



See a Social Security Number? Say Something!
Report Privacy Problems to <https://public.resource.org/privacy>
Or call the IRS Identity Theft Hotline at 1-800-908-4490



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](http://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

BOZEMAN DEACONESS HEALTH SERVICES

Doing business as

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

915 HIGHLAND BOULEVARD

Room/suite

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

BOZEMAN, MT 59715

F Name and address of principal officer

GORDON DAVIDSON
915 HIGHLAND BOULEVARD
BOZEMAN,MT 59715

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

☐ Yes☒ No

H(b) Are all subordinates included?

☐ Yes☐ No

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

H(c) Group exemption number

I Tax-exempt status

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

J Website:

WWW.BOZEMANDEACONESS.ORG

K Form of organization

☒ Corporation☐ Trust☐ Association☐ Other

L Year of formation

1911

M State of legal domicile

MT

Part I	Summary																																
Activities & Governance	<div><div>1</div><div>Briefly describe the organization's mission or most significant activities</div><div>TO IMPROVE COMMUNITY HEALTH AND QUALITY OF LIFE FOR RESIDENTS AND VISITORS OF THE BOZEMAN, MT AREA</div></div>																																
	<div><div>2</div><div>Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets</div></div>																																
	<table><tr><td>3</td><td>Number of voting members of the governing body (Part VI, line 1a)</td><td>11</td></tr><tr><td>4</td><td>Number of independent voting members of the governing body (Part VI, line 1b)</td><td>10</td></tr><tr><td>5</td><td>Total number of individuals employed in calendar year 2014 (Part V, line 2a)</td><td>1,971</td></tr><tr><td>6</td><td>Total number of volunteers (estimate if necessary)</td><td>271</td></tr><tr><td>7a</td><td>Total unrelated business revenue from Part VIII, column (C), line 12</td><td>1,365,362</td></tr><tr><td>7b</td><td>Net unrelated business taxable income from Form 990-T, line 34</td><td>-543,570</td></tr></table>	3	Number of voting members of the governing body (Part VI, line 1a)	11	4	Number of independent voting members of the governing body (Part VI, line 1b)	10	5	Total number of individuals employed in calendar year 2014 (Part V, line 2a)	1,971	6	Total number of volunteers (estimate if necessary)	271	7a	Total unrelated business revenue from Part VIII, column (C), line 12	1,365,362	7b	Net unrelated business taxable income from Form 990-T, line 34	-543,570														
3	Number of voting members of the governing body (Part VI, line 1a)	11																															
4	Number of independent voting members of the governing body (Part VI, line 1b)	10																															
5	Total number of individuals employed in calendar year 2014 (Part V, line 2a)	1,971																															
6	Total number of volunteers (estimate if necessary)	271																															
7a	Total unrelated business revenue from Part VIII, column (C), line 12	1,365,362																															
7b	Net unrelated business taxable income from Form 990-T, line 34	-543,570																															
Revenue	<table><tr><th></th><th>Prior Year</th><th>Current Year</th></tr><tr><td>8</td><td>Contributions and grants (Part VIII, line 1h)</td><td>5,517,925</td></tr><tr><td>9</td><td>Program service revenue (Part VIII, line 2g)</td><td>204,688,052</td></tr><tr><td>10</td><td>Investment income (Part VIII, column (A), lines 3, 4, and 7d)</td><td>4,805,775</td></tr><tr><td>11</td><td>Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)</td><td>414,407</td></tr><tr><td>12</td><td>Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)</td><td>215,426,159</td></tr></table>		Prior Year	Current Year	8	Contributions and grants (Part VIII, line 1h)	5,517,925	9	Program service revenue (Part VIII, line 2g)	204,688,052	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	4,805,775	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	414,407	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	215,426,159														
	Prior Year	Current Year																															
8	Contributions and grants (Part VIII, line 1h)	5,517,925																															
9	Program service revenue (Part VIII, line 2g)	204,688,052																															
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	4,805,775																															
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	414,407																															
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	215,426,159																															
Expenses	<table><tr><td>13</td><td>Grants and similar amounts paid (Part IX, column (A), lines 1–3)</td><td>358,000</td><td>1,610,001</td></tr><tr><td>14</td><td>Benefits paid to or for members (Part IX, column (A), line 4)</td><td>0</td><td>0</td></tr><tr><td>15</td><td>Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)</td><td>90,896,957</td><td>101,786,134</td></tr><tr><td>16a</td><td>Professional fundraising fees (Part IX, column (A), line 11e)</td><td>0</td><td>0</td></tr><tr><td>b</td><td>Total fundraising expenses (Part IX, column (D), line 25) <input type="checkbox"/>0</td><td></td><td></td></tr><tr><td>17</td><td>Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)</td><td>100,008,076</td><td>110,123,291</td></tr><tr><td>18</td><td>Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)</td><td>191,263,033</td><td>213,519,426</td></tr><tr><td>19</td><td>Revenue less expenses Subtract line 18 from line 12</td><td>24,163,126</td><td>21,119,602</td></tr></table>	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	358,000	1,610,001	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)	90,896,957	101,786,134	16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0	b	Total fundraising expenses (Part IX, column (D), line 25) <input type="checkbox"/> 0			17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	100,008,076	110,123,291	18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	191,263,033	213,519,426	19	Revenue less expenses Subtract line 18 from line 12	24,163,126	21,119,602
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	358,000	1,610,001																														
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)	90,896,957	101,786,134																														
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0																														
b	Total fundraising expenses (Part IX, column (D), line 25) <input type="checkbox"/> 0																																
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	100,008,076	110,123,291																														
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	191,263,033	213,519,426																														
19	Revenue less expenses Subtract line 18 from line 12	24,163,126	21,119,602																														
Net Assets or Fund Balances	<table><tr><th></th><th>Beginning of Current Year</th><th>End of Year</th></tr><tr><td>20</td><td>Total assets (Part X, line 16)</td><td>347,818,522</td></tr><tr><td>21</td><td>Total liabilities (Part X, line 26)</td><td>86,474,925</td></tr><tr><td>22</td><td>Net assets or fund balances Subtract line 21 from line 20</td><td>261,343,597</td></tr></table>		Beginning of Current Year	End of Year	20	Total assets (Part X, line 16)	347,818,522	21	Total liabilities (Part X, line 26)	86,474,925	22	Net assets or fund balances Subtract line 21 from line 20	261,343,597																				
	Beginning of Current Year	End of Year																															
20	Total assets (Part X, line 16)	347,818,522																															
21	Total liabilities (Part X, line 26)	86,474,925																															
22	Net assets or fund balances Subtract line 21 from line 20	261,343,597																															

Part II

Signature Block

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

Sign Here

Signature of officer

GORDON DAVIDSON CFO/VP OF FINANCE

Type or print name and title

2015-11-04

Date

Print/Type preparer's name

KIM HUNWARDSEN CPA

Preparer's signature

KIM HUNWARDSEN CPA

Date

2015-11-04

Check ☐ if self-employed

PTIN P00484560

Firm's name

EIDE BAILLY LLP

Firm's EIN

45-0250958

Firm's address

800 NICOLLET MALL STE 1300
MINNEAPOLIS, MN 554027033

Phone no

(612) 253-6500

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

☒ Yes☐ No

For Paperwork Reduction Act Notice, see the separate instructions.

Cat No 11282Y

Form 990 (2014)

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

TO IMPROVE COMMUNITY HEALTH AND QUALITY OF LIFE

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 \$ 55,160,581 including grants of \$) (Revenue \$ 53,839,716)

BOZEMAN DEACONESS HEALTH GROUP CONSISTS OF OUR DEPARTMENTS THAT PROVIDE PHYSICIAN SERVICES TO OUTPATIENTS THE NUMBER OF MEDICARE AND MEDICAID PATIENTS SEEN IN 2014 REMAINED FAIRLY CONSISTENT AT ABOUT 44% OF TOTAL VISITS REVENUE FOR THESE PATIENTS AND UNINSURED PATIENTS TOTALED 47% OF ALL CLINIC REVENUE TOTAL OPERATING REVENUES WERE \$53,839,716 WITH ASSOCIATED OPERATING EXPENSES OF \$55,160,581 THE LOSS OF \$1,320,865 IS REFLECTIVE OF OUR COMMITMENT TO PROVIDE ACCESS TO ALL PATIENTS REGARDLESS OF THEIR ABILITY TO PAY

4b

(Code) (Expenses \$ 21,534,716 including grants of \$) (Revenue \$ 52,695,007)

BOZEMAN DEACONESS SURGICAL SERVICES STRIVES TO OFFER A WIDE ARRAY OF SURGICAL OPTIONS USING STATE OF THE ART TECHNOLOGY OF THE 5,927 INPATIENT AND OUTPATIENT SURGERIES, ABOUT ONE THIRD WERE MEDICARE AND MEDICAID PATIENTS, WHICH COMPRISED 41% (\$21,800,206) OF TOTAL REVENUE FROM THESE SERVICES (\$52,695,007) OVER 59% OF THE MEDICARE/MEDICAID REVENUES WERE UNREIMBURSED (\$12,954,791) AND WRITTEN OFF, ALONG WITH ANOTHER \$5,409,045 FROM OTHER PAYORS OUR OPERATING ROOM ALSO RECORDED \$15,199,223 IN OPERATING EXPENSES PLUS ANOTHER \$6,335,493 OF INDIRECT OVERHEAD

4c

(Code) (Expenses \$ 11,889,764 including grants of \$) (Revenue \$ 21,056,267)

THE EMERGENCY ROOM AT BOZEMAN DEACONESS HOSPITAL IS ONE OF THE BUSIEST DEPARTMENTS IN OUR ORGANIZATION, WITH JUST OVER 27,000 VISITS IN 2014 APPROXIMATELY 34% OF THESE VISITS WERE FROM MEDICARE AND MEDICAID PATIENTS, COMPRISING \$7,593,438 OF THE \$21,056,267 OF THE GROSS REVENUE OVER 60% OF THE MEDICARE/MEDICAID REVENUE WERE UNREIMBURSED (\$4,580,757) AND WRITTEN OFF, ALONG WITH ALMOST 38% OF THE REMAINING REVENUE (\$5,060,839) DIRECT AND INDIRECT EXPENSES INCURRED IN SUPPORTING THE OPERATION OF THIS EMERGENCY ROOM ACCUMULATED TO \$11,889,764

See Additional Data

4d

Other program services (Describe in Schedule O)

(Expenses \$ 81,416,334 including grants of \$ 1,610,001) (Revenue \$ 98,734,382)





















4e

Total program service expenses

170,001,395

Form 990 (2014)

Part IV Checklist of Required Schedules

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

Part IV

Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	21	Yes	
22	Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	22		No
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>	24a	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		No
25a	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? <i>If "Yes," complete Schedule L, Part I</i>	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>	25b		No
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If "Yes," complete Schedule L, Part II</i>	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>	27		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28b		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>	28c		No
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	33	Yes	
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	34	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	Yes	
b	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35b	Yes	
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	36		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O	38	Yes	

