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Form 990



Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

Do not enter social security numbers on this form as it may be made public

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

OMB No 1545-0047

2014

Open to Public Inspection

A For the 2014 calendar year, or tax year beginning 07-01-2014, and ending 06-30-2015

B Check if applicable

☐ Address change

☐ Name change

☐ Initial return

☐ Final return/terminated

☐ Amended return

☐ Application pending

C Name of organization

Regional Health Network Inc

Doing business as

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

2925 Regional Way PO Box 6000

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

Rapid City, SD 57701

F Name and address of principal officer

Brent Phillips

2925 Regional Way PO Box 6000

Rapid City, SD 57701

D Employer identification number

46-0360899

E Telephone number

(605) 755-9130

G Gross receipts \$ 115,120,421

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 regionalhealth com

K Form of organization

☒ Corporation

☐ Trust

☐ Association

☐ Other

L Year of formation 1981

M State of legal domicile SD

Part I	Summary																																																																																												
Activities & Governance	1 Briefly describe the organization's mission or most significant activities Helping Patients and Communities Live Well 2 Check this box ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets																																																																																												
	<table><tr><td>3 Number of voting members of the governing body (Part VI, line 1a)</td><td>3</td><td>12</td></tr><tr><td>4 Number of independent voting members of the governing body (Part VI, line 1b)</td><td>4</td><td>8</td></tr><tr><td>5 Total number of individuals employed in calendar year 2014 (Part V, line 2a)</td><td>5</td><td>1,076</td></tr><tr><td>6 Total number of volunteers (estimate if necessary)</td><td>6</td><td>198</td></tr><tr><td>7a Total unrelated business revenue from Part VIII, column (C), line 12</td><td>7a</td><td>3,004,817</td></tr><tr><td>7b Net unrelated business taxable income from Form 990-T, line 34</td><td>7b</td><td>-558,700</td></tr></table>	3 Number of voting members of the governing body (Part VI, line 1a)	3	12	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	8	5 Total number of individuals employed in calendar year 2014 (Part V, line 2a)	5	1,076	6 Total number of volunteers (estimate if necessary)	6	198	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	3,004,817	7b Net unrelated business taxable income from Form 990-T, line 34	7b	-558,700																																																																										
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Part II

Signature Block

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

Sign Here

Signature of officer

Mark Thompson CFO

2016-05-05

Date

Print/Type preparer's name

Kim Hunwardsen CPA

Preparer's signature

Kim Hunwardsen CPA

Date

2016-05-05

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 IIISTatement of Program Service Accomplishments

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

1Briefly describe the organization’s mission

Purpose Helping Patients and Communities Live WellVision We aspire to be the best healthcare system in AmericaValues Courage, Integrity, Compassion, Innovation, Mutual RespectGoals Patient & Family EXPERIENCE, Culture of Safety & Quality CARE, Physician & Caregiver ENGAGEMENT, Community & Financial STEWARDSHIP

2Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No

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

3Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No

If "Yes," describe these changes on Schedule O

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

4a(Code) (Expenses \$ 5,765,448 including grants of \$) (Revenue \$ 23,341,162)

Located in the Northern Black Hills of South Dakota, Spearfish Regional Hospital is a licensed 44-bed hospital, which includes locations at the main hospital campus, an outpatient surgery center campus and outpatient therapy services located in Belle Fourche and Spearfish Our facility offers extensive patient care services including, 24-hour emergency service, hospitalist services, inpatient and outpatient care, labor and delivery, surgery, home health and hospice services Spearfish Regional Hospital is a certified Trauma Level III facility Spearfish Regional Hospital serves a geographic area that extends into Wyoming and Montana The labor and delivery (Labor Delivery Recovery Postpartum - Obstetrics) and surgical services next closest hospital to offer these services is more than an hour away in Rapid City Total inpatients served in FY2015 were 1,424 Adults and Pediatric admissions Spearfish Regional Hospital also had 249 short stay observation patients and 426 nursery admissions Total emergency department visits were 9,736 During FY2015, Spearfish Regional Hospital Surgery Department performed 2,534 total surgical procedures--715 inpatient procedures and 1,819 outpatient procedures Inpatient procedures included surgeries in the areas of orthopedics, general, obstetrics/gynecology and other types The outpatient area performed surgeries in the following categories orthopedics, general surgery, gynecology, ENT and other types Spearfish Regional Hospital also performed 31 inpatient endoscopies and 1,875 outpatient endoscopies during FY2015 The increase in surgical and endoscopy volumes is due to the consolidation of Spearfish Regional Surgery Center into Spearfish Regional Hospital effective 7 1 14 Spearfish Regional home care visits were 5,385 and hospice days were 6,311 in FY 15

