
Federal income taxes	
deferred serp liabilities	3,566,023
INTEREST RATE SWAP AGREEMENT	405,718
LEASE INCENTIVE ONLIGATION	1,181,624
CHARITABLE GIFT ANNUITIES	565,470
payable to related parties	
CAPITAL LEASE OBLIGATION	914,454
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	6,633,289

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

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

1	Total revenue, gains, and other support per audited financial statements			1	51,915,567
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains (losses) on investments	2a	-471,790		
b	Donated services and use of facilities	2b	69,437		
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIII)	2d	1,621,070		
e	Add lines **2a** through **2d**			2e	1,218,717
3	Subtract line **2e** from line **1**			3	50,696,850
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	248,528		
b	Other (Describe in Part XIII)	4b	79,627		
c	Add lines **4a** and **4b**			4c	328,155
5	Total revenue Add lines **3** and **4c.** (This must equal Form 990, Part I, line 12)			5	51,025,005

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	45,295,143
2	Amounts included on line 1 but not on Form 990, Part IX, line 25				
a	Donated services and use of facilities	2a	1,351,625		
b	Prior year adjustments	2b			
c	Other losses	2c			
d	Other (Describe in Part XIII)	2d	1,420,481		
e	Add lines **2a** through **2d**			2e	2,772,106
3	Subtract line **2e** from line **1**			3	42,523,037
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	248,528		
b	Other (Describe in Part XIII)	4b	13,030		
c	Add lines **4a** and **4b**			4c	261,558
5	Total expenses Add lines **3** and **4c.** (This must equal Form 990, Part I, line 18)			5	42,784,595

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
Schedule D, Part V, Line 4 Intended uses of endowment funds	The Building Endowment fund provides funds for the necessary maintenance and facility up-keep of all Chapters Health Systems, Inc (CHS) facilities, the Children's Endowment fund provides funds for specific equipment and staffing to meet the needs of pediatric patients, grieving children and families, The Medical Student endowment provides funds to the Medical Student Program that educates future physicians on the importance of end-of-life care
Schedule D, Part X, Line 2 FIN 48 (ASC 740) footnote	CHS, LPH, GSH, CHC, and the Foundation have been recognized by the Internal Revenue Service (IRS) as not-for-profit corporations and are exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC) and also from state income taxes under the provisions of Chapter 220 13 of the Florida Income Tax Code Palliative Care, Pharmacy, and Staffing are also deemed to be tax-exempt as limited liability companies with CHS as sole member CHS and its affiliated entities income tax returns are subject to review and examination by federal, state and local authorities CHS and its affiliated entities are not aware of any activities that would jeopardize its tax-exempt status CHS and its affiliated entities are subject to tax on unrelated business income for management fees received but are not aware of any activities that are subject to excise or other taxes The 2011, 2012, and 2013 tax returns are open to examination by federal, local, and state authorities
Schedule D, Part XI, Line 2(d) Other revenues in audited financial statements not in form 990	THRIFT STORE EXPENSES - 1075245 LOSS ON SALE OF PROPERTY - 122883 - CHANGE IN FAIR VALUE OF INTEREST RATE SWAP - 200589 FUNDRAISING EXPENSE - 222353 -
Schedule D, Part XI, Line 4(b) Other revenues in form 990 not in audited financial statements	RECLASS OF EXPENSES - 13030 CHANGE IN VALUE OF SPLIT INTEREST AGREEMENT - 66597 -
Schedule D, Part XII, Line 2(d) Other expenses in audited financial statements not in form 990	THRIFT STORE EXPENSE - 1075245 FUNDRAISING EXPENSE - 222353 LOSS ON SALE OF ROPERTY - 122883
Schedule D, Part XII, Line 4(b) Other expenses in form 990 not in audited financial statements	RECLASS OF EXPENSES - 13030 -

Part XIII Supplemental Information *(continued)*

Return Reference	Explanation

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SCHEDULE G (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding Fundraising or Gaming Activities

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than $15,000 on Form 990-EZ, line 6a.

▶ **Attach to Form 990 or Form 990-EZ.**

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

OMB No 1545-0047

2014

Open to Public Inspection

Name of the organization
Chapters Health System Inc

Employer identification number
59-2264957

Part I Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17. Form 990-EZ filers are not required to complete this part.