Part V

Statements Regarding Other IRS Filings and Tax Compliance

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

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable.	175	
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	0	
c. Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		1c	Yes
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return.	1,971	
b. If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).		2b	Yes
3a. Did the organization have unrelated business gross income of \$1,000 or more during the year?		3a	Yes
b. If "Yes," has it filed a Form 990-T for this year? <i>If "No" to line 3b, provide an explanation in Schedule O.</i>		3b	Yes
4a. At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		4a	No
b. If "Yes," enter the name of the foreign country: See instructions for filing requirements for 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	No
b. If "Yes," did the organization notify the donor of the value of the goods or services provided?		7b	
c. Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		7c	No
d. If "Yes," indicate the number of Forms 8282 filed during the year.		7d	
e. Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		7e	No
f. Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		7f	No
g. If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		7g	
h. If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		7h	
8 Sponsoring organizations maintaining donor advised funds. 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? <i>If "No," provide an explanation in Schedule O.</i>		14b	

Part VI

Governance, Management, and Disclosure

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

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

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year		
	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		
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?		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?		No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		No
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		No
6	Did the organization have members or stockholders?		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?	Yes	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
a	The governing body?	Yes	
b	Each committee with authority to act on behalf of the governing body?		No
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		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?		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?		
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	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	Yes	
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	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	Yes	
13	Did the organization have a written whistleblower policy?	Yes	
14	Did the organization have a written document retention and destruction policy?	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	Yes	
b	Other officers or key employees of the organization	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?	Yes	
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	Yes	

Section C. Disclosure

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

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

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

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

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

- 1a Complete this table for all persons required to be listed Report compensation for the calendar year ending with or within the organization's tax year
- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation Enter -0- in columns (D), (E), and (F) if no compensation was paid
 - List all of the organization's **current** key employees, if any See instructions for definition of "key employee "
 - List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations
 - List all of the organization's **former** officers, key employees, or highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations
 - List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) TERRY CUNNINGHAM CHAIR	1 00	X		X				0	0	0
(2) JULIE JACKSON 1ST VICE CHAIR	1 00	X		X				0	0	0
(3) BRIAN BROWN 2ND VICE CHAIR	1 00	X		X				0	0	0
(4) JOHN MURDOCH SECRETARY	1 00	X		X				0	0	0
(5) KATIE DAUGHENBAUGH TREASURER	1 00	X		X				0	0	0
(6) JOHN ROBBINS MD TREASURER (THRU 6/30/14)	50 00	X		X				159,291	0	57,075
(7) KERRI BROWN TRUSTEE	1 00	X						0	0	0
(8) REV DAVE MCCONNELL TRUSTEE	1 00	X						0	0	0
(9) DENNIS MUNSON TRUSTEE	1 00	X						0	0	0
(10) KERRY PETITT TRUSTEE	1 00	X						0	0	0
(11) DANE SOBEK MD TRUSTEE (AS OF 7/1/14)	50 00	X						586,439	0	59,604
(12) ROBERT WATSON TRUSTEE	1 00	X						0	0	0
(13) KEVIN PITZER CEO/PRESIDENT	50 00			X				478,246	0	52,633
(14) GORDON DAVIDSON CFO/VP FINANCE	50 00			X				308,004	0	63,597

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			
(15) ELIZABETH LEWIS SENIOR VP OPERATIONS/LEGAL	50 00				X			272,042	0	57,522
(16) HUGH HETHERINGTON MD DOCTOR	50 00					X		594,673	0	61,105
(17) ANNIE CASTILLO MD DOCTOR	50 00					X		511,386	0	15,600
(18) JACK HENSOLD MD DOCTOR	50 00					X		484,419	0	57,942
(19) KEN MAY MD DOCTOR	50 00					X		443,336	0	25,878
(20) BLAIR ERB MD DOCTOR	50 00					X		622,487	0	39,228

1b	Sub-Total	▶			
c	Total from continuation sheets to Part VII, Section A	▶			
d	Total (add lines 1b and 1c)	▶	4,460,323	0	490,184

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▶107

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
LANGLAS & ASSOCIATES - BOZEMAN 1019 E MAIN ST STE 101 BOZEMAN, MT 59715	CONSTRUCTION-GENERAL CONTRACTOR	5,315,941
ABSAROKA EMERGENCY PHYSICIANS 1184 N 15TH STREET SUITE 1 BOZEMAN, MT 59715	ER PHYSICIANS FEE	4,859,694
MARTEL CONSTRUCTION INC 1203 S CHURCH BOZEMAN, MT 59715	CONSTRUCTION-GENERAL CONTRACTOR	4,773,789
SANFORD HEALTH PO BOX 5074 SIOUX FALLS, SD 57117	SOFTWARE HOSTING	1,676,988
ARBOR MEDIC PO BOX 10305 BOZEMAN, MT 59715	LANDSCAPING/LAWN/SNOW REMOVAL	1,215,843
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 ▶42	

Part VIII

Statement of Revenue

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

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514	
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns 1a					
	b	Membership dues 1b					
	c	Fundraising events 1c					
	d	Related organizations 1d	2,067,539				
	e	Government grants (contributions) 1e					
	f	All other contributions, gifts, grants, and similar amounts not included above 1f					
	g	Noncash contributions included in lines 1a-1f \$					
	h	Total. Add lines 1a-1f	2,067,539				
Program Service Revenue	2a	PATIENT SERVICE REVENU	Business Code 622110	206,612,971	206,231,130	381,841	
	b	RESIDENT SERVICE REVEN	623000	5,991,160	5,991,160		
	c	OTHER JOINT VENTURE RE	423000	3,677,205	3,677,205		
	d	PHARMACY REVENUE	446110	3,489,276	3,124,638	364,638	
	e	CAFETERIA REVENUE	722210	1,464,545	1,464,545		
	f	All other program service revenue		5,090,215	4,565,576	524,639	
	g	Total. Add lines 2a-2f	226,325,372				
	Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)	3,486,664			3,486,664
4		Income from investment of tax-exempt bond proceeds					
5		Royalties					
6a		Gross rents	(i) Real 1,271,342	(ii) Personal			
		b	Less rental expenses	729,748			
		c	Rental income or (loss)	541,594			
		d	Net rental income or (loss)	541,594		94,244	447,350
7a		Gross amount from sales of assets other than inventory	(i) Securities 2,495,976	(ii) Other			
		b	Less cost or other basis and sales expenses	0	278,117		
		c	Gain or (loss)	2,495,976	-278,117		
		d	Net gain or (loss)	2,217,859			2,217,859
8a		Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18	a				
b		Less direct expenses b					
c		Net income or (loss) from fundraising events					
9a		Gross income from gaming activities See Part IV, line 19	a				
b		Less direct expenses b					
c		Net income or (loss) from gaming activities					
10a		Gross sales of inventory, less returns and allowances	a				
		b	Less cost of goods sold b				
		c	Net income or (loss) from sales of inventory				
Miscellaneous Revenue		Business Code					
11a							
b							
c							
d	All other revenue						
e	Total. Add lines 11a-11d						
12	Total revenue. See Instructions	234,639,028	225,054,254	1,365,362	6,151,873		

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.	1,610,001	1,610,001		
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.				
5	Compensation of current officers, directors, trustees, and key employees.	2,100,999	863,784	1,237,215	
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.	80,432,867	65,077,132	15,355,735	
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions).	3,384,603	2,778,358	606,245	
9	Other employee benefits.	10,153,180	8,126,638	2,026,542	
10	Payroll taxes.	5,714,485	4,549,422	1,165,063	
11	Fees for services (non-employees):				
a	Management.				
b	Legal.	331,269		331,269	
c	Accounting.	85,941		85,941	
d	Lobbying.	48,868		48,868	
e	Professional fundraising services. See Part IV, line 17.				
f	Investment management fees.	608,548		608,548	
g	Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O).	20,489,250	11,410,097	9,079,153	
12	Advertising and promotion.	1,203,453	317,488	885,965	
13	Office expenses.	3,780,498	1,146,283	2,634,215	
14	Information technology.				
15	Royalties.				
16	Occupancy.	2,784,647	535,082	2,249,565	
17	Travel.	465,292	280,131	185,161	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials.				
19	Conferences, conventions, and meetings.	310,195	186,754	123,441	
20	Interest.	2,139,943	2,139,943		
21	Payments to affiliates.				
22	Depreciation, depletion, and amortization.	14,899,858	14,899,858		
23	Insurance.	2,535,714	503,559	2,032,155	
24	Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O):				
a	MEDICAL SUPPLIES	40,347,048	40,265,734	81,314	
b	PROVISION FOR BAD DEBTS	10,535,179	10,535,179		
c	EQUIPMENT RENT & MAINTENANCE	7,524,469	4,431,768	3,092,701	
d	TAXES & LICENSES	1,440,217	103,377	1,336,840	
e	All other expenses	592,902	240,807	352,095	
25	Total functional expenses. Add lines 1 through 24e.	213,519,426	170,001,395	43,518,031	0
26	Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720).				

Part X

Balance Sheet

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

				(A)		(B)
				Beginning of year		End of year
Assets	1	Cash—non-interest-bearing			1	
	2	Savings and temporary cash investments		46,722,702	2	29,015,934
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		27,284,960	4	33,007,908
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L			6	
	7	Notes and loans receivable, net		212,160	7	450,218
	8	Inventories for sale or use		5,924,431	8	6,355,209
	9	Prepaid expenses and deferred charges		2,039,452	9	2,322,930
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a	269,847,789		
	b	Less accumulated depreciation	10b	132,242,347	125,456,868	10c 137,605,442
	11	Investments—publicly traded securities		95,319,096	11	142,419,529
	12	Investments—other securities See Part IV, line 11		3,297,355	12	1,488,754
	13	Investments—program-related See Part IV, line 11		16,441,997	13	16,719,795
	14	Intangible assets		10,713,626	14	10,891,838
	15	Other assets See Part IV, line 11		14,405,875	15	16,129,097
	16	Total assets. Add lines 1 through 15 (must equal line 34)		347,818,522	16	396,406,654
Liabilities	17	Accounts payable and accrued expenses		24,690,316	17	32,026,166
	18	Grants payable			18	
	19	Deferred revenue			19	365,123
	20	Tax-exempt bond liabilities		52,254,809	20	66,621,214
	21	Escrow or custodial account liability Complete Part IV of Schedule D			21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L			22	
	23	Secured mortgages and notes payable to unrelated third parties		522,909	23	179,507
	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		9,006,891	25	17,963,942
	26	Total liabilities. Add lines 17 through 25		86,474,925	26	117,155,952
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.					
	27	Unrestricted net assets		254,995,499	27	273,114,036
	28	Temporarily restricted net assets		4,739,605	28	4,496,434
	29	Permanently restricted net assets		1,608,493	29	1,640,232
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.					
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		261,343,597	33	279,250,702
	34	Total liabilities and net assets/fund balances		347,818,522	34	396,406,654

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	234,639,028
2	Total expenses (must equal Part IX, column (A), line 25)	2	213,519,426
3	Revenue less expenses Subtract line 2 from line 1	3	21,119,602
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	261,343,597
5	Net unrealized gains (losses) on investments	5	-961,703
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	-2,250,794
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	279,250,702

Part XII Financial Statements and Reporting

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

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

Additional Data

Software ID:
Software Version:
EIN: 81-0232121
Name: BOZEMAN DEACONESS HEALTH SERVICES

Form 990, Part III - Line 4c: Program Service Accomplishments (See the Instructions)

(Code) (Expenses \$	81,416,334	including grants of \$	1,610,001) (Revenue \$	98,734,382)
BOZEMAN DEACONESS HEALTH SERVICES OPERATES AN 86 BED HOSPITAL FACILITY (HOSPITAL), ALONG WITH A 43 UNIT ASSISTED LIVING HOME AND A 115 UNIT INDEPENDENT LIVING HOME (HILLCREST SENIOR LIVING OR HSL) ALL PATIENT AND RESIDENT SERVICE REVENUE IS USED TO PROVIDE HEALTH CARE SERVICES, HEALTH CARE PROMOTION, AND HEALTH CARE EDUCATION TO BOZEMAN AND THE SURROUNDING COMMUNITIES					

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 BOZEMAN DEACONESS HEALTH SERVICES	Employer identification number 81-0232121
---	--

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 _____
- 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?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
Total						

Part II

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

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

Section A. Public Support						
Calendar year (or fiscal year beginning in) ▶	(a) 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	
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	
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	
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	
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	
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	
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	
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	
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	
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	
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	
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	
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	
b A family member of a person described in (a) above?	11b	
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	

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.		
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.		