4b(Code) (Expenses \$ 3,181,759 including grants of \$) (Revenue \$ 4,598,055)

Custer Regional Senior Care is part of Custer Regional Hospital Custer Regional Hospital's service area includes the central and southern Black Hills along with eastern Wyoming and northern Nebraska Our primary care clinics are operated in Hill City (Rural Health Clinic), Custer (Provider Based Clinic) and Hot Springs The nearest hospital is at least 45 minutes away if conditions are optimal Rugged terrain, bad weather and an influx of tourists during summer months can make the commute to another facility take more than an hour Our Long Term Care facility has 76 beds which includes a 16-bed secure Alzheimer's unit The Assisted Living facility offers 16 private suites The occupancy rate of the long-term care facility was 94 72 percent and for the assisted living facility it was 85 30 percent

4c(Code) (Expenses \$ 3,102,640 including grants of \$) (Revenue \$ 2,529,766)

Custer Clinic is a department of Custer Regional Hospital Custer Regional Hospital and Clinic service area includes the central and southern Black Hills, along with eastern Wyoming and northern Nebraska Our primary care clinics are operated in Hill City (Rural Health Clinic), Custer (Provider Based Clinic) and Hot Springs The nearest hospital is at least 45 minutes away if conditions are optimal Rugged terrain, bad weather and an influx of tourists during summer months can make the commute to another facility take more than an hour For fiscal year 2015, Custer Regional Hospital had 173 inpatient admissions, 40 Swing Bed admissions, 496 acute care patient days, 444 swing bed patient days, 2964 emergency room visits, 19,853 outpatient registrations, 49,447 lab tests, 8,034 Radiology visits, and 40,774 clinic RVUs The total uncompensated care was \$1,082,662 and 71 69 percent of the inpatient stays were Medicare or Medicaid patients All patients are treated regardless of ability to pay Financial assistance is offered to patients that are uninsured or underinsured Custer Regional Hospital and Clinics provide training sites for medical and nursing students interested in rural and/or family practice medicine

See Additional Data

4dOther program services (Describe in Schedule O)

(Expenses \$ 61,149,253 including grants of \$) (Revenue \$ 79,538,398)

4eTotal program service expenses 73,199,100

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 Yes	
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III 	19	No
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H 	20a 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		No
22	Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	22		No
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>	24a		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	Section 501(c)(3), 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		No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	34	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	Yes	
b	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35b	Yes	
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	36		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O	38	Yes	

Part V

Statements Regarding Other IRS Filings and Tax Compliance

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

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

Part VI

Governance, Management, and Disclosure

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

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

Section A. Governing Body and Management

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

Section B. Policies

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

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

Section C. Disclosure

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

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

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

Form **990** (2014)

Part VII

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			

1b	Sub-Total			
c	Total from continuation sheets to Part VII, Section A			
d	Total (add lines 1b and 1c)	2,438,581	4,931,224	882,590

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▶34

	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
Alliance Recruiting Resources Inc PO Box 670416 Dallas, TX 752670416	Temporary Physician Staffing Services	1,280,130
DMS Health Technologies Inc 2101 N University Dr Fargo, ND 58102	Mobil MRI Diagnostic Services	321,907
AEGIS Therapies Inc PO Box 8103 Fort Smith, AR 72902	Patient Therapy Treatments	282,871
Athena Health Inc 311 Arsenal St Watertown, MA 02472	Computer Software-Practice Management Bi	276,643
Medical Doctor Associates INc PO Box 277185 Atlanta, GA 303847185	Temporary Physician Staffing Services	258,325
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 ▶11		

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	43,897				
	d	Related organizations 1d					
	e	Government grants (contributions) 1e	143,410				
	f	All other contributions, gifts, grants, and similar amounts not included above 1f	87,133				
	g	Noncash contributions included in lines 1a-1f \$					
	h	Total. Add lines 1a-1f	274,440				
Program Service Revenue	2a	Acute Care Hospital IP and OP	Business Code 623000	75,750,000	75,750,000		
	b	Long Term Care Facilities	623000	10,649,000	10,649,000		
	c	Home Care Services	621610	5,530,000	5,530,000		
	d	Physician Clinics	621110	4,535,000	4,535,000		
	e	Assisted Living Facilities	623000	1,988,000	1,988,000		
	f	All other program service revenue		14,560,198	11,555,381	3,004,817	
	g	Total. Add lines 2a-2f	113,012,198				
	Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)	7,500			7,500
4		Income from investment of tax-exempt bond proceeds					
5		Royalties					
6a		Gross rents	(i) Real	(ii) Personal			
		b	Less rental expenses				
		c	Rental income or (loss)				
		d	Net rental income or (loss)				
7a		Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other			
		b	Less cost or other basis and sales expenses		1,739,972		
		c	Gain or (loss)		1,889,190		
		d	Net gain or (loss)		-149,218		-149,218
8a		Gross income from fundraising events (not including \$ 43,897 of contributions reported on line 1c) See Part IV, line 18	a	86,311			
		b	Less direct expenses b	38,201			
		c	Net income or (loss) from fundraising events	48,110			48,110
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	113,193,030	110,007,381	3,004,817	-93,608		