1 Indicate whether the organization raised funds through any of the following activities Check all that apply

- **a** ☐ Mail solicitations
- **b** ☐ Internet and email solicitations
- **c** ☐ Phone solicitations
- **d** ☐ In-person solicitations
- **e** ☐ Solicitation of non-government grants
- **f** ☐ Solicitation of government grants
- **g** ☐ Special fundraising events

2a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? ☐ **Yes** ☐ **No**

b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least $5,000 by the organization

	(i) Name and address of individual or entity (fundraiser)	**(ii)** Activity	**(iii)** Did fundraiser have custody or control of contributions? Yes	No	**(iv)** Gross receipts from activity	**(v)** Amount paid to (or retained by) fundraiser listed in col **(i)**	**(vi)** Amount paid to (or retained by) organization
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
Total . . . . . ▶							

3 List all states in which the organization is registered or licensed to solicit contributions or has been notified it is exempt from registration or licensing

Part II **Fundraising Events.** Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than $15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than $5,000.

		(a) Event #1 ISLAND NIGHT (event type)	(b) Event #2 GOLF TOURNAMENT (event type)	(c) Other events 2 (total number)	(d) Total events (add col (a) through col (c))
Revenue	1 Gross receipts	280,733	52,298	55,768	388,799
	2 Less Contributions	263,773	41,098	28,997	333,868
	3 Gross income (line 1 minus line 2)	16,960	11,200	26,771	54,931
Direct Expenses	4 Cash prizes				
	5 Noncash prizes				
	6 Rent/facility costs	6,689	14,012	4,231	24,932
	7 Food and beverages	19,966	4,824	3,057	27,847
	8 Entertainment	27,437	3,000	1,200	31,637
	9 Other direct expenses	73,987	26,332	37,618	137,937
	10 Direct expense summary Add lines 4 through 9 in column (d) ▶				(222,353)
	11 Net income summary Subtract line 10 from line 3, column (d) ▶				-167,422

Part III **Gaming.** Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than $15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col (a) through col (c))
Revenue	1 Gross revenue				
Direct Expenses	2 Cash prizes				
	3 Non-cash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	☐ Yes % ☐ No	☐ Yes % ☐ No	☐ Yes % ☐ No	
	7 Direct expense summary Add lines 2 through 5 in column (d) ▶				
	8 Net gaming income summary Subtract line 7 from line 1, column (d) ▶				

9 Enter the state(s) in which the organization conducts gaming activities _____

a Is the organization licensed to conduct gaming activities in each of these states? ☐ Yes ☐ No

b If "No," explain _____

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? ☐ Yes ☐ No

b If "Yes," explain _____

11 Does the organization conduct gaming activities with nonmembers? . . . . . ☐ Yes ☐ No

12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? . . . . . ☐ Yes ☐ No

13 Indicate the percentage of gaming activities conducted in

a	The organization's facility	**13a**	%
b	An outside facility	**13b**	%

14 Enter the name and address of the person who prepares the organization's gaming/special events books and records

Name ▶ .....

Address ▶ .....

15a Does the organization have a contract with a third party from whom the organization receives gaming revenue? . . . . . ☐ Yes ☐ No

b If "Yes," enter the amount of gaming revenue received by the organization ▶ $ _____ and the amount of gaming revenue retained by the third party ▶ $ _____

c If "Yes," enter name and address of the third party

Name ▶ .....

Address ▶ .....

16 Gaming manager information

Name ▶ .....

Gaming manager compensation ▶ $ .....

Description of services provided ▶ .....

☐ Director/officer ☐ Employee ☐ Independent contractor

17 Mandatory distributions

a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? . . . . . ☐ Yes ☐ No

b Enter the amount of distributions required under state law distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ $

Part IV **Supplemental Information.** Provide the explanations required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also provide any additional information (see instructions).

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.**

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

OMB No 1545-0047

2014

Open to Public Inspection

Name of the organization
Chapters Health System Inc

Employer identification number
59-2264957

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropiate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items			
	☐ First-class or charter travel	☐ Housing allowance or residence for personal use		
	☐ Travel for companions	☐ Payments for business use of personal residence		
	☐ Tax idemnification and gross-up payments	☑ Health or social club dues or initiation fees		
	☐ Discretionary spending account	☐ Personal services (e g , maid, chauffeur, chef)		
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	**1b**	Yes	
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, officers, including the CEO/Executive Director, regarding the items checked in line 1a?	**2**	Yes	
3	Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director Check all that apply Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III			
	☑ Compensation committee	☐ Written employment contract		
	☑ Independent compensation consultant	☑ Compensation survey or study		
	☑ Form 990 of other organizations	☑ Approval by the board or compensation committee		
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization			
a	Receive a severance payment or change-of-control payment?	**4a**	Yes	
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	**4b**	Yes	
c	Participate in, or receive payment from, an equity-based compensation arrangement?	**4c**		No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III			
	Only 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.			
5	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of			
a	The organization?	**5a**		No
b	Any related organization?	**5b**		No
	If "Yes," to line 5a or 5b, describe in Part III			
6	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of			
a	The organization?	**6a**		No
b	Any related organization?	**6b**		No
	If "Yes," to line 6a or 6b, describe in Part III			
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	**7**		No
8	Were any amounts reported in Form 990, Part VII, paid or accured pursuant to a contract that was subject to the initial contract exception described in Regulations section 53 4958-4(a)(3)? If "Yes," describe in Part III	**8**		No
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	**9**		