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).		

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?		
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).		
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.		

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 <input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below.			
b <input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below.			
c <input type="checkbox"/> The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions).			
2 <u>Activities Test</u> Answer (a) and (b) below.		Yes	No
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 <u>Parent of Supported Organizations</u> 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	<input type="checkbox"/> 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 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 BOZEMAN DEACONESS HEALTH SERVICES	Employer identification number 81-0232121
---	--

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?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4a	Was a correction made?	<input type="checkbox"/> Yes <input type="checkbox"/> 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?	<input type="checkbox"/> Yes <input type="checkbox"/> 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															
<table><tr><td>If the amount on line 1e, column (a) or (b) is:</td><td>The lobbying nontaxable amount is:</td></tr><tr><td>Not over \$500,000</td><td>20% of the amount on line 1e</td></tr><tr><td>Over \$500,000 but not over \$1,000,000</td><td>\$100,000 plus 15% of the excess over \$500,000</td></tr><tr><td>Over \$1,000,000 but not over \$1,500,000</td><td>\$175,000 plus 10% of the excess over \$1,000,000</td></tr><tr><td>Over \$1,500,000 but not over \$17,000,000</td><td>\$225,000 plus 5% of the excess over \$1,500,000</td></tr><tr><td>Over \$17,000,000</td><td>\$1,000,000</td></tr></table>		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		
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														
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-															
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?		<input type="checkbox"/> Yes <input type="checkbox"/> 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)		(b)
		Yes	No	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		44,400
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	Other activities?	Yes		4,468
j	Total. Add lines 1c through 1i.			48,868
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
PART II-B, LINE 1	HIRED CONSULTANT TO PROVIDE LOBBYING SERVICES IN CONNECTION WITH GOVERNMENTAL AFFAIRS REPRESENTATION TO ENSURE HOSPITAL, COMMUNITY, AND EMPLOYEE INTERESTS AND NEEDS ARE REPRESENTED. BOZEMAN DEACONESS HEALTH SERVICES REIMBURSES CERTAIN PROFESSIONAL MEMBERSHIP DUES OF EMPLOYEES. A PORTION OF SUCH MEMBERSHIP DUES ARE USED BY THE PROFESSIONAL ASSOCIATIONS FOR LOBBYING ACTIVITIES.

[illegible]

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 BOZEMAN DEACONESS HEALTH SERVICES	Employer identification number 81-0232121
---	--

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? <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>	
6	Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>	

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

1

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

☐ Preservation of land for public use (e g , recreation or education)

☐ Preservation of an historically important land area

☐ Protection of natural habitat

☐ Preservation of a certified historic structure

☐ Preservation of open space

2

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

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

3

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

4

Number of states where property subject to conservation easement is located ►

5

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

☐ Yes ☐ No

6

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

7

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

8

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

☐ Yes ☐ No

9

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

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

1a

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

b

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

(i) 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

► \$

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

Cat No 52283D

Schedule D (Form 990) 2014

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
1c	
1d	
1e	
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	b (c)Two years back	(d)Three years back	(e)Four years back
1a Beginning of year balance	12,396,438	10,913,019	9,765,686	9,735,942	8,337,197
b Contributions	785,403	15,645	385,183	398,579	383,010
c Net investment earnings, gains, and losses	619,492	1,686,800	873,051	-284,159	1,071,551
d Grants or scholarships					
e Other expenditures for facilities and programs	12,783	219,026	110,901	84,676	55,816
f Administrative expenses					
g End of year balance	13,788,550	12,396,438	10,913,019	9,765,686	9,735,942

- 2

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

a

Board designated or quasi-endowment ▶ 75 600 %

b

Permanent endowment ▶ 14 800 %

c

Temporarily restricted endowment ▶ 9 600 %

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

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

(i) unrelated organizations

3a(i)

☐ Yes

☐ No

(ii) related organizations

3a(ii)

☐ Yes

☐
- b

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

3b

☐ Yes

☐
- 4

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

Part VI

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

Description of property	(a) Cost or other basis (investment)	(b)Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land	8,561,480	610,686		9,172,166
b Buildings		155,293,540	77,130,872	78,162,668
c Leasehold improvements				
d Equipment		86,746,943	53,373,609	33,373,334
e Other		18,635,140	1,737,866	16,897,274
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).) ▶				137,605,442

Part XI

Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

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

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

Part XII

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

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

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

Part XIII

Supplemental Information

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

Return Reference	Explanation
PART V, LINE 4	EACH ENDOWMENT FUND IS PRIVY TO A SEPARATE AGREEMENT. DONATIONS MADE FOR EACH PURPOSE SHALL BE RECEIVED, HELD, AND INVESTED BY THE BOZEMAN DEACONESS FOUNDATION ACCORDING TO ESTABLISHED POLICIES GOVERNING GIFT ACCEPTANCE, INVESTMENT, AND DISTRIBUTION. THE PRINCIPAL OF THE FUND SHALL BE RETAINED IN PERPETUITY. THE INTEREST INCOME IS UTILIZED FOR THE GREATEST NEEDS OF THE DESIGNATED DEPARTMENT. POLICY SAYS THE ORGANIZATION CAN USE A PORTION OF INTEREST FOR OPERATIONS.
PART X, LINE 2	THE ORGANIZATION, WHICH INCLUDES THE HOSPITAL, CONSISTS OF MONTANA NONPROFIT CORPORATIONS AND HAS BEEN RECOGNIZED BY THE INTERNAL REVENUE SERVICE (IRS) AS EXEMPT FROM FEDERAL INCOME TAXES UNDER INTERNAL REVENUE CODE SECTION 501(C)(3). THE ORGANIZATION IS ANNUALLY REQUIRED TO FILE A RETURN OF ORGANIZATION EXEMPT FROM INCOME TAX (FORM 990) WITH THE IRS. IN ADDITION, THE ORGANIZATION IS SUBJECT TO INCOME TAX ON NET INCOME THAT IS DERIVED FROM BUSINESS ACTIVITIES THAT ARE UNRELATED TO ITS EXEMPT PURPOSE. THE ORGANIZATION FILES AN EXEMPT ORGANIZATION BUSINESS INCOME TAX RETURN (FORM 990T) WITH THE IRS TO REPORT ITS UNRELATED BUSINESS TAXABLE INCOME. BOZEMAN DEACONESS REAL ESTATE DEVELOPMENT CORP. IS A FOR-PROFIT ENTITY FOR WHICH INCOME TAXES ARE PROVIDED FOR THE TAX EFFECTS OF TRANSACTIONS REPORTED IN THE FINANCIAL STATEMENTS AND CONSIST OF TAXES CURRENTLY DUE PLUS DEFERRED TAXES. THERE WAS NO TAXABLE INCOME IN 2014 AND 2013. THE ORGANIZATION BELIEVES THAT IT HAS APPROPRIATE SUPPORT FOR ANY TAX POSITIONS TAKEN AFFECTING ITS ANNUAL FILING REQUIREMENTS, AND AS SUCH, DOES NOT HAVE ANY UNCERTAIN TAX POSITIONS THAT ARE MATERIAL TO THE FINANCIAL STATEMENTS. THE ORGANIZATION WOULD RECOGNIZE FUTURE ACCRUED INTEREST AND PENALTIES RELATED TO UNRECOGNIZED TAX BENEFITS AND LIABILITIES IN INCOME TAX EXPENSE IF SUCH INTEREST AND PENALTIES ARE INCURRED. THE ORGANIZATION'S FEDERAL FORM 990T AND BOZEMAN DEACONESS REAL ESTATE DEVELOPMENT CORP.'S TAX FILINGS ARE NO LONGER SUBJECT TO FEDERAL AND STATE TAX EXAMINATIONS BY TAX AUTHORITIES FOR YEARS BEFORE 2011.

[illegible]

SCHEDULE H
(Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

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

OMB No 1545-0047

2014

Open to Public Inspection

Name of the organization
BOZEMAN DEACONESS HEALTH SERVICES

Employer identification number
81-0232121

Part I

Financial Assistance and Certain Other Community Benefits at Cost

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

7

Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)			8,123,130	453,130	7,670,000	3 780 %
b Medicaid (from Worksheet 3, column a)			12,839,278	8,334,290	4,504,988	2 220 %
c Costs of other means-tested government programs (from Worksheet 3, column b)			693,726	1,018,354	-324,628	0 %
d Total Financial Assistance and Means-Tested Government Programs			21,656,134	9,805,774	11,850,360	6 000 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			712,910	168,339	544,571	0 270 %
f Health professions education (from Worksheet 5)			25,618		25,618	0 010 %
g Subsidized health services (from Worksheet 6)			31,196,008	24,315,688	6,880,320	3 390 %
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)			766,571		766,571	0 380 %
j Total. Other Benefits			32,701,107	24,484,027	8,217,080	4 050 %
k Total. Add lines 7d and 7j			54,357,241	34,289,801	20,067,440	10 050 %

Part IICommunity Building Activities

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

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1Physical improvements and housing						
2Economic development			20,000		20,000	0.010 %
3Community support						
4Environmental improvements						
5Leadership development and training for community members						
6Coalition building			2,054		2,054	0 %
7Community health improvement advocacy						
8Workforce development						
9Other						
10Total			22,054		22,054	0.010 %

Part IIIBad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

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

1Yes

No

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

211,135,124

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

30

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

Section B. Medicare

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

537,339,440

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

639,277,847

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

7-1,938,407

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

☐ Cost accounting system

☐ Cost to charge ratio

☒ Other

Section C. Collection Practices

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

9aYes

No

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

9b

No

Part IVManagement Companies and Joint Ventures

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

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

Part V

Facility Information

Section A. Hospital Facilities

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

1
Name, address, primary website address, and state license number (and if a group return, the name and EIN of the subordinate hospital organization that operates the hospital facility)