Part IX

Statement of Functional Expenses

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

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21.				
2	Grants and other assistance to domestic individuals. See Part IV, line 22.				
3	Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16.				
4	Benefits paid to or for members.				
5	Compensation of current officers, directors, trustees, and key employees.	1,323,611	347,777	975,834	
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.	40,784,711	34,331,856	6,452,855	
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions).	1,124,365	926,006	198,359	
9	Other employee benefits.	7,026,681	5,787,044	1,239,637	
10	Payroll taxes.	2,729,979	2,226,609	503,370	
11	Fees for services (non-employees):				
a	Management.				
b	Legal.	44,874		44,874	
c	Accounting.	990		990	
d	Lobbying.	14,713		14,713	
e	Professional fundraising services. See Part IV, line 17.				
f	Investment management fees.				
g	Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O).	5,526,137	4,253,609	1,272,528	
12	Advertising and promotion.	61,759	22,726	39,033	
13	Office expenses.	296,090	181,683	114,407	
14	Information technology.	898,526	627,626	270,900	
15	Royalties.				
16	Occupancy.	2,268,634	903,678	1,364,956	
17	Travel.	213,504	174,298	39,206	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials.				
19	Conferences, conventions, and meetings.	210,111	167,866	42,245	
20	Interest.	8,143	525	7,618	
21	Payments to affiliates.				
22	Depreciation, depletion, and amortization.	4,214,796	2,451,342	1,763,454	
23	Insurance.	158,073	86,538	71,535	
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	Intercompany Supplies a	11,088,630	2,464,482	8,624,148	
b	Medical Supplies	8,789,105	8,789,105		
c	Bad Debt Expense	5,478,390	5,478,390		
d					
e	All other expenses	5,597,803	3,977,940	1,619,863	
25	Total functional expenses. Add lines 1 through 24e.	97,859,625	73,199,100	24,660,525	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 ☐ 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		42,948	1	23,801
	2	Savings and temporary cash investments			2	
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		13,675,818	4	18,648,439
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L			6	
	7	Notes and loans receivable, net			7	
	8	Inventories for sale or use		1,400,821	8	1,659,813
	9	Prepaid expenses and deferred charges		482,432	9	509,299
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a99,732,941			
	b	Less accumulated depreciation	10b58,160,548	41,647,673	10c	41,572,393
	11	Investments—publicly traded securities			11	
	12	Investments—other securities See Part IV, line 11			12	
	13	Investments—program-related See Part IV, line 11		288,886	13	255,911
	14	Intangible assets		62,430	14	
	15	Other assets See Part IV, line 11		1,572,808	15	1,792,049
	16	Total assets. Add lines 1 through 15 (must equal line 34)		59,173,816	16	64,461,705
Liabilities	17	Accounts payable and accrued expenses		4,482,708	17	6,243,589
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities			20	
	21	Escrow or custodial account liability Complete Part IV of Schedule D			21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L			22	
	23	Secured mortgages and notes payable to unrelated third parties			23	
	24	Unsecured notes and loans payable to unrelated third parties			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		13,271,279	25	1,468,400
	26	Total liabilities. Add lines 17 through 25		17,753,987	26	7,711,989
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here ☒ and complete lines 27 through 29, and lines 33 and 34.					
	27	Unrestricted net assets		40,079,421	27	55,258,991
	28	Temporarily restricted net assets		1,240,408	28	1,390,725
	29	Permanently restricted net assets		100,000	29	100,000
	Organizations that do not follow SFAS 117 (ASC 958), check here ☐ and complete lines 30 through 34.					
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		41,419,829	33	56,749,716
	34	Total liabilities and net assets/fund balances		59,173,816	34	64,461,705

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	113,193,030
2	Total expenses (must equal Part IX, column (A), line 25)	2	97,859,625
3	Revenue less expenses Subtract line 2 from line 1	3	15,333,405
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	41,419,829
5	Net unrealized gains (losses) on investments	5	-3,518
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	0
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	56,749,716

Part XII Financial Statements and Reporting

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

		Yes	No
1	Accounting method used to prepare the Form 990 ☐ Cash ☒ Accrual ☐ Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis		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 ☐ Separate basis ☒ Consolidated basis ☐ 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: 46-0360899
Name: Regional Health Network Inc