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

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

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

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

Part III Supplemental Information

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

Return Reference	Explanation
Schedule J, Part I, Line 1a Health or social club dues or initiation fees	The organization pays for the president/ceo to be a member of the centre club to cultivate prospective donors and for other business purposes The use of this membership is business related and therefore the related benefit has not been included in the recipient's taxable compensation
Schedule J, Part I, Line 4a Severance or change-of-control payment	During 2014, the following severance payments were made Andrew Lutton - $180,422 Marcia Norman - $43,000
Schedule J, Part I, Line 4b Supplemental nonqualified retirement plan	CHS (a related organization) has a supplemental executive retirement plan (SERP) in which some of the interested persons participate During 2014, the following payments were made by CHS into the SERP plans of the participants Kathy Fernandez - $193,152 Ronald Schonwetter - $95,180 H Darrell White - $65,548 David O'Neil - $57,820 Peggy Madill- $54,919 Judith Goddard - $14,695 Sharon Jones - $11,144 Donald Evans - $12,437

Additional Data

Software ID: 14000329
Software Version: 2014v1.0
EIN: 59-2264957
Name: Chapters Health System Inc

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation (i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation	(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred in prior Form 990
1 KATHY L FERNANDEZ PRESIDENT & CEO	(I) (II)	427,589 0	20,700 0	195,810 0	57,801 0	24,878 0	726,778 0	20,700 0
1 ANDREW LUTTON Former Chief Operating Officer	(I) (II)	0 0	0 0	180,549 0	0 0	397 0	180,946 0	0 0
2 RONALD S SCHONWETTER CHIEF MED OFFICER	(I) (II)	382,096 0	14,554 0	2,500 0	134,828 0	31,224 0	565,202 0	14,555 0
3 H DARRELL WHITE CHIEF LEGAL OFFICER	(I) (II)	243,788 0	9,534 0	2,054 0	92,872 0	29,219 0	377,467 0	9,534 0
4 PEGGY M MADILL chief operating officer (partial year)	(I) (II)	237,879 0	0 0	2,036 0	62,266 0	23,155 0	325,336 0	0 0
5 DAVID O'NEIL chief financial officer	(I) (II)	255,450 0	9,661 0	3,222 0	87,260 0	32,724 0	388,317 0	9,661 0
6 marcia norman chief operating officer (partial year)	(I) (II)	104,179 0	0 0	44,096 0	0 0	6,032 0	154,307 0	0 0
7 SHARON A JONES VP- DEVELOPMENT	(I) (II)	152,905 0	0 0	15,019 0	4,776 0	22,287 0	194,987 0	0 0
8 JUDITH M GODDARD VP-HR	(I) (II)	156,562 0	47,174 0	16,195 0	40,321 0	23,183 0	283,435 0	5,674 0
9 BRENDAN FLYNN staff physician	(I) (II)	184,896 0	15,133 0	1,482 0	7,962 0	19,987 0	229,460 0	15,133 0
10 STEWART STEIN corporate medical director	(I) (II)	243,595 0	10,349 0	2,711 0	8,064 0	13,299 0	278,018 0	10,349 0
11 mary alfano-torres Medical Director, Palliative Care	(I) (II)	227,862 0	11,563 0	2,325 0	0 0	4,462 0	246,212 0	0 0
12 hersell foster Hershell Foster - VP, Information Officer	(I) (II)	127,244 0	5,850 0	30,628 0	644 0	6,501 0	170,867 0	0 0
13 teresa massaro Oncology Program Manager	(I) (II)	153,149 0	4,500 0	1,299 0	0 0	12,547 0	171,495 0	0 0

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Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