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

Part V

Facility Information (continued)

Section B. Facility Policies and Practices

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

BOZEMAN DEACONESS HOSPITAL

Name of hospital facility or letter of facility reporting group

Line number of hospital facility, or line numbers of hospital facilities in a facility reporting group (from Part V, Section A):

1

		Yes	No
Community Health Needs Assessment			
1	Was the hospital facility first licensed, registered, or similarly recognized by a State as a hospital facility in the current tax year or the immediately preceding tax year?	1	No
2	Was the hospital facility acquired or placed into service as a tax-exempt hospital in the current tax year or the immediately preceding tax year? If "Yes," provide details of the acquisition in Section C	2	No
3	During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 12 If "Yes," indicate what the CHNA report describes (check all that apply)	3	Yes
a	<input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
b	<input checked="" type="checkbox"/> Demographics of the community		
c	<input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d	<input checked="" type="checkbox"/> How data was obtained		
e	<input checked="" type="checkbox"/> The significant health needs of the community		
f	<input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g	<input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h	<input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
i	<input type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs		
j	<input type="checkbox"/> Other (describe in Section C)		
4	Indicate the tax year the hospital facility last conducted a CHNA 20 <u>12</u>		
5	In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	5	Yes
6a	Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C	6a	No
b	Was the hospital facility's CHNA conducted with one or more organizations other than hospital facilities? If "Yes," list the other organizations in Section C	6b	Yes
7	Did the hospital facility make its CHNA report widely available to the public? If "Yes," indicate how the CHNA report was made widely available (check all that apply)	7	Yes
a	<input checked="" type="checkbox"/> Hospital facility's website (list url) <u>HTTP //WWW.BOZEMANDEACONESS.ORG/FOR-COMMUNITY/NEWS-REPORTS.ASPX</u>		
b	<input checked="" type="checkbox"/> Other website (list url) <u>HTTP //HEALTHYGALLATIN.ORG/WP-CONTENT/UPLOADS/2013/04/HEALTHYGALLATIN_ANNUA</u>		
c	<input type="checkbox"/> Made a paper copy available for public inspection without charge at the hospital facility		
d	<input type="checkbox"/> Other (describe in Section C)		
8	Did the hospital facility adopt an implementation strategy to meet the significant community health needs identified through its most recently conducted CHNA? If "No," skip to line 11	8	Yes
9	Indicate the tax year the hospital facility last adopted an implementation strategy 20 <u>12</u>		
10	Is the hospital facility's most recently adopted implementation strategy posted on a website?	10	Yes
a	<u>HTTP //WWW.BOZEMANDEACONESS.ORG/DOCUMENTS/BDHS-2012-2014-COMMUNITY-BENEFIT-</u>		
b	If "Yes" (list url) <u>2014-COMMUNITY-BENEFIT-</u>	10b	No
11	Describe in Section C how the hospital facility is addressing the significant needs identified in its most recently conducted CHNA and any such needs that are not being addressed together with the reasons why such needs are not being addressed		
12a	Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	12a	No
b	If "Yes" to line 12a, did the organization file Form 4720 to report the section 4959 excise tax?	12b	
c	If "Yes" to line 12b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$ <u></u>		

Part V

Facility Information (continued)

Name of hospital facility or letter of facility reporting group

BOZEMAN DEACONESS HOSPITAL

		Yes	No
Financial Assistance Policy (FAP)			
13	Did the hospital facility have in place during the tax year a written financial assistance policy that explained eligibility criteria for financial assistance, and whether such assistance included free or discounted care? If "Yes," indicate the eligibility criteria explained in the FAP	13	Yes
a	<input checked="" type="checkbox"/> Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of <u>150 000000000000</u> % and FPG family income limit for eligibility for discounted care of <u>250 000000000000</u> %		
b	<input type="checkbox"/> Income level other than FPG (describe in Section C)		
c	<input type="checkbox"/> Asset level		
d	<input checked="" type="checkbox"/> Medical indigency		
e	<input checked="" type="checkbox"/> Insurance status		
f	<input checked="" type="checkbox"/> Underinsurance discount		
g	<input type="checkbox"/> Residency		
h	<input type="checkbox"/> Other (describe in Section C)		
14	Explained the basis for calculating amounts charged to patients?	14	Yes
15	Explained the method for applying for financial assistance?	15	Yes
	If "Yes," indicate how the hospital facility's FAP or FAP application form (including accompanying instructions) explained the method for applying for financial assistance (check all that apply)		
a	<input checked="" type="checkbox"/> Described the information the hospital facility may require an individual to provide as part of his or her application		
b	<input checked="" type="checkbox"/> Described the supporting documentation the hospital facility may require an individual to submit as part of his or her application		
c	<input type="checkbox"/> Provided the contact information of hospital facility staff who can provide an individual with information about the FAP and FAP application process		
d	<input type="checkbox"/> Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications		
e	<input type="checkbox"/> Other (describe in Section C)		
16	Included measures to publicize the policy within the community served by the hospital facility?	16	Yes
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply)		
a	<input type="checkbox"/> The FAP was widely available on a website (list url) _____		
b	<input checked="" type="checkbox"/> The FAP application form was widely available on a website (list url) _____		
c	<input checked="" type="checkbox"/> A plain language summary of the FAP was widely available on a website (list url) _____		
d	<input checked="" type="checkbox"/> The FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
e	<input checked="" type="checkbox"/> The FAP application form was available upon request and without charge (in public locations in the hospital facility and by mail)		
f	<input checked="" type="checkbox"/> A plain language summary of the FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
g	<input checked="" type="checkbox"/> Notice of availability of the FAP was conspicuously displayed throughout the hospital facility		
h	<input type="checkbox"/> Notified members of the community who are most likely to require financial assistance about availability of the FAP		
i	<input checked="" type="checkbox"/> Other (describe in Section C)		
Billing and Collections			
17	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained all of the actions the hospital facility or other authorized party may take upon non-payment?	17	Yes
18	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP		
a	<input type="checkbox"/> Reporting to credit agency(ies)		
b	<input type="checkbox"/> Selling an individual's debt to another party		
c	<input type="checkbox"/> Actions that require a legal or judicial process		
d	<input type="checkbox"/> Other similar actions (describe in Section C)		
e	<input checked="" type="checkbox"/> None of these actions or other similar actions were permitted		

Part V

Facility Information (continued)

BOZEMAN DEACONESS HOSPITAL

Name of hospital facility or letter of facility reporting group		Yes	No
19 Did the hospital facility or other authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP? If "Yes," check all actions in which the hospital facility or a third party engaged		19	No
a <input type="checkbox"/> Reporting to credit agency(ies)			
b <input type="checkbox"/> Selling an individual's debt to another party			
c <input type="checkbox"/> Actions that require a legal or judicial process			
d <input type="checkbox"/> Other similar actions (describe in Section C)			
20 Indicate which efforts the hospital facility or other authorized party made before initiating any of the actions listed (whether or not checked) in line 18 (check all that apply)			
a <input checked="" type="checkbox"/> Notified individuals of the financial assistance policy on admission			
b <input checked="" type="checkbox"/> Notified individuals of the financial assistance policy prior to discharge			
c <input checked="" type="checkbox"/> Notified individuals of the financial assistance policy in communications with the individuals regarding the individuals' bills			
d <input checked="" type="checkbox"/> Documented its determination of whether individuals were eligible for financial assistance under the hospital facility's financial assistance policy			
e <input type="checkbox"/> Other (describe in Section C)			
f <input type="checkbox"/> None of these efforts were made			
Policy Relating to Emergency Medical Care			
21 Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that required the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy? If "No," indicate why		21	Yes
a <input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions			
b <input type="checkbox"/> The hospital facility's policy was not in writing			
c <input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Section C)			
d <input type="checkbox"/> Other (describe in Section C)			
Charges to Individuals Eligible for Assistance Under the FAP (FAP-Eligible Individuals)			
22 Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care			
a <input checked="" type="checkbox"/> The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged			
b <input type="checkbox"/> The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged			
c <input type="checkbox"/> The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged			
d <input type="checkbox"/> Other (describe in Section C)			
23 During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care? If "Yes," explain in Section C		23	No
24 During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual? If "Yes," explain in Section C		24	Yes

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16i, 18d, 19d, 20e, 21c, 21d, 22d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

[illegible]

Part V

Facility Information *(continued)*

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

How many non-hospital health care facilities did the organization operate during the tax year? 7

Name and address		Type of Facility (describe)
1	DEACONESS INTERCITY IMAGING LLC 915 HIGHLAND BLVD BOZEMAN, MT 59715	OUTPATIENT IMAGING CENTER
2	ROCKY MOUNTAIN SURGERY CENTER LLC 1450 ELLIS ST SUITE 101 BOZEMAN, MT 59715	OUTPATIENT SURGICAL CENTER
3	HILLCREST SENIOR LIVING 1201 HIGHLAND BLVD BOZEMAN, MT 59715	INDEPENDENT AND ASSISTED LIVING FACILITY
4	HOSPICE OF SOUTHWEST MONTANA LLC 3810 VALLEY COMMONS DR STE 1 BOZEMAN, MT 59715	HOSPICE SERVICES
5	FAMILY DOCTORS URGENT CARE LLC 120 N 19TH AVENUE BOZEMAN, MT 59715	OUTPATIENT HEALTH CARE
6	BOZEMAN HEALTH URGENT CARES LLC 106 W MAIN BOZEMAN, MT 59715	OUTPATIENT HEALTH CARE
7	BOZEMAN HEALTH CLINICAL RESEARCH LLC 950 STONERIDGE DR 1 BOZEMAN, MT 59718	OUTPATIENT HEALTH CARE CLINICAL TRIALS
8		
9		
10		