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

(Code	) (Expenses \$	61,149,253	including grants of \$	) (Revenue \$	79,538,398)
The Regional Health Network, Inc is a network of small hospitals, nursing homes, and assisted living facilities in western South Dakota These hospitals and long-term care facilities are located in small rural towns and provide a very necessary rural healthcare safety net					

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors										
(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) Ross Lamphere Chairman	1 50 0 00	X		X				0	0	0
(1) Richard Tysdal Vice Chairman	1 00 0 80	X		X				0	0	0
(2) David Thom Secretary	0 80 0 00	X		X				0	0	0
(3) Dusty Pinske Treasurer	0 80 0 00	X		X				0	0	0
(4) Lee B Bailey MD Director	40 90 0 00	X						319,957	0	55,036
(5) Peter J Cappa Director	1 70 1 50	X						0	0	0
(6) Christopher Gasbarre DO Director	0 70 40 00	X						0	486,885	74,056
(7) Robert Haivala Director	0 80 0 00	X						0	842	0
(8) Julie Stone Director	0 80 0 00	X						0	0	0
(9) Clinton Walker Director	0 70 0 00	X						0	0	0
(10) Charles E Hart MD President & CEO (July-February)	8 80 51 20	X		X				0	979,329	39,070
(11) Brent Phillips Independent Contractor (December)	1 30 7 70	X		X				0	14,687	0
(12) Brent Phillips President & CEO (January-June)	8 80 51 20	X		X				0	0	0
(13) Timothy H Sughrue CEO RCRH, RHN & COO RHI (July-March)	9 10 45 90	X		X				0	674,948	47,450
(14) Kyle Richards COO	55 00 0 00	X		X				209,972	0	37,731
(15) Mark A Thompson VP CFO	8 00 47 00			X				0	425,445	73,711
(16) Joseph C Sluka Jr Executive VP/CAO (July-November)	8 00 47 00				X			0	501,367	34,812
(17) Mark F Brodin VP Decision Support	8 00 47 00				X			0	201,410	37,229
(18) Shamila M Chandran VP Corporate Responsibility	8 00 47 00				X			0	204,821	19,062
(19) Maureen Henson VP Human Resources	8 00 47 00				X			0	171,543	16,891
(20) Jennifer D Horton VP PR Marketing	8 00 47 00				X			0	191,144	46,522
(21) David L Klocke MD Chief Medical Officer	8 00 47 00				X			0	424,400	50,564
(22) Richard S Latuchie VP Info Technology/ CIO	8 00 47 00				X			0	311,312	32,002
(23) Mary E Masten VP Legal Services	8 00 47 00				X			0	343,091	43,130
(24) Veronica Schmidt CEO of Custer Regional Hospital	55 00 0 00				X			150,140	0	38,641

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(26) Sherry Bea Smith CEO of Lead-Deadwood Regional Hospital	55 00 0 00				X			171,929	0	33,043
(1) Larry Veitz CEO of Spearfish Regional Hospital	55 00 0 00				X			256,483	0	44,610
(2) Krsta Birkelo DO Physician - Emergency & Family Medicine	40 00 0 00					X		283,850	0	33,639
(3) Christopher Fromm MD Physician - Emergency & Family Medicine	40 00 0 00					X		275,760	0	53,743
(4) Curtis Liedtke DO Physician - Emergency & Family Medicine	40 00 0 00					X		247,341	0	18,278
(5) M Donald Potts MD Physician - Emergency & Family Medicine	40 00 0 00					X		347,664	0	23,985
(6) Thomas Reid Nurse Anesthetist	40 00 0 00					X		175,485	0	29,385

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 Regional Health Network Inc	Employer identification number 46-0360899
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Part I

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

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

1

☐

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

2

☐

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

3

☒

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

4

☐

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

5

☐

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

6

☐

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

7

☐

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

8

☐

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

9

☐

An organization that normally receives (1) more than 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 ☐ The organization satisfied the Activities Test. Complete line 2 below.			
b ☐ The organization is the parent of each of its supported organizations. Complete line 3 below.			
c ☐ The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions).			
2 <u>Activities Test</u> Answer (a) and (b) below.			
a Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.			
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.			
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.			
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.			