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

OMB No 1545-0047

2014

Open to Public Inspection

Name of the organization
Chapters Health System Inc

Employer identification number
59-2264957

Part I Bond Issues

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pool financing	
							Yes	No	Yes	No	Yes	No
A	City of Temple Terrace Florida	59-6000439		02-01-2013	10,000,000	to refund the 8/2009 bond issue		X		X		X
B	City of Temple Terrace Florida	59-6000439		02-01-2013	2,445,000	to refund the 8/2009 bond issue		X		X		X
C	Highlands County Industrial Development Authority	52-1313569		02-01-2013	7,031,960	to refund 1/2010 bond issue		X		X		X
D	Polk County Industrial Development Authority	59-1292108		02-01-2013	7,799,750	to refund 8/2004 bond issue		X		X		X

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired	373,644	536,356	497,470	1,997,500
2	Amount of bonds legally defeased	0	0	0	
3	Total proceeds of issue	10,000,000	2,445,000	7,031,960	7,799,750
4	Gross proceeds in reserve funds	0	0	0	
5	Capitalized interest from proceeds	0	0	0	
6	Proceeds in refunding escrows	0	0	0	
7	Issuance costs from proceeds	0	0	0	
8	Credit enhancement from proceeds	0	0	0	
9	Working capital expenditures from proceeds	0	0	0	
10	Capital expenditures from proceeds	0	0	0	
11	Other spent proceeds	10,000,000	2,445,000	7,031,960	7,799,750
12	Other unspent proceeds	0	0	0	
13	Year of substantial completion	2013	2013	2013	2013
		Yes / No	Yes / No	Yes / No	Yes / No
14	Were the bonds issued as part of a current refunding issue?	X /	X /	X /	X /
15	Were the bonds issued as part of an advance refunding issue?	/ X	/ X	/ X	/ X
16	Has the final allocation of proceeds been made?	X /	X /	X /	X /
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X /	X /	X /	X /

Part III Private Business Use

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

Part III Private Business Use *(Continued)*

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts that may result in private business use of bond-financed property?		X		X		X		X
b	If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?							X	
c	Are there any research agreements that may result in private business use of bond-financed property?		X		X		X		X
d	If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶								
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶								
6	Total of lines 4 and 5		0 %		0 %		0 %		0 %
7	Does the bond issue meet the private security or payment test?		X		X		X		X
8a	Has there been a sale or disposition of any of the bond-financed property to a nongovernmental person other than a 501(c)(3) organization since the bonds were issued?		X		X		X		X
b	If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of								
c	If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1 141-12 and 1 145-2?								
9	Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1 141-12 and 1 145-2?		X		X		X		X

Part IV Arbitrage

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Has the issuer filed Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate?		X		X		X		X
2	If "No" to line 1, did the following apply?								
a	Rebate not due yet?	X		X		X		X	
b	Exception to rebate?		X		X		X		X
c	No rebate due?		X		X		X		X
	If "Yes" to line 2c, provide in Part VI the date the rebate computation was performed								
3	Is the bond issue a variable rate issue?	X		X		X		X	
4a	Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X		X		X		X
b	Name of provider								
c	Term of hedge		0 0		0 0		0 0		
d	Was the hedge superintegrated?								
e	Was the hedge terminated?								

Part IV Arbitrage *(Continued)*

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

Part V Procedures To Undertake Corrective Action

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

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

Return Reference	Explanation
Schedule K, Part III, Line 9 Written procedures	The organization is in the process of adopting written procedures to ensure all nonqualified bonds (if any) of the issue are remediated in accordance with the associated regulations The organization strives to stay abreast of federal regulations and considers the repercussions of all significant activities which could foreseeably have an impact on the organization's tax exempt bonds and the associated federal tax regulations

Return Reference	Explanation
Schedule K, Part IV, Line 7 Written procedures	The organization is in the process of adopting written procedures to monitor the organization's ability to remain in compliance with the arbitrage requirements under Section 148 of the Internal Revenue Code The organization strives to stay abreast of federal regulations and considers the repercussions of all significant activities which could foreseeably have an impact on the organization's tax exempt bonds and the associated federal tax regulations

Return Reference	Explanation
Schedule K, Part V Written procedures	The organization is in the process of adopting written procedures which dictate how management timely identifies and corrects violations of federal tax requirements using the voluntary closing agreement program provided by the IRS when self-remediation is not available to the organization The organization strives to stay abreast of federal regulations and considers the repercussions of all significant activities which could foreseeably have an impact on the organization's tax exempt bonds and the associated federal tax regulations In the event a violation is identified the organization's policy is to correct the violation as soon as possible, while working with the federal authorities as necessary to ensure that sufficient controls are present which will guard against future violations

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SCHEDULE M (Form 990)

Department of the Treasury
Internal Revenue Service

Noncash Contributions

►Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.
► Attach to Form 990.
►Information about Schedule M (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2014