Part VI

Supplemental Information

Provide the following information

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

Form and Line Reference	Explanation
PART I, LINE 3C	ANY INDIVIDUAL AND THEIR DEPENDENTS WHO ARE AT 150% OF THE FEDERAL POVERTY INCOME LEVEL OR BELOW WILL BE ELIGIBLE TO RECEIVE A 100% WRITE-OFF OF THE SELF-PAY PORTION OF INCURRED CHARGES, UPON COMPLETION OF AN APPLICATION ANY UNINSURED INDIVIDUAL WITH INCOME UNDER 250% OF THE FEDERAL POVERTY GUIDELINES (FPG) WILL BE ELIGIBLE TO RECEIVE A DISCOUNT FROM CHARGES BASED ON CERTAIN GUIDELINES COMPLETION OF THE FINANCIAL ASSISTANCE APPLICATION WILL BE REQUIRED IN SOME CASES, FULL OR PARTIAL ASSISTANCE MAY BE PROVIDED TO INSURED INDIVIDUALS WITH GROSS FAMILY INCOMES ABOVE 250% OF THE FPG ADJUSTED FOR FAMILY SIZE CATASTROPHIC FINANCIAL ASSISTANCE IS AVAILABLE TO INDIVIDUALS WHO HAVE A LARGE BALANCE REMAINING AFTER ALL THIRD PARTY PAYMENTS HAVE BEEN TAKEN INTO ACCOUNT THE BALANCE UNDER CONSIDERATION IS THAT AMOUNT WHICH IS DEEMED TO BE THE PATIENT'S FINANCIAL RESPONSIBILITY IF SUCH RESPONSIBILITY IS GREATER THAN 50% OF THE FAMILY'S ANNUAL HOUSEHOLD INCOME, THE EXCESS AMOUNT WILL BE TREATED AS CATASTROPHIC FINANCIAL ASSISTANCE AND WRITTEN OFF OF THE PATIENT'S ACCOUNT THIS ASSISTANCE IS AVAILABLE WITHOUT RESPECT TO THE FPG, BUT THEY MUST FOLLOW THE SAME PROCESS AS ALL OTHER PATIENTS SEEKING FINANCIAL ASSISTANCE BASED UPON FPG ASSET TESTS ARE NOT USED FOR DETERMINING ANY LEVEL OF FINANCIAL ASSISTANCE ALL DECISIONS REGARDING FINANCIAL ASSISTANCE ARE IN THE SOLE DISCRETION OF BDH PRIOR TO PROVIDING SERVICES, BDH WILL MAKE AN EFFORT TO NOTIFY THE PATIENT REGARDING THEIR ELIGIBILITY FOR FINANCIAL ASSISTANCE

Form and Line Reference	Explanation
PART I, LINE 6A	THE ORGANIZATION'S COMMUNITY BENEFIT REPORT CAN BE FOUND ON ITS WEBSITE AT HTTP //WWW.BOZEMANDEACONESS.ORG/FOR-COMMUNITY/NEWS-REPORTS.ASPX

Form and Line Reference	Explanation
PART I, LINE 7	THE COST TO CHARGE RATIO FROM WORKSHEET 2 WAS USED TO OBTAIN THE COSTS RELATED TO CHARITY CARE, MEDICAID, AND OTHER MEANS-TESTED PROGRAMS ALL OTHER BENEFITS WERE CALCULATED USING OUR INTERNAL COSTING SYSTEM THIS SYSTEM ASSIGNS ALL DIRECT EXPENSES TO SEPARATE COST CENTERS (DEPARTMENTS) AND ACCOUNTS INDIRECT COSTS ARE THEN ALLOCATED TO APPLICABLE DEPARTMENTS BASED ON APPROPRIATE STATISTICS FOR EXAMPLE, ENGINEERING AND ENVIRONMENTAL SERVICES WOULD BE ALLOCATED BASED ON SQUARE FOOTAGE WHEREAS INFORMATION SYSTEMS AND BENEFITS ARE ALLOCATED BASED ON AN ACCUMULATED COST PERCENTAGE AS DETERMINED BY THE MEDICARE COST REPORT OUR INTERNAL SYSTEM DOES RECORD PATIENT REVENUES BASED ON TYPE (INPATIENT VS OUTPATIENT VS EMERGENCY) AND PAYOR (MEDICAID, MEDICARE, COMMERCIAL, SELF-PAY, ETC) RELATED COSTS ARE THEN DETERMINED BASED ON THE PRO-RATED SHARE AS A PERCENTAGE OF THE TOTAL FOR EXAMPLE, IF MEDICAID COMPRISES 7% OF A DEPARTMENT'S REVENUE, MEDICAID EXPENSES ARE CALCULATED AT 7% OF THE TOTAL AS WELL

Form and Line Reference	Explanation
PART I, LINE 7G	AMOUNT OF COST ATTRIBUTABLE TO A PHYSICIAN CLINIC IS \$30,266,081 ALL COSTS ASSOCIATED WITH A PROVIDER-BASED CLINIC OPERATIONAL DEPARTMENT WERE CONSIDERED PART OF THIS TOTAL

Form and Line Reference	Explanation
PART I, LN 7 COL(F)	THE AMOUNT OF BAD DEBT EXPENSE REMOVED FROM THE DENOMINATOR IS \$10,535,179

Form and Line Reference	Explanation
PART II, COMMUNITY BUILDING ACTIVITIES	BOZEMAN DEACONESS HEALTH SERVICES PROVIDED A CASH CONTRIBUTION TO THE CITY OF BOZEMAN FOR THE BOZEMAN BROADBAND INITIATIVE AND ITS DEVELOPMENT OF A COMMUNITY BROADBAND MASTER PLAN BDHS IS ALSO REPRESENTED THROUGH PARTICIPATION IN THE BOZEMAN KIWANIS CLUB, AN ORGANIZATION DEDICATED TO COMMUNITY SERVICE AND IMPROVING THE HOLISTIC HEALTH OF CHILDREN

Form and Line Reference	Explanation
PART III, LINE 4	BAD DEBT IS REPORTED AT CHARGES AS RECORDED BY THE ORGANIZATION AND INCLUDED JOINT VENTURES BAD DEBT IS REPORTED BASED UPON ACTUAL BAD DEBT EXPENSE NET OF DISCOUNTS AND CONTRACTUAL ADJUSTMENTS, LESS RECOVERIES THE FOOTNOTE TO THE ORGANIZATION'S FINANCIAL STATEMENTS THAT DESCRIBES BAD DEBT EXPENSES IS LOCATED IN FOOTNOTE 1 ON PAGE 9 OF THE ATTACHED FINANCIAL STATEMENTS

Form and Line Reference	Explanation
PART III, LINE 8	THE ENTIRE AMOUNT OF SHORTFALL SHOULD BE CONSIDERED A COMMUNITY BENEFIT THE MEDICARE SHORTFALL REPRESENTS A COST ABSORBED BY THE HOSPITAL AS A RESULT OF PROVIDING CARE TO MEDICARE PATIENTS THE CONTRACT DRIVING THIS LOSS IS A NONDISCRETIONARY CONTRACT, AS IS PROVIDING THE SERVICES TO THIS POPULATION OF INDIVIDUALS THE COST OF PROVIDING THIS BENEFIT TO THE COMMUNITY SHOULD BE REPORTABLE AS SUCH MEDICARE ALLOWABLE COSTS OF CARE ARE BASED ON THE MEDICARE COST REPORT THE MEDICARE COST REPORT IS COMPLETED BASED ON THE RULES AND REGULATIONS SET FORTH BY CENTERS FOR MEDICARE AND MEDICAID SERVICES FOR THE JOINT VENTURES, NET MEDICARE REVENUE WAS USED AS THE REVENUE RECEIVED, AND THAT PERCENTAGE OF TOTAL REVENUES WAS APPLIED AGAINST OPERATING EXPENSES TO DETERMINE RELATED COSTS THE JOINT VENTURE PORTION OF THE SHORTFALL IS \$916,268

Form and Line Reference	Explanation
PART III, LINE 9B	THE COLLECTION POLICY DOES NOT SPECIFICALLY ADDRESS THE COLLECTION PRACTICES TO BE FOLLOWED FOR PATIENTS WHO ARE KNOWN TO QUALIFY FOR CHARITY CARE OR FINANCIAL ASSISTANCE