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

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

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

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

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

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

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

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

Facts And Circumstances Test

Return Reference

Explanation

SCHEDULE 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 Regional Health Network Inc	Employer identification number 46-0360899
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Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

1	Provide a description of the organization's direct and indirect political campaign activities in Part IV	
2	Political expenditures	▶ \$
3	Volunteer hours	

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

1	Enter the amount of any excise tax incurred by the organization under section 4955	▶ \$
2	Enter the amount of any excise tax incurred by organization managers under section 4955	▶ \$
3	If the organization incurred a section 4955 tax, did it file Form 4720 for this year?	☐ Yes ☐ No
4a	Was a correction made?	☐ Yes ☐ No
b	If "Yes," describe in Part IV	

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

1	Enter the amount directly expended by the filing organization for section 527 exempt function activities	▶ \$
2	Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities	▶ \$
3	Total exempt function expenditures Add lines 1 and 2 Enter here and on Form 1120-POL, line 17b	▶ \$
4	Did the filing organization file Form 1120-POL for this year?	☐ Yes ☐ No
5	Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments For each organization listed, enter the amount paid from the filing organization's funds Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC) If additional space is needed, provide information in Part IV	

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

Part II-A

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

- A
- Check ☐ if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures)
- B
- Check ☐ if the filing organization checked box A and "limited control" provisions apply

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)	(a) Filing organization's totals	(b) Affiliated group totals												
1a Total lobbying expenditures to influence public opinion (grass roots lobbying)														
b Total lobbying expenditures to influence a legislative body (direct lobbying)														
c Total lobbying expenditures (add lines 1a and 1b)														
d Other exempt purpose expenditures														
e Total exempt purpose expenditures (add lines 1c and 1d)														
f Lobbying nontaxable amount Enter the amount from the following table in both columns														
<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?	☐ Yes	☐ No												

4-Year Averaging Period Under section 501(h)

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

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2011	(b) 2012	(c) 2013	(d) 2014	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Part II-B

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

For each "Yes" response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.		(a)		(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)?		No	
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?		No	
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	Other activities?	Yes		14,713
j	Total. Add lines 1c through 1i.			14,713
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	Annual dues are paid to the South Dakota Association of Healthcare Organizations. A portion of the dues are applicable to lobbying activities. For calendar year 2015 dues, which were paid in fiscal year 2015, in the amount of \$82,522.80, 6.739% was used for lobbying purposes. In addition, annual dues were paid to the American Hospital Association, a portion of which is applicable to lobbying activities. For calendar year 2015 dues, which were paid in fiscal year 2015, in the amount of \$40,140.22 8% was used for lobbying purposes.

[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 Regional Health Network Inc	Employer identification number 46-0360899
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Part I

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

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

Part II

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

1

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

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

2

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

	Held at the End of the Year
a	Total number of conservation easements
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

► \$ _____

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 | |

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance
- 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	116,730	100,000	100,000	100,000	100,000
b Contributions					
c Net investment earnings, gains, and losses	3,779	16,730			
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance	120,509	116,730	100,000	100,000	100,000

- 2

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

Board designated or quasi-endowment

0 %
- b

Permanent endowment

96 860 %
- c

Temporarily restricted endowment

3 140 %
- 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)

No

(ii) related organizations

3a(ii)

No
- b

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

3b
- 4

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

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

Description of property	(a) Cost or other basis (investment)	(b)Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		8,873,079		8,873,079
b Buildings		48,971,888	26,372,366	22,599,522
c Leasehold improvements				
d Equipment		39,729,135	30,113,726	9,615,409
e Other		2,158,839	1,674,456	484,383
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				41,572,393

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	Endowed funds are permanently restricted from use and are held in an interest bearing account. The interest earned may be used by the organization at its discretion.
Part X, Line 2	References to "Regional Health" apply to all entities controlled or leased by Regional Health, Inc. This includes the reporting entity. Regional Health and subsidiaries are organized as nonprofit corporations as described in Section 501(c)(3) of the Internal Revenue Code and are exempt from federal income taxes on related income pursuant to Section 501(a) of the Code. Regional Health and subsidiaries are annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the Internal Revenue Service (IRS). In addition, Regional Health and subsidiaries may be subject to income tax on income that is derived from business activities that are unrelated to its tax exempt purpose. Regional Health 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 consolidated financial statements. Regional Health 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. Regional Health's federal Form 990T filings are no longer subject to federal tax examinations by tax authorities for years before 2011.

[illegible]

SCHEDULE G
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding
Fundraising or Gaming Activities

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

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

OMB No 1545-0047

2014

Open to Public Inspection

Name of the organization
Regional Health Network Inc

Employer identification number

46-0360899

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

- 1

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

a

☐

Mail solicitations

e

☐

Solicitation of non-government grants

b

☐

Internet and email solicitations

f

☐

Solicitation of government grants

c

☐

Phone solicitations

g

☐

Special fundraising events

d

☐

In-person solicitations
- 2a

Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services?