Open to Public Inspection

Name of the organization
Chapters Health System Inc

Employer identification number
59-2264957

Part I Types of Property

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art—Works of art				
2 Art—Historical treasures				
3 Art—Fractional interests				
4 Books and publications				
5 Clothing and household goods	X		1,172,028	Other
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities—Publicly traded	X	2	571,576	Selling cost
10 Securities—Closely held stock				
11 Securities—Partnership, LLC, or trust interests				
12 Securities—Miscellaneous				
13 Qualified conservation contribution—Historic structures				
14 Qualified conservation contribution—Other				
15 Real estate—Residential				
16 Real estate—Commercial				
17 Real estate—Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ► (EQUIPMENT)	X	7	11,824	Other
26 Other ► (GOODS FOR AUCTION)	X	64	17,735	Other
27 Other ►( )				
28 Other ► ( )				

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement . . . **29** 0

		Yes	No
30a During the year, did the organization receive by contribution any property reported in Part I, lines 1 through 28, that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?	**30a**		No
b If "Yes," describe the arrangement in Part II			
31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?	**31**	Yes	
32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?	**32a**		No
b If "Yes," describe in Part II			
33 If the organization did not report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II			

Part II **Supplemental Information.** Provide the information required by Part I, lines 30b, 32b, and 33, and whether the organization is reporting in Part I, column (b), the number of contributions, the number of items received, or a combination of both. Also complete this part for any additional information.

Return Reference	Explanation
Schedule M, Part I Explanations of reporting method for number on contributions	Other NUMBER OF ITEMS RECEIVED Other NUMBER OF ITEMS RECEIVED Clothing and household goods NUMBER OF ITEMS RECEIVED Securities - Publicly traded NUMBER OF CONTRIBUTIONS
Schedule M, Part I Number of contributions or items contributed	NUMBER OF ITEMS RECEIVED
Schedule M, Part I Number of contributions or items contributed	NUMBER OF ITEMS RECEIVED
Schedule M, Part I, Line 5 Number of contributions or items contributed	NUMBER OF ITEMS RECEIVED
Schedule M, Part I, Line 9 Number of contributions or items contributed	NUMBER OF CONTRIBUTIONS

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

OMB No 1545-0047

2014

Open to Public Inspection

Name of the organization	Employer identification number
Chapters Health System Inc	59-2264957

Return Reference	Explanation
Form 990, Part III, Line 1 ORGANIZATION'S MISSION	(CONTINUED FROM PART III) CHS ALSO WORKS TO PROMOTE AN UNDERSTANDING OF THE NEEDS OF PERSONS WITH SERIOUS OR LIFE-LIMITING ILLNESSES AS WELL AS THE NEEDS OF ITS FAMILIES AND CAREGIVERS CHS PROVIDES SIGNIFICANT MANAGEMENT DUTIES, INCLUDING WITHOUT LIMITATION, FINANCIAL AND ACCOUNTING SERVICES, HUMAN RESOURCES, LEGAL SERVICES, MARKETING SERVICES AND INFORMATION TECHNOLOGY SERVICES, TO ITS SUBSIDIARIES AND WHOLLY OWNED LLC'S VIA A WRITTEN MANAGEMENT AGREEMENT