Form and Line Reference	Explanation
PART VI, LINE 2	<p>A UPDATES RELATED TO 2012 CHNATHE FOLLOWING UPDATES RELATE TO INITIATIVES/STRATEGIES TO A DDRESS NEEDS IDENTIFIED BASED ON THE 2012 CHNA CONDUCTED JOINTLY BY BOZEMAN DEACONESS HEAL TH SERVICES (BDHS), GALLATIN CITY AND COUNTY HEALTH DEPARTMENT (GCCHD) AND COMMUNITY HEALT H PARTNERS (CHP) STRATEGIC ISSUE #1 IMPROVING ACCESS TO HEALTHCARE SERVICES PREVENTIVE HE ALTH SERVICES * THE HEALTHCARE CONNECTIONS-MOBILE HEALTH SCREENINGS (HCC) EXCEEDED 2014 TA RGETS OF 10% INCREASE FROM PRIOR YEAR * CLIENTS SERVED AND HEALTH SCREENINGS UP BY NEARLY 30% * NUMBER OF VACCINATIONS GIVEN INCREASED 188% * HCC PARTICIPATED IN THE GALLATIN COUN TY IMMUNIZATION AND ADULT WELLNESS DAY, GOODWILL & LATINO EVENT, PROJECT HOMELESS AND VETE RANS STAND DOWN * THE MOBILE HEALTH SCREENING VAN PROVIDES FREE SCREENINGS FOR BREAST AND COLON CANCER, HEART DISEASE, STROKE, DIABETES, OSTEOPOROSIS AND OBESITY SCREENINGS AS WEL L AS FREE VACCINATIONS-TDAP - TETANUS & PERTUSSIS (WHOOPING COUGH), FLU (SEASONAL) AND PNE UMONIA VACCINATIONS * BDHS HEALTH SCREENING DAY, ANNUAL EVENT, 60 EMPLOYEES HELPED, OVER 658 ADULTS AND 125 CHILDREN ATTENDED THE FAIR OFFERED ACCESS TO REDUCED PRICE BLOOD DRAWS AND FOBT'S AS WELL AS FREE PREVENTIVE SCREENINGS (BONE DENSITY, HEART MONITORING FACIAL S KIN CHECKS, GLUCOSE STICKS, OXIMETRY, BLOOD PRESSURE, VISION, HEARING, AND DEPRESSION) * B I G SKY HEALTH SCREENING DAY, ANNUAL EVENT, 5 EMPLOYEES HELPED, 35 ATTENDED THE FAIR OFFER ED ACCESS TO REDUCED PRICE BLOOD DRAWS AND FOBT'S AS WELL AS FREE PREVENTIVE SCREENINGS (B ONE DENSITY, GLUCOSE STICKS, BLOOD PRESSURE, AND BMI) HEALTHY GALLATIN ACCESS COMMITTEE BD HS CONTINUES TO PROVIDE LEADERSHIP AND SUPPORT TO THIS COMMITTEE FOR 2014, THE COMMITTEE HAS MET TWICE STRATEGIC ISSUE #2 INCREASING COLLABORATION AND STRATEGIC PARTNERSHIPSEXPAN D UTILITY OF BDHS HEALTH INFORMATION CENTER (BDHS HIC)* BDHS HIC ARRANGED 14 HEALTH FORUMS TALKING ABOUT HYPERTENSION GUIDELINES, CONTROLLING GLUCOSE LEVELS, AUTOIMMUNE DISEASE, BR AIN INJURIES AND ADVANCE CARE PLANNING * AS MEMBER OF THE CANCER COMMITTEE, REPORTING TO T HE COMMITTEE THE TYPES OF CANCER SCREENINGS HELD BY BDHS, THE HCC AND CANCER EDUCATION PRE SENTATIONS, LIKE THE FORUMS* PARTICIPANT IN QUARTERLY MEETINGS AND CONTRIBUTOR OF THE MT C OMPREHENSIVE CANCER COALITION, REPORTING ON THE MAMMOGRAM PROJECT AND HCC MAMMOGRAM VOUCHE RS * BDHS CONTINUES TO ATTEND QUARTERLY MEETINGS FOR THE IMMUNIZATION COALITION HEALTHY G ALLATIN COLLABORATION COMMITTEEBDHS CONTINUES TO PROVIDE LEADERSHIP, SUPPORT AND WORK ON T HE HEALTHY GALLATIN COLLABORATION COMMITTEE IN JANUARY, TOGETHER WITH CORE MEMBERS, THE C OMMITTEE PROVIDED THE COMMUNITY UPDATES REGARDING PROGRESS OF THE HEALTHY GALLATIN COMMUNI TY HEALTH IMPROVEMENT PLAN STRATEGIC ISSUE #3 ENCOURAGING HEALTHY BEHAVIORS ACROSS LIFE S PANMAKING HEALTH LITERACY CURRICULUM/TOOLS AVAILABLE IN SCHOOLS* ABOUT HEALTHTEACHER* BDHS SPONSORS HEALTHTEACHER IN SCHOOLS ACROSS GALLATIN COUNTY * IS A COMPREHENSIVE ONLINE K-1 2 HEALTH EDUCATION CURRICULUM, INCLUDING AGE- APPROPRIATE LESSONS, INTERACTIVE PRESENTATION S AND ADDITIONAL RESOURCES THAT FOCUS ON HEALTHY BEHAVIORS AND INTEGRATE HEALTH LITERACY I NTO CLASSROOMS * LESSONS ARE RELEVANT AND SPAN THE HARD-HITTING ISSUES KIDS FACE (E G BUL LYING, OBESITY, DEPRESSION) * FAMILY NEWSLETTERS AND AT-HOME CHALLENGES REINFORCE HEALTHY HABITS AT HOME * EXPANDING ACCESS TO COMMUNITY* BDHS HAS RENEWED ITS SUBSCRIPTION TO HEALT H TEACHER FOR ANOTHER 3 YEARS FOR ALL OF GALLATIN COUNTY * IN ADDITION TO DISTRICT SCHOOLS , BDHS HAS REACHED OUT TO HOME SCHOOLING GROUPS AND HEAD START* ALSO INTRODUCED HEALTHTEAC HER TO KIDSLINK, AN AFTER-SCHOOL PROGRAM AND PROVIDED TRAINING SESSION FOR 25 TEACHERS * L ESSONS ACCESSED ON MENTAL AND EMOTIONAL HEALTH MODULEFOR THE SY 2014-2015, THERE WERE 260 LESSONS ACCESSED ENCOURAGING/INCREASING PHYSICAL ACTIVITY OF SCHOOL-AGE KIDS THROUGH GO NO ODLE PROGRAM* ABOUT GO NOODLE* GO NOODLE IS A PROGRAM OFFERED AS PART OF HEALTH TEACHER PR OMOTING PHYSICAL ACTIVITY FOR KIDS, HELPING THEM REACH 60 MINUTES OF MOVEMENT DAILY AS REC OMMENDED BY THE CENTERS FOR DISEASE CONTROL AND PREVENTION * IMPLEMENTED IN 2013, GO NOOD LE CHANNELS K-5 CLASSROOM ENERGY WITH SHORT, INTERACTIVE PHYSICAL ACTIVITY BREAKS OR "BRAI N BREAKS" TO IMPROVE STUDENT HEALTH, ENGAGEMENT, BEHAVIOR AND PERFORMANCE * GO NOODLE GAM ES INTEGRATE MATH AND LANGUAGE ARTS, ALSO HELPING TEACHERS MEET CORE-SUBJECT STANDARDS* OU R COMMUNITY SCHOOLS HAVE ACCESS TO OVER 120 INTERACTIVE GAMES AND VIDEOS TO GET KIDS MOVIN G AND LEARNING IN THE CLASSROOM IS ALSO ACCESSIBLE AT HOME * THESE ACTIVITIES POSITIVELY IMPACT PHYSICAL ACTIVITY AND ACADEMIC PERFORMANCE * GO NOODLE REACH AND IMPACT (SCHOOL YE AR 2014-2015)* NUMBER OF KIDS ENGAGED NOW AT 3,689, UP BY 44%* NUMBER OF PHYSICAL ACTIVITY BREAKS PLAYED NOW NEARLY 17,000, UP BY 135%* NUMBER OF STUDENT MINUTES OF PHYSICAL ACTIVI TY JUMPED TO 788,594, UP BY 113%* BDHS-SPONSORED SCHOOL DISTRICTS HAD THE HIGHEST PERCENTA GE OF ACTIVE HEALTHTEACHER USERS NATIONWIDE, AMONG</p>

Form and Line Reference	Explanation
PART VI, LINE 2	30,000 TEACHERS AT 11,000 SCHOOLS IN THE PROGRAM * BOZEMAN AREA TEACHERS REPORTED IMPROVE MENT IN THE FOLLOWING THROUGH USING GO NOODLE* 36% IMPROVEMENT IN VOCABULARY SCORES* 24% I MPROVEMENT IN MATH SCORESHEALTHY BEHAVIORS COMMITTEETHE HEALTHY GALLATIN HEALTHY BEHAVIORS COMMITTEE HAS MET TWICE IN 2014 * BEGINNING OF THE YEAR, REVIEWED THE PROGRESS AND WORK P LAN DISCUSSION CENTERED AROUND WHAT THE GROUP DID WELL, HOW TO SET REALISTIC LONG TERM GO ALS, AND DEFINE THE PURPOSE OF THE GROUP* AT END OF YEAR, THE GROUP IS WEIGHING ON A PROPO SAL TO DEVELOP A STRATEGIC COMMITTEE TO HELP DEVISE A NEW WORK PLAN FOR THE HB GROUP STRAT EGIC ISSUE #4 SOCIAL & ECONOMIC DISPARITIESSUPPORTING GALLATIN VALLEY FOOD BANK* TURKEY D ONATIONS AMOUNTING TO OVER \$10,000 BOARD SERVICE* BDHS VICE PRESIDENT OF SENIOR SERVICES (LEROY WILSON) SERVES AS A BOARD MEMBER TO HUMAN RESOURCE DEVELOPMENT COUNCIL (HRDC)NEXT ST EPS 2015 CHNA PLANNINGPLANNING FOR THE 2015 HAS STARTED AND THE GROUP (GCCHD, CHP AND BDH S) HAS AGAIN CONTRACTED WITH PROFESSIONAL RESEARCH CONSULTANTS (PRC) TO CONDUCT OUR NEEDS ASSESSMENT CONDUCTED LATE 2014 RESULTS WILL BE AVAILABLE IN EARLY 2015

Form and Line Reference	Explanation
PART VI, LINE 3	BOZEMAN DEACONESS HOSPITAL IS DEEPLY COMMITTED TO PROVIDING FINANCIAL ASSISTANCE TO PATIENTS NEEDING, BUT UNABLE TO AFFORD, MEDICALLY NECESSARY HEALTH CARE SERVICES BDH POSTS NOTICE OF ITS FINANCIAL ASSISTANCE POLICY IN ALL ADMITTING AREAS, AS WELL AS ON THE WEBSITE AT THE EARLIEST FEASIBLE TIME, BDH WILL ATTEMPT TO DETERMINE WHETHER A PATIENT HAS THIRD PARTY COVERAGE FOR ANY PART OF THE HOSPITAL SERVICES PROVIDED IF A PATIENT DOES NOT HAVE THIRD PARTY COVERAGE, A PATIENT ADVOCATE FROM THE MASH PROGRAM WILL SCREEN ALL INPATIENT CASES AND ANY OUTPATIENT CASES EXCEEDING \$1,000 IN TOTAL CHARGES TO DETERMINE IF THE PATIENT QUALIFIES FOR THIRD PARTY FUNDING IF NOT, THE PATIENT ADVOCATE WILL EXPLAIN THE FINANCIAL ASSISTANCE POLICY AND GIVE THE PATIENT AN APPLICATION IF DESIRED IN CIRCUMSTANCES WHERE PAYMENT IN FULL WILL CAUSE FINANCIAL HARDSHIP THAT WILL SIGNIFICANTLY HARM THE PATIENT OR PATIENT'S FAMILY, THE APPLICANT MAY BE ASKED TO VISIT WITH CONSUMER CREDIT COUNSELING SERVICES TO FURTHER REVIEW THEIR FINANCIAL SITUATIONS UPON REQUEST, PATIENTS MAY BE ASKED TO COMPLETE AN APPLICATION FOR MEDICAID PARTICIPATION OR FOR COVERAGE BY OTHER GOVERNMENTAL PAYMENT PROGRAMS PATIENT BILLS ALSO CONTAIN BILLING INFORMATION EXPLAINING FINANCIAL OPTIONS AND PROVIDE CONTACT INFORMATION TO THE APPROPRIATE RESOURCES

Form and Line Reference	Explanation
PART VI, LINE 4	BOZEMAN DEACONESS HEALTH SERVICES CONTINUES TO PRIMARILY SERVE A 3-COUNTY AREA OF GALLATIN, PARK AND MADISON COUNTIES COVERING A TOTAL AREA OF 9,048 SQUARE MILES, WITH GALLATIN BEING MOST DENSELY POPULATED AT 37 PEOPLE PER SQUARE MILE COMPARED TO PARK (5 6/SQ MI) AND MADISON (2 1/SQ MI) THE 3-COUNTY AREA REPRESENTS A POPULATION OF APPROXIMATELY 121,000 BASED ON THE MOST RECENT (2014) POPULATION ESTIMATES FROM THE US CENSUS BUREAU IN 2014, RESIDENTS FROM THE 3-COUNTY AREA ACCOUNTED FOR 87 2% OF TOTAL INPATIENT ADMISSIONS AT BOZEMAN DEACONESS HOSPITAL (GALLATIN = 77 63%, PARK = 5 64%, MADISON = 3 93%)

Form and Line Reference	Explanation
PART VI, LINE 5	AS A SOLE COMMUNITY HOSPITAL, BOZEMAN DEACONESS HEALTH SERVICES IS COMMITTED TO PROVIDING QUALITY CARE AND PROMOTING HEALTH TO THE VERY COMMUNITY THAT SUPPORTS US. OUR GOVERNING BODY IS REPRESENTED BY INDIVIDUALS OF OUR COMMUNITY, WITH ALL BUT ONE BEING INDEPENDENT TO OUR ORGANIZATION. TO ENSURE IMMEDIATE ACCESS TO CARE, BDHS HAS AN OPEN MEDICAL STAFF AND REQUIRES EACH MEDICAL STAFF MEMBER TO CARE FOR ANYONE PRESENTING A NEED FOR CARE IN THE EMERGENCY DEPARTMENT. WE ALSO DEVOTE A SIGNIFICANT AMOUNT OF SURPLUS FUNDS TO MAINTAINING A HIGH LEVEL OF PATIENT CARE THROUGH QUALITY INITIATIVES AND TECHNOLOGY INVESTMENTS. BDHS GIVES BACK TO ITS COMMUNITY THROUGH COMMUNITY BENEFIT OPPORTUNITIES, WHICH AT JUST OVER \$20 MILLION COMPRISED 9.9% OF OUR TOTAL OPERATING EXPENSES IN 2014. VARIOUS EMPLOYEES, PHYSICIANS, ADMINISTRATORS, AND BOARD MEMBERS OF THE HOSPITAL ARE ACTIVELY INVOLVED IN VOLUNTEER ROLES INCLUDING COMMUNITY BOARD POSITIONS IN NUMEROUS OTHER ACTIVITIES, GROUPS, AND ORGANIZATIONS THAT ACTIVELY PROMOTE THE HEALTH OF THE COMMUNITY.