☐ Yes

☐ No
- b

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

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

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

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

Revenue			(a) Event #1	(b) Event #2	(c) Other events	(d) Total events	
			<u>Hospice Ball</u>	<u>Hospice Golf</u>	<u>2</u>	(add col (a) through	
			(event type)	Tournament	(total number)	col (c))	
				(event type)			
1	Gross receipts	. . .	68,919	22,912	38,377	130,208	
2	Less Contributions	. .	2,510	3,010	38,377	43,897	
3	Gross income (line 1 minus line 2)	. . .	66,409	19,902		86,311	
Direct Expenses	4	Cash prizes	. . .				
	5	Noncash prizes	. .	1,267	1,874	3,141	
	6	Rent/facility costs	. .	16,192	9,316	386	
	7	Food and beverages	.				
	8	Entertainment	. . .	3,250		3,250	
	9	Other direct expenses	.	4,759	200	957	
	10	Direct expense summary Add lines 4 through 9 in column (d) ▶					(38,201)
	11	Net income summary Subtract line 10 from line 3, column (d) ▶					48,110

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

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

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

a Is the organization licensed to conduct gaming activities in each of these states?

☐ Yes ☐ No

b If "No," explain _____

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year?

☐ Yes ☐ No

b If "Yes," explain _____

11

Does the organization conduct gaming activities with nonmembers?

☐ Yes ☐ No

12

Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming?

☐ Yes ☐ No

13

Indicate the percentage of gaming activities conducted in

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

14

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

Name

Address

15a

Does the organization have a contract with a third party from whom the organization receives gaming revenue?

☐ Yes ☐ No

b

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

\$ and the \$

c

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

Name

Address

16

Gaming manager information

Name

Gaming manager compensation

Description of services provided

☐ Director/officer

☐ Employee

☐ Independent contractor

17

Mandatory distributions

a

Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license?

☐ Yes ☐ No

b

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

\$

Part IV

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

Return Reference	Explanation
------------------	-------------

Schedule G (Form 990 or 990-EZ) 2014

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
Regional Health Network Inc

Employer identification number
46-0360899

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 ☒ Applied uniformly to all hospital facilities ☐ Applied uniformly to most hospital facilities ☐ 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 ☐ 100% ☐ 150% ☒ 200% ☐ 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 ☐ 200% ☒ 250% ☐ 300% ☐ 350% ☐ 400% ☐ 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		No
b	If "Yes," did the organization make it available to the public?	6b		
	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)			2,693,035		2,693,035	2 920 %
b Medicaid (from Worksheet 3, column a)			10,313,952	9,786,865	527,087	0 570 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d Total Financial Assistance and Means-Tested Government Programs			13,006,987	9,786,865	3,220,122	3 490 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)	12	1,401	6,670		6,670	0 010 %
f Health professions education (from Worksheet 5)						
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)	4	303	9,838		9,838	0 010 %
j Total Other Benefits	16	1,704	16,508		16,508	0 020 %
k Total . Add lines 7d and 7j	16	1,704	13,023,495	9,786,865	3,236,630	3 510 %

Part IICommunity Building Activities

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

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1Physical improvements and housing						
2Economic development						
3Community support						
4Environmental improvements						
5Leadership development and training for community members						
6Coalition building						
7Community health improvement advocacy						
8Workforce development	3	4	1,447		1,447	0 %
9Other						
10Total	3	4	1,447		1,447	

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.

25,478,390

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.

344,079

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).

528,142,586

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

627,550,300

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

7592,286

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.

9bYes

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				
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7				
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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?

4
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)

Facility Reporting Group - A

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):

	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 ☒ A definition of the community served by the hospital facility		
b ☒ Demographics of the community		
c ☒ Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d ☒ How data was obtained		
e ☒ The significant health needs of the community		
f ☒ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g ☒ The process for identifying and prioritizing community health needs and services to meet the community health needs		
h ☒ The process for consulting with persons representing the community's interests		
i ☒ Information gaps that limit the hospital facility's ability to assess the community's health needs		
j ☐ Other (describe in Section C)		
4 Indicate the tax year the hospital facility last conducted a CHNA 20 12		
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	Yes
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	No
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 ☒ Hospital facility's website (list url) www regionalhealth com/chna		
b ☐ Other website (list url)		
c ☒ Made a paper copy available for public inspection without charge at the hospital facility		
d ☐ 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 12		
10 Is the hospital facility's most recently adopted implementation strategy posted on a website?	10	Yes
a If "Yes" (list url) www regionalhealth com/chna		
b If "No," is the hospital facility's most recently adopted implementation strategy attached to this return?	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? \$		

Part V

Facility Information (continued)

Facility Reporting Group - A

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	☐ Reporting to credit agency(ies)			
b	☐ Selling an individual's debt to another party			
c	☐ Actions that require a legal or judicial process			
d	☐ 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	☒ Notified individuals of the financial assistance policy on admission			
b	☐ Notified individuals of the financial assistance policy prior to discharge			
c	☒ Notified individuals of the financial assistance policy in communications with the individuals regarding the individuals' bills			
d	☒ Documented its determination of whether individuals were eligible for financial assistance under the hospital facility's financial assistance policy			
e	☐ Other (describe in Section C)			
f	☐ 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	☐ The hospital facility did not provide care for any emergency medical conditions			
b	☐ The hospital facility's policy was not in writing			
c	☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Section C)			
d	☐ 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	☐ The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged			
b	☐ The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged			
c	☒ The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged			
d	☐ 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	

Part V

Facility Information *(continued)*

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.