Return Reference	Explanation
Form 990, Part III, Line 4a PROGRAM SERVICES	(CONTINUED FROM PART III) Chapters Health System provides significant management duties, including without limitation, financial and accounting services, human resources, legal and marketing services, information technology services, to its subsidiaries and wholly owned LLC's via a written Management Agreement The amount of these services is reflected in the statement of revenue as Shared Services Revenue and Management Fee Income B LifePath Hospice, Inc LifePath Hospice is a Medicare-certified agency that provides end-of-life care in Hillsborough County, Florida In 2014, LifePath Hospice served 5,690 patients in its community LifePath Hospice professionals cared for 63 6% of all people who died in Hillsborough County in 2014 (This figure also takes into account sudden deaths, accidents, homicides and suicides) The company has 902 trained volunteers whose donated time is valued at $2,220,632 LifePath Hospice provided $1,447,000 in charity care in 2014 C Good Shepherd Hospice, Inc Good Shepherd Hospice is a Medicare-certified agency that provides end-of-life care in Polk, Highlands and Hardee counties in Florida In 2014, Good Shepherd Hospice served 2,941 patients in its communities Good Shepherd Hospice professionals cared for 44 1% of all people who died in Polk, Highlands and Hardee counties in 2014 (This figure also takes into account sudden deaths, accidents, homicides and suicides) The company has 466 trained volunteers whose donated time is valued at $700,737 Good Shepherd Hospice provided $348,000 in charity care in 2014 D Chapters Health Palliative Care, LLC Chapters Health Palliative Care provides pain and palliative care consults in hospitals and other facilities in Hillsborough and Polk counties In 2014, Chapters Health Palliative Care provided 7,109 patient visits, which included 2,150 new palliative care consults at three hospitals and three nursing home/rehabilitation centers E Chapters Health Pharmacy, LLC Chapters Health Pharmacy is a not-for-profit subsidiary that provides medications for the patients of LifePath Hospice and Good Shepherd Hospice Chapters Health Pharmacy improved staff efficiency with electronic medication orders, filling 148,757 prescriptions in 2014 Chapters Health Pharmacy provides free delivery of medications for hospice patients, at a cost of more than $832,390 F Chapters Health Staffing, LLC Chapters Health System established a not-for-profit subsidiary, Chapters Health Staffing, LLC, in 2009 Chapters Health Staffing operates a licensed health care services pool This company provides temporary staffing of healthcare personnel to other Chapters Health System subsidiaries and enables Chapters Health System to centralize the management of clinical staff whose duties cross between multiple subsidiaries Chapters Health Staffing staff includes physicians, nurses, respiratory therapists and managers for the oncology program, medical staff and infusion services G Chapters Health System Development Department The Chapters Health System Development Department is the fundraising entity for LifePath Hospice and Good Shepherd Hospice Through community events and fundraising activities, the Development Department raises funds to support the unfunded programs of LifePath Hospice and Good Shepherd Hospice, which include charity care, community grief support and medical student education In 2014, a total of 21,678 donors contributed $4,056,868 to the Chapters Heath System Development Department through capital campaigns, memorials, realized planned gifts, special events and other gifts H Chapters Health Home Connect, Inc Chapters Health Home Connect, Inc is a not for profit corporation formed in 2011 Chapters Health Home Connect, Inc 's mission is to provide services for the support and care of frail elderly persons Chapters Health Home Connect, Inc provided the aforementioned services through Chapters Health PACE (PACE) and Chapters Nursing Home Diversion (Home Diversion) During 2013 management made a strategic decision to discontinue the operations of PACE and Home Diversion

Return Reference	Explanation
Form 990, Part VI, Line 11b Review of form 990 by governing body	Chapters Health System, Inc retains an independent tax advisor to assist management in the preparation and review of its IRS Form 990 Prior to filing the return, management and the independent tax advisor review the return and all required schedules with the Compensation Committee of the Board of Directors The Compensation Committee is composed of independent directors of the Company Upon completion of its review, the Compensation Committee recommends to the Executive Committee of the Board of Directors that management be authorized to sign and file the return Under the Company's bylaws the Executive Committee has the authority to take this action on behalf of the Board of Directors A copy of the Form 990 is provided to the full board prior to filing with the IRS and the Executive Committee reports its activities to the Board of Directors on a quarterly basis