Form and Line Reference	Explanation
PART VI, LINE 6	BOZEMAN DEACONESS HEALTH SERVICES OWNED A MAJORITY INTEREST IN ADVANCED MEDICAL IMAGING, ROCKY MOUNTAIN SURGERY CENTER AND FAMILY DOCTORS URGENT CARE IN 2014, IN ADDITION TO ACQUIRING SOLE OWNERSHIP OF BOZEMAN HEALTH URGENT CARES. THESE ORGANIZATIONS HOLD SIMILAR POLICIES REGARDING PROVIDING CARE TO ALL MEMBERS OF THE COMMUNITY AND OFFERING FINANCIAL ASSISTANCE AS DETERMINED BY ABILITY TO PAY.

Schedule I
(Form 990)

Department of the Treasury
Internal Revenue Service

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

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

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

OMB No 1545-0047

2014

Open to Public
Inspection

Name of the organization
BOZEMAN DEACONESS HEALTH SERVICES

Employer identification number
81-0232121

Part I

General Information on Grants and Assistance

- 1

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

☒ Yes ☐ No
- 2

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

Part II

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

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) WESTERN MONTANA MENTAL HEALTH CENTER BLDG T-9 FORT MISSOULA RD MISSOULA, MT 59804	81-0307814	501(C)(3)	419,500				SUPPORT COMMUNITY HEALTH CRISIS PROGRAMS WITHIN OUR SERVICE AREA
(2) GREATER GALLATIN UNITED WAY 945 TECHNOLOGY BLVD 101F BOZEMAN, MT 59718	81-0384820	501(C)(3)	50,000				SUPPORT HUMAN SERVICE NEEDS WITHIN OUR SERVICE AREA
(3) COMMUNITY HEALTH PARTNERS 126 S MAIN STREET LIVINGSTON, MT 59047	84-1420492	501(C)(3)	62,000				SUPPORT COMMUNITY HEALTH PROGRAMS WITHIN OUR SERVICE AREA
(4) CANCER SUPPORT COMMUNITY 102 S 11TH AVE BOZEMAN, MT 59715	81-0542266	501(C)(3)	60,880				SUPPORT COMMUNITY HEALTH PROGRAMS WITHIN OUR SERVICE AREA
(5) BOZEMAN DEACONESS FOUNDATION 931 HIGHLAND BLVD STE 3200 BOZEMAN, MT 59715	81-1407943	501(C)(3)	1,000,000				FUND ENDOWMENTS

2

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

5

3

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

0

Part III

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

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

Part IV

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

Return Reference	Explanation
PART I, LINE 2	RECIPIENTS OF GRANTS AND ASSISTANCE PREPARE INFORMATIONAL REPORTS SUBSTANTIATING THE USE OF THE FUNDS THAT WERE EARMARKED TO SUPPORT COMMUNITY HEALTH PROGRAMS INVOLVEMENT OF BOZEMAN DEACONESS HEALTH SERVICES STAFF AND/OR ADMINISTRATION AS VOLUNTEERS IN THE ACTIVITIES BEING SUPPORTED ALSO ENSURES PROPER USAGE OF FUNDS

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
BOZEMAN DEACONESS HEALTH SERVICES

Employer identification number
81-0232121

Part I

Questions Regarding Compensation

	Yes	No
<div><div>1a</div><div>Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.</div><div><div><div><input type="checkbox"/> First-class or charter travel</div><div><input checked="" type="checkbox"/> Travel for companions</div><div><input type="checkbox"/> Tax idemnification and gross-up payments</div><div><input type="checkbox"/> Discretionary spending account</div></div><div><div><input type="checkbox"/> Housing allowance or residence for personal use</div><div><input type="checkbox"/> Payments for business use of personal residence</div><div><input type="checkbox"/> Health or social club dues or initiation fees</div><div><input type="checkbox"/> Personal services (e g , maid, chauffeur, chef)</div></div></div></div>		
<div><div>b</div><div>If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain.</div></div>	1bYes	
<div><div>2</div><div>Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, officers, including the CEO/Executive Director, regarding the items checked in line 1a?</div></div>	2Yes	
<div><div>3</div><div>Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.</div><div><div><div><input checked="" type="checkbox"/> Compensation committee</div><div><input checked="" type="checkbox"/> Independent compensation consultant</div><div><input type="checkbox"/> Form 990 of other organizations</div></div><div><div><input checked="" type="checkbox"/> Written employment contract</div><div><input type="checkbox"/> Compensation survey or study</div><div><input checked="" type="checkbox"/> Approval by the board or compensation committee</div></div></div></div>		
<div><div>4</div><div>During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization:</div></div>		
<div><div>a</div><div>Receive a severance payment or change-of-control payment?</div></div>	4a	No
<div><div>b</div><div>Participate in, or receive payment from, a supplemental nonqualified retirement plan?</div></div>	4b	No
<div><div>c</div><div>Participate in, or receive payment from, an equity-based compensation arrangement?</div></div> <div>If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.</div>	4c	No
<div><div></div><div>Only 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.</div></div>		
<div><div>5</div><div>For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:</div></div>		
<div><div>a</div><div>The organization?</div></div>	5a	No
<div><div>b</div><div>Any related organization?</div></div> <div>If "Yes," to line 5a or 5b, describe in Part III.</div>	5b	No
<div><div>6</div><div>For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:</div></div>		
<div><div>a</div><div>The organization?</div></div>	6aYes	
<div><div>b</div><div>Any related organization?</div></div> <div>If "Yes," to line 6a or 6b, describe in Part III.</div>	6b	No
<div><div>7</div><div>For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III.</div></div>	7Yes	
<div><div>8</div><div>Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III.</div></div>	8	No
<div><div>9</div><div>If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?</div></div>	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
PART I, LINE 1A	PER CONTRACT, THE CEO IS REIMBURSED FOR TWO BUSINESS TRIPS PER YEAR WHERE HIS SPOUSE ACCOMPANIES HIM. THESE ARE REPORTED AS TAXABLE COMPENSATION.
PART I, LINE 6	A PHYSICIAN LISTED IN PART VII, SECTION A, RECEIVES INCENTIVE COMPENSATION BASED ON ACTUAL RELATIVE VALUE UNIT'S (RVU'S) PRODUCED IN EXCESS OF TARGETS. THE TOTAL OF THE INCENTIVE IS CALCULATED BY TAKING THE EXCESS RVU'S TIMES A RVU CONVERTER. THE RVU CONVERTER IS BASED UPON NET EARNINGS FROM SERVICES PROVIDED BY THE PHYSICIAN.
PART I, LINE 7	THE BOARD ESTABLISHES GOALS EACH YEAR AND IF MET, THERE IS COMPENSATION TIED TO THEM. ALL SUCH COMPENSATION IS REVIEWED BY THE INDEPENDENT COMPENSATION SPECIALISTS. INCENTIVE COMPENSATION IS DETERMINED BY ACHIEVING FINANCIAL PERFORMANCE IN EXCESS OF BUDGETED PERFORMANCE, AND ACHIEVING PRE-DETERMINED GOALS DEALING WITH PATIENT QUALITY, PATIENT SATISFACTION AND EMPLOYEE SATISFACTION. THIS APPLIES TO ALL SENIOR ADMINISTRATION AND ALL PHYSICIANS (WITH ONE EXCEPTION DESCRIBED IN SCHEDULE J, PART I LINE 6A) WHO RECEIVE COMPENSATION AND INCLUDES INCENTIVE COMPENSATION REFLECTED IN PART II, COLUMN B(II).

Additional Data

Software ID:
Software Version:
EIN: 81-0232121
Name: BOZEMAN DEACONESS HEALTH SERVICES

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			(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				
1 JOHN ROBBINS MD, TREASURER (THRU 6/30/14)	(i) (ii)	120,182 0	38,357 0	752 0	40,988 0	16,580 0	216,859 0	0 0
1 DANE SOBEK MD, TRUSTEE (AS OF 7/1/14)	(i) (ii)	556,079 0	30,000 0	360 0	38,616 0	21,869 0	646,924 0	0 0
2 KEVIN PITZER, CEO/PRESIDENT	(i) (ii)	411,738 0	50,920 0	15,588 0	33,770 0	20,943 0	532,959 0	0 0
3 GORDON DAVIDSON, CFO/VP FINANCE	(i) (ii)	250,024 0	30,726 0	27,254 0	47,010 0	18,133 0	373,147 0	0 0
4 ELIZABETH LEWIS, SENIOR VP OPERATIONS/LEGAL	(i) (ii)	227,550 0	30,097 0	14,395 0	41,935 0	17,133 0	331,110 0	0 0
5 HUGH HETHERINGTON MD, DOCTOR	(i) (ii)	484,827 0	109,018 0	828 0	34,260 0	27,726 0	656,659 0	0 0
6 ANNIE CASTILLO MD, DOCTOR	(i) (ii)	493,519 0	16,319 0	1,548 0	15,600 0	881 0	527,867 0	0 0
7 JACK HENSOLD MD, DOCTOR	(i) (ii)	465,724 0	16,319 0	2,376 0	38,230 0	20,593 0	543,242 0	0 0
8 KEN MAY MD, DOCTOR	(i) (ii)	319,049 0	124,017 0	270 0	15,600 0	11,102 0	470,038 0	0 0
9 BLAIR ERB MD, DOCTOR	(i) (ii)	570,939 0	50,000 0	1,548 0	15,600 0	24,509 0	662,596 0	0 0

Schedule K
(Form 990)

Supplemental Information on Tax Exempt Bonds

OMB No 1545-0047

2014

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ 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.