Form and Line Reference	Explanation
See Additional Data Table	

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? 9

Name and address	Type of Facility (describe)
1 Custer Regional Senior Care 1065 Montgomery Street Custer, SD 57730	Skilled Long Term Nursing Home
2 Sturgis Regional Senior Care 949 Harmon Street Sturgis, SD 57785	Skilled Long Term Nursing Home
3 Fairmont Grand Regional Senior Care 409 east Fairlane Drive Rapid City, SD 57701	Assisted Living
4 Golden Ridge Regional Senior Care 200 Montana Ave Lead, SD 57754	Assisted Living
5 Hot Springs Regional Medical Clinic 130 North 15th St Hot Springs, SD 57747	Clinic
6 Massa Berry Regional Medical Clinic 890 Lazelle Street Sturgis, SD 57785	Clinic
7 Newcastle Regional Medical Clinic 1121 Washington Blvd Newcastle, WY 82701	Clinic
8 Buffalo Regional Medical Clinic 209 Ramsland Street Buffalo, SD 57720	Clinic
9 Upton Regional Medical Clinic 717 Pine Street Upton, WY 82730	Clinic
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	References to "Regional Health" apply to all entities controlled or leased by Regional Health, Inc This includes the reporting entity Part I, Line 3c Financial assistance debt reduction write-offs for free or discounted care are based on an income matrix utilizing the current Federal Poverty Level (FPL) income guidelines after satisfying applicable co-pay requirements The income matrix is updated annually as the FPL guidelines are released

Form and Line Reference	Explanation
Part I, Line 7	Ratio of patient care cost to charges is used for the calculation of cost of services provided for lines 7a, 7b and 7g Actual costs are used for the calculation of costs of services provided for lines 7e and 7i

Form and Line Reference	Explanation
Part I, Line 7, Column (f)	The Bad Debt expense included on Form 990, Part IX, Line 25, Column (A), but subtracted for purposes of calculating the percentage in this column is \$ 5,478,390

Form and Line Reference	Explanation
Part II, Community Building Activities	Regional Health provides numerous community benefit health events and screenings throughout the Black Hills Region. Regional Health also provides financial support to other nonprofit organizations to help support community health outreach. Additionally, Regional Health provides in-kind support and employee volunteers to help support community health events and activities.

Form and Line Reference	Explanation
Part III, Line 2	The bad debt reported on line 2 is at charges as reported on the financial statements

Form and Line Reference	Explanation
Part III, Line 3	The estimated amount of bad debt attributable to patients eligible under the financial assistance policy is determined through a review of the bad debt records to identify patient accounts that would be eligible for a discount under the financial assistance policy. The organization follows HFMA Statement 15, however the amount reported on Part III, Line 3 reflects amounts not previously determined to be charity care in prior years that were determined in the current year to be charity care amounts.

Form and Line Reference	Explanation
Part III, Line 4	The footnote to the financial statements that describes bad debt expense is located on page nine of the audited financials

Form and Line Reference	Explanation
Part III, Line 8	The Medicare shortfall is derived from the actual payments received from the Medicare program for services provided to patients with Medicare coverage. The payments are compared to the actual cost of providing the service as arrived at through the Medicare cost reports. The result is a shortfall with costs exceeding the reimbursement. Medical services are provided to patients with Medicare coverage regardless of whether or not a surplus or deficit is realized. Providing Medicare services promotes access to healthcare services which are vitally needed by our community.

Form and Line Reference	Explanation
Part III, Line 9b	The collection policy requires invoking of the financial assistance policy at any time a patient expresses financial difficulty in meeting their debt obligation. Upon invoking the FAP, all collection activity is suspended. If the patient is approved for charity, then the account is closed out of the collection process and classified as charity. If a patient expresses financial concern but fails to complete the application process, additional notification is sent to the patient prior to re-instituting collection activity. We are following the 501(r) Final Regulations timelines for notifications and collections.