Return Reference	Explanation	
	Form 990, Part VI, Line 12c Conflict of interest policy	Annually, each officer, director and key employee signs an acknowledgement and disclosure form attesting that they have read the Conflict of Interest Policy and agreeing to comply fully with its terms and conditions during their services with Chapters Health System, Inc They further agree that if, at any time subsequent to the submission of the disclosure f orm, they become aware of any actual or potential conflict of interest or the information previously submitted becomes inaccurate or incomplete, they will promptly notify the CHS B oard of Directors or the President and CEO of Chapters Health System, Inc DETERMINATION O F AND REMEDIES FOR CONFLICTS OF INTEREST 1 Disclosure In connection with any actual or p ossible conflict of interest, an interested person must disclose the existence of his or h er financial interest and must be given the opportunity to disclose all material facts to the Directors (and members of committees) considering the proposed transaction or arrangem ent The disclosure shall be made as soon as practicable following the realization by the interested person that an actual or possible conflict of interest exists Ordinarily, disc losures by interested persons should be to the Chairperson of the Board When an actual or possible conflict of interest becomes apparent in the course of a Board meeting (or commi ttee meeting), the interested person shall immediately disclose his or her financial inter est and related material facts to the presiding Director or officer at such meeting 2 De termining Whether a Conflict of Interest Exists After disclosure of the financial interes t and all material facts, and after any discussion with the interested person, the interes ted person shall leave the Board (or committee) meeting while the determination of a confl ict of interest is discussed and voted upon The remaining Board (or committee) members sh all decide if a conflict of interest exists 3 Procedures for Addressing the Conflict of I nterest (a) An interested person who has a conflict of interest may make a presentation a t the Board (or committee) meeting, but after such presentation, he or she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement that re sult in the conflict of interest The interested person who has a conflict of interest wil l not be counted as present for determining a majority with respect to the vote on the tra nsaction or arrangement that results in the conflict of interest (b) The Chairperson of t he Board (or committee) shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement (c) After exercis ing due diligence, the Board (or Committee) shall determine whether Chapters Health System can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or business entity that would not give rise to a conflict of interest (d)If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the Board (or committee) shall determi ne by a majority vote of the disinterested Directors (or committee members) whether the tr ansaction or arrangement is in CHS's best interest and for its own benefit and whether the transaction is fair and reasonable to CHS and shall make its decision as to whether to en ter into the transaction or arrangement in conformity with such determination Violations of the Conflicts of Interest Policy (a) If the Board (or committee) has reasonable cause t o believe that an interested person has failed to disclose actual or possible conflicts of interest, it shall inform the interested person of the basis for such belief and afford t he interested person an opportunity to explain the alleged failure to disclose (b) If, af ter hearing the response of the interested person and making such further investigation as may be warranted under the circumstances, the Board (or committee) determines that the in terested person has in fact failed to disclose an actual or possible conflict of interest, it shall take such action as it determines to be appropriate, including corrective and di sciplinary action RECORD OF PROCEEDINGS The minutes of the Board (and each committee) sha ll contain 1 The name of each person who disclosed or otherwise was found to have a fina ncial interest in connection with an actual or possible conflict of interest, the nature o f the financial interest, any action taken to determine whether a conflict of interest was present, and the Board's (or committee's) decision as to whether a conflict of interest i n fact existed 2 The names of the persons who were present for discussions and votes rel ating to the transaction or arrangement, the content of the discussion, including any alte rnatives to the proposed transaction or arrangement, and a record of any votes taken in co nnection therewith PERIODIC REVIEWS To ensure tha

Return Reference	Explanation	
	Form 990, Part VI, Line 12c Conflict of interest policy	t CHS operates in a manner consistent with its charitable purposes and that it does not en gage in activities that could jeopardize its status as an organization exempt from federal income tax, periodic reviews shall be conducted CHS may, but need not, use an outside ad visor to conduct a periodic review The periodic review shall include, at a minimum, the f ollowing subjects 1 Whether compensation arrangements and benefits are reasonable and ar e the results of arm's-length bargaining 2 Whether agreements to provide health care and agreements with other health care providers, employees and third party payers further CHS 's charitable purposes and do not result in private inurement or impermissible private ben efit

Return Reference	Explanation
Form 990, Part VI, Line 15a Process to establish compensation of top management official	The organization engaged an independent compensation consultant to assist in establishing a Compensation Charter that details the organization's procedures for setting compensation of the CEO and all other officers and key employees of the organization The Compensation Charter established the Compensation Committee, the independent body responsible for establishing the compensation of the CEO and all other officers and key employees of the organization The Compensation Committee relies on a recent compensation study performed by an independent compensation consultant, which is done on an annual basis, that provides compensation data for similarly qualified persons in comparable organizations to support its decision-making process and reports its activities to the Board of Directors at the next regularly scheduled meeting The Compensation Committee adequately documents its compensation determinations in the meeting minutes on a timely basis

Return Reference	Explanation
Form 990, Part VI, Line 15b Process to establish compensation of other employees	See narrative for Part VI, Line 15a

Return Reference	Explanation
Form 990, Part VI, Line 19 Required documents available to the public	The organization's articles of incorporation are filed with and viewable by the public at the official website of the Florida Department of State, Division of Corporations The organization's Bylaws and conflict of interest policy are not made available to the public Unaudited financial statements of the organization are filed and viewable by the public at the official website of the State of Florida, Division of Consumer Services The organization is required to file its audited consolidated financial statements and other financial information with its annual Medicare cost report This information is subject to a public records request In addition, the organization reports its financial performance each year in its Annual Report, copies of which are available to the public upon request

Return Reference	Explanation
Form 990, Part VIII, Line 2f Other Program Service Revenue	management fee income - Total Revenue 862033, Related or Exempt Function Revenue 862033, Unrelated Business Revenue , Revenue Excluded from Tax Under Sections 512, 513, or 514 ,

Return Reference	Explanation
Form 990, Part XI, Line 9 Other changes in net assets or fund balances	Change in value of split interest agreement - -66597, change in fair value of interest rate swap - 200589,

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SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
▶ Attach to Form 990.
▶ Information about Schedule R (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2014