Name of the organization
BOZEMAN DEACONESS HEALTH SERVICES

Employer identification number
81-0232121

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 MONTANA FACILITY FINANCE AUTHORITY	36-4615155	61240MBM8	11-05-2014	23,005,852	REFINANCE 2004 BOND ISSUED 3/4/2004 & FUND ADD'N OF BIG SKY MEDICAL FACILITY		X		X		X
B MONTANA FACILITY FINANCE AUTHORITY	81-0302402	621043CZ0	09-21-2005	28,001,371	FUND ADDTN TO HILLCREST & DEFEASE 3/28/00 HILLCREST CONSTRUCTION BONDS		X		X		X
C MONTANA FACILITY FINANCE AUTHORITY	36-4615155	61204EAH8	04-22-2010	6,645,000	REFINANCING OF 1998 BOND DEBT ISSUED 9/2/1998		X		X		X
D MONTANA FACILITY FINANCE AUTHORITY	81-0302402	61204MAS6	09-28-2011	20,680,164	TO FUND STRUCTURE AND EQUIPMENT OF NEW ER, ACQUISITION OF LEGACY CONDOS		X		X		X

Part II

Proceeds

			A		B		C		D	
1	Amount of bonds retired					6,420,000		3,175,000		2,210,000
2	Amount of bonds legally defeased									
3	Total proceeds of issue			23,005,972		28,220,708		6,645,000		20,693,206
4	Gross proceeds in reserve funds					1,896,340				
5	Capitalized interest from proceeds					213,865				11,797
6	Proceeds in refunding escrows									
7	Issuance costs from proceeds			377,976		345,010		132,900		401,295
8	Credit enhancement from proceeds									
9	Working capital expenditures from proceeds									
10	Capital expenditures from proceeds					7,153,385				20,278,869
11	Other spent proceeds			5,127,876		18,612,108		6,512,100		1,246
12	Other unspent proceeds			17,500,120						
13	Year of substantial completion			2006			2010		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?								
c	Are there any research agreements that may result in private business use of bond-financed property?		X		X		X		X
d	If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government	0 %		0 %		0 %		0 %	
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government	0 %		0 %		0 %		0 %	
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								
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
DATE REBATE COMPUTATION PERFORMED	ISSUER NAME MONTANA FACILITY FINANCE AUTHORITY DATE THE REBATE COMPUTATION WAS PERFORMED 06/01/2010 ISSUER NAME MONTANA FACILITY FINANCE AUTHORITY DATE THE REBATE COMPUTATION WAS PERFORMED 06/30/2014 ISSUER NAME MONTANA FACILITY FINANCE AUTHORITY DATE THE REBATE COMPUTATION WAS PERFORMED 06/01/2014

Return Reference	Explanation
SCHEDULE K, PART I, LINE A (E)	PART I ISSUE PRICE AND PART II LINE 3 BOND PROCEEDS DIFFER DUE TO INTEREST EARNED ON THE PROCEEDS

Return Reference	Explanation
SCHEDULE K, PART I, LINE B (E)	PART I ISSUE PRICE AND PART II LINE 3 BOND PROCEEDS DIFFER DUE TO INTEREST EARNED ON THE PROCEEDS

Return Reference	Explanation
SCHEDULE K, PART I, LINE C (E)	PART I ISSUE PRICE AND PART II LINE 3 BOND PROCEEDS DIFFER DUE TO INTEREST EARNED ON THE PROCEEDS

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 BOZEMAN DEACONESS HEALTH SERVICES	Employer identification number 81-0232121
---	--

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7A	THE YELLOWSTONE CONFERENCE OF THE METHODIST CHURCH CONFIRMS THE BOARD MEMBERS AND HAS AUTHORITY TO APPOINT THE CLERGY MEMBER OF THE BOARD
FORM 990, PART VI, SECTION A, LINE 7B	CHANGING THE ARTICLES OF INCORPORATION IN RELATIONSHIP TO THE PROCESS OF SELECTING BOARD MEMBERSHIP MUST BE APPROVED BY THE YELLOWSTONE CONFERENCE OF THE UNITED METHODIST CHURCH
FORM 990, PART VI, SECTION A, LINE 8B	THE ORGANIZATION DOES NOT HAVE ANY COMMITTEES WITH THE AUTHORITY TO ACT ON BEHALF OF THE GOVERNING BODY
FORM 990, PART VI, SECTION B, LINE 11	THE FINANCE COMMITTEE WILL REVIEW FORM 990 IN DETAIL AND WILL MAKE A RECOMMENDATION TO THE FULL BOARD FOR APPROVAL BEFORE FILING OF THE FORM 990 THE CFO REVIEWS THE FORM 990 AT A HIGHER LEVEL WITH THE BOARD BEFORE APPROVAL IS GRANTED
FORM 990, PART VI, SECTION B, LINE 12C	IN-HOUSE COUNSEL IDENTIFIES POTENTIAL CONFLICTS FROM ANNUAL DISCLOSURES AND INFORMS THE BOARD CHAIR THE BOARD CHAIR DISCUSSES THE CONFLICT AND DECIDES WHETHER THE CONFLICT IS OF SUCH A NATURE TO EXCLUDE THE CONFLICTED PARTY FROM DISCUSSION AND/OR VOTE THIS POLICY COVERS ALL BOARD MEMBERS, OFFICERS, SENIOR ADMINISTRATION, AND KEY EMPLOYEES
FORM 990, PART VI, SECTION B, LINE 15	THE EXECUTIVE COMMITTEE RECEIVES A FORMAL PRESENTATION BY AN INDEPENDENT COMPENSATION CONSULTANT (AS SELECTED BY THE BOARD) QUALIFIED TO PERFORM COMPENSATION REVIEWS INCLUDING USAGE OF COMPARABILITY DATA THIS PERSON PRESENTS RECOMMENDATIONS TO THE COMPENSATION COMMITTEE OF THE BOARD THE COMPENSATION COMMITTEE MAKES RECOMMENDATIONS TO THE FULL BOARD ON AN ANNUAL BASIS FOR OFFICERS AND SENIOR ADMINISTRATION THIS ANNUAL PROCESS WAS PERFORMED IN FALL 2014 TO DETERMINE 2015 COMPENSATION
FORM 990, PART VI, SECTION C, LINE 19	GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND ALL TAX RELATED INFORMATION REQUIRED TO BE AVAILABLE FOR PUBLIC INSPECTION ARE AVAILABLE VIA WALK-IN, TELEPHONE CALL, E-MAIL, AND/OR MAIL-IN REQUEST THE AUDITED FINANCIAL STATEMENTS ARE REQUIRED TO BE ATTACHED TO THE FORM 990 AND PROVIDED TO THE MUNICIPAL SECURITIES RULEMAKING BOARD, WHICH IS OUR TAX-EXEMPT BONDS TRUSTEE, VIA AN ON-LINE, CENTRAL FILING LOCATION CALLED ELECTRONIC MUNICIPAL MARKET ACCESS (EMMA) THE FINANCIAL STATEMENTS CAN BE OBTAINED BY THE GENERAL PUBLIC AT THE EMMA WEBSITE
FORM 990, PART XI, LINE 9	TRANSFERS TO RELATED PARTIES -2,250,794

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
BOZEMAN DEACONESS HEALTH SERVICES

Employer identification number
81-0232121

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) HILLCREST SENIOR LIVING LIMITED LIABILITY COMPANY 1201 HIGHLAND BLVD BOZEMAN, MT 59715 81-0232121	INDEPENDENT AND ASSISTED LIVING HOME	MT	6,493,493	30,439,879	BOZEMAN DEACONESS HEALTH SERVICES
(2) BOZEMAN HEALTH CLINICAL RESEARCH LLC 950 STONERIDGE DR 1 BOZEMAN, MT 59715 47-1323951	HEALTHCARE CLINICAL RESEARCH	MT	67,462	404,718	BOZEMAN DEACONESS HEALTH SERVICES

Part II Identification of Related Tax-Exempt Organizations

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(1) BOZEMAN DEACONESS FOUNDATION 931 HIGHLAND BLVD SUITE 3200 BOZEMAN, MT 59715 84-1407943	RAISE FUNDS TO SUPPORT BOZEMAN DEACONESS HEALTH SERVICES	MT	501(C)(3)	LINE 7	N/A	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) Dispropportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) DEACONESS INTERCITY IMAGING LLC 915 HIGHLAND BLVD BOZEMAN, MT 59715 81-0666871	HEALTHCARE - IMAGING SERVICES	MT	N/A	RELATED	1,349,296	2,415,762		No		Yes		77 500 %
(2) ROCKY MOUNTAIN SURGICAL CENTER LLC 1450 ELLIS ST SUITE 101 BOZEMAN, MT 59715 36-4462300	HEALTHCARE - SURGICAL SERVICES	MT	N/A	RELATED	2,456,814	3,011,607		No			No	51 010 %
(3) FAMILY DOCTORS URGENT CARE LLC 120 N 19TH AVE SUITE A BOZEMAN, MT 59715 81-0532877	HEALTHCARE - PHYSICIAN OUTPATIENT CARE	MT	N/A	RELATED	33,345	416,603		No			No	83 760 %
(4) BOZEMAN HEALTH URGENT CARE LLC 1006 W MAIN BOZEMAN, MT 59715 46-5318746	HEALTHCARE - PHYSICIAN OUTPATIENT CARE	MT	BOZEMAN DEACONESS HEALTH SERVICES	RELATED	-86,761	1,661,622		No		Yes		100 000 %

Part IV

Identification of Related Organizations Taxable as a Corporation or Trust

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of- year assets	(h) Percentage ownership	(i) Section 512 (b)(13) controlled entity?	
								Yes	No
(1) BOZEMAN DEACONESS REAL ESTATE DEVELOPMENT CORP PO BOX 10490 BOZEMAN, MT 59719 20-5496567	SALE OF REAL ESTATE PROPERTY AND RESIDENCES TO SENIORS	MT	N/A	C	5,079,258	9,494,200	100 000 %	Yes	

Part V

Transactions With Related Organizations

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

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

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

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

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

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

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

e Loans or loan guarantees by related organization(s)

f Dividends from related organization(s)

g Sale of assets to related organization(s)

h Purchase of assets from related organization(s)

i Exchange of assets with related organization(s)

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

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

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

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

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

o Sharing of paid employees with related organization(s)

p Reimbursement paid to related organization(s) for expenses

q Reimbursement paid by related organization(s) for expenses

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

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

Yes

No

No

Yes

Yes

Yes

No

No

No

Yes

Yes

Yes

Yes

Yes

Yes

Yes

Yes

Yes

Yes

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

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

Schedule R (Form 990) 2014

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) Disproportionate 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:

Software Version:

EIN: 81-0232121

Name: BOZEMAN DEACONESS HEALTH SERVICES

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
DEACONESS INTERCITY IMAGING LLC	J	314,664	GENERAL LEDGER AND CORP RECORDS
DEACONESS INTERCITY IMAGING LLC	L	126,489	GENERAL LEDGER AND CORP RECORDS
DEACONESS INTERCITY IMAGING LLC	M	55,544	GENERAL LEDGER AND CORP RECORDS
DEACONESS INTERCITY IMAGING LLC	Q	2,303,988	GENERAL LEDGER AND CORP RECORDS
DEACONESS INTERCITY IMAGING LLC	S	1,483,660	GENERAL LEDGER AND CORP RECORDS
BOZEMAN DEACONESS FOUNDATION	B	1,000,000	GENERAL LEDGER AND CORP RECORDS
BOZEMAN DEACONESS FOUNDATION	C	2,067,539	GENERAL LEDGER AND CORP RECORDS
BOZEMAN DEACONESS FOUNDATION	R	587,149	GENERAL LEDGER AND CORP RECORDS
ROCKY MOUNTAIN SURGICAL CENTER LLC	S	2,273,989	GENERAL LEDGER AND CORP RECORDS
BOZEMAN HEALTH URGENT CARES LLC	D	2,200,000	GENERAL LEDGER AND CORP RECORDS
BOZEMAN DEACONESS REAL ESTATE DEVELOPMENT CORP	Q	190,639	EXPENSE REIMBURSEMENTS