Open to Public Inspection

Name of the organization
Chapters Health System Inc

Employer identification number
59-2264957

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
(1) CHAPTERS HEALTH PALLIATIVE CARE LLC 12470 TELECOM DRIVE SUITE 300 TEMPLE TERRACE, FL 33637 20-5620723	PALLIATIVE	FL	858,551	0	CHAPTERS HEALTH SYSTEM INC
(2) CHAPTERS HEALTH PHARMACY LLC 12470 TELECOM DRIVE SUITE 300 TEMPLE TERRACE, FL 33637 20-8607458	PHARMACY	FL	7,170,152	649,205	CHAPTERS HEALTH SYSTEM INC
(3) CHAPTERS HEALTH STAFFING LLC 12470 TELECOM DRIVE SUITE 300 TEMPLE TERRACE, FL 33637 26-4146328	STAFFING	FL	1,419,684	0	CHAPTERS HEALTH SYSTEM INC

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	(g) No
(1) LIFEPATH HOSPICE INC 12470 TELECOM DRIVE SUITE 300 TEMPLE TERRACE, FL 33637 20-5276870	HOSPICE CARE	FL	501(c)(3	9	CHAPTERS HEALTH SYSTEM INC	Yes	
(2) GOOD SHEPHERD HOSPICE INC 12470 TELECOM DRIVE SUITE 300 TEMPLE TERRACE, FL 33637 20-5276923	HOSPICE CARE	FL	501(c)(3	9	CHAPTERS HEALTH SYSTEM INC	Yes	
(3) THE JUDGE ALVA CARVER FOUNDATION INC 12470 TELECOM DRIVE SUITE 300 TEMPLE TERRACE, FL 33637 20-0187631	SUPPORT	FL	501(c)(3	PF	CHAPTERS HEALTH SYSTEM	Yes	
(4) CHAPTERS HEALTH HOME CONNECT INC 12470 TELECOM DRIVE SUITE 300 TEMPLE TERRACE, FL 33637 27-5158323	LONG-TERM CARE	FL	501(c)(3	9	CHAPTERS HEALTH SYSTEM INC	Yes	

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

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

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

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

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

		Yes	No
Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule			
1 During the tax year, did the orgranization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?			
a Receipt of **(i)** interest, **(ii)** annuities, **(iii)** royalties, or **(iv)** rent from a controlled entity	1a	Yes	
b Gift, grant, or capital contribution to related organization(s)	1b		No
c Gift, grant, or capital contribution from related organization(s)	1c	Yes	
d Loans or loan guarantees to or for related organization(s)	1d		No
e Loans or loan guarantees by related organization(s)	1e		No
f Dividends from related organization(s)	1f		No
g Sale of assets to related organization(s)	1g		No
h Purchase of assets from related organization(s)	1h		No
i Exchange of assets with related organization(s)	1i		No
j Lease of facilities, equipment, or other assets to related organization(s)	1j		No
k Lease of facilities, equipment, or other assets from related organization(s)	1k		No
l Performance of services or membership or fundraising solicitations for related organization(s)	1l	Yes	
m Performance of services or membership or fundraising solicitations by related organization(s)	1m		No
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n		No
o Sharing of paid employees with related organization(s)	1o	Yes	
p Reimbursement paid to related organization(s) for expenses	1p		No
q Reimbursement paid by related organization(s) for expenses	1q	Yes	
r Other transfer of cash or property to related organization(s)	1r		No
s Other transfer of cash or property from related organization(s)	1s		No

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

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

Part VI **Unrelated Organizations Taxable as a Partnership** Complete if the organization answered "Yes" on Form 990, Part IV, line 37.

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

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	

Part VII Supplemental Information

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

Return Reference	Explanation

Additional Data

Software ID: 14000329
Software Version: 2014v1.0
EIN: 59-2264957
Name: Chapters Health System Inc

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

(a) Name of related organization	(b) Transaction type(a-s)	(c) Amount Involved	(d) Method of determining amount involved
LIFEPATH HOSPICE INC	A	1,299,945	FMV
Good Shepherd Hospice Inc	A	1,235,762	FMV
LifePath Hospice Inc	L	717,257	FMV
Good Shepherd Hospice Inc	L	144,776	FMV
Chapters Health Home Connect INC	O	300,906	FMV
LifePath Hospice Inc	O	6,530,503	FMV
Good Shepherd Hospice Inc	O	4,204,060	FMV
Chapters Health Home Connect INC	Q	2,809,287	FMV
LifePath Hospice Inc	Q	26,571,202	FMV
Good Shepherd Hospice Inc	Q	1,527,754	FMV
THE JUDGE ALVA CARVER FOUNDATION INC	C	666,473	FMV