Form and Line Reference	Explanation
Part VI, Line 2	The Community Health Needs Assessment was conducted in FY2013 by Regional Health, including Rapid City Regional Hospital, Same Day Surgery Center, Spearfish Regional Hospital, Spearfish Regional Surgery Center, Sturgis Regional Hospital, Lead-Deadwood Regional Hospital, Custer Regional Hospital, and Hans P. Peterson Memorial Hospital. In July 2012, we contracted with Professional Research Consultants, Inc. (PRC) to conduct the needs assessment. PRC is a nationally recognized health care consulting firm with extensive experience conducting Community Health Needs Assessments in hundreds of communities across the United States since 1994. The assessment incorporated data from both quantitative and qualitative sources. Quantitative data input included primary research (the PRC Community Health Survey, November 2012) and secondary research (vital statistics and other existing health-related data); these quantitative components allowed for trending and comparison to benchmark data at the state and national levels. Qualitative data input included primary research gathered through a Key Informant Focus Group. A variety of existing (secondary) data sources was consulted to complement the research quality of the Community Health Needs Assessment. Data for the service area were obtained from the following sources: * Centers for Disease Control & Prevention * GeoLytics Demographic Estimates & Projections * National Center for Health Statistics * South Dakota Department of Public Health * US Census Bureau * US Department of Health and Human Services * US Department of Justice, Federal Bureau of Investigation As part of the needs assessment, a focus group was held on September 24, 2012. The focus group participants were comprised of 13 key informants, including representatives from public health, Indian Health Services, other health professionals, social service providers, and other community leaders. Potential participants were chosen because of their ability to identify primary concerns of the populations with whom they work, as well as of the community overall. Participants included a representative of public health, as well as several individuals who work with low-income, minority or other medically underserved populations, and those who work with persons with chronic disease conditions. The needs assessment report was completed in February 2013. After reviewing the findings, the Community Health Needs Assessment Steering Committee met regularly during the month of March, to determine the health needs to be prioritized for action in FY2014-FY2016. Following a detailed presentation of the Community Health Needs Assessment findings by PRC, steering committee members were led through a process of understanding key local data findings (Areas of Opportunity) and ranked identified health issues against the following established, uniform criteria: * Magnitude: The number of persons affected, also taking into account variance from benchmark data and Healthy People targets. * Impact/Seriousness: The degree to which the issue affects or exacerbates other quality of life and health-related issues. * Feasibility: The ability to reasonably impact the issue, given available resources. * Consequences of Inaction: The risk of not addressing the problem at the earliest opportunity. A proposed Implementation Strategy was then written to address the community's health needs. In the months of May and June, 2013, the organization's Board as well as the Board of Regional Health reviewed, discussed and approved the implementation strategies for addressing the community health priorities identified through the Community Health Needs Assessment.

Form and Line Reference	Explanation
Part VI, Line 3	We provide information on all statements, on our website, and at all admission areas, we contract with Midland Medical Group (an unrelated entity) to meet with all uninsured patients to assist them with finding a funding source or applying for financial assistance, and our self-pay outsource partner also communicates any funding and financial assistance opportunities with our patients

Form and Line Reference	Explanation
Part VI, Line 4	Regional Health serves the people of the Black Hills Region. The area is mostly rural in nature with only one city of over 50,000 people. Regional Health is the primary medical services provider for the region.

Form and Line Reference	Explanation
Part VI, Line 5	Regional Health is governed by a community board that provides leadership to the organization to meet the community needs. Regional Health partners with several educational institutions to provide numerous clinical training programs, that if they were not provided by Regional Health, would not exist in our region. Regional Health provides numerous community health education events and screenings throughout the Black Hills Region. Regional Health also provides financial support to other nonprofit organizations to help support community health outreach. Additionally, Regional Health provides in-kind support and employee volunteers to help support community health events and activities and other charitable programs.

Form and Line Reference	Explanation
Part VI, Line 6	Regional Health is committed to partnering with the communities it serves to meet the needs of each respective community. Regional Health, Inc. is the parent organization of Rapid City Regional Hospital, Inc., Regional Health Network, Inc., and Regional Health Physicians, Inc. These corporations work together to meet the health care needs of the region.

Additional Data

Software ID:

Software Version:

EIN: 46-0360899

Name: Regional Health Network Inc

Form 990 Part V Section C Supplemental Information for Part V, Section B.

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

Form and Line Reference	Explanation
Part V, Section B	Facility Reporting Group A

Form 990 Part V Section C Supplemental Information for Part V, Section B.

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

Form and Line Reference	Explanation
Facility Reporting Group A consists of	- Facility 1 Spearfish Regional Hospital, - Facility 2 Custer Regional Hospital, - Facility 3 Sturgis Regional Hospital, - Facility 4 Lead-Deadwood Regional Hospital

Form 990 Part V Section C Supplemental Information for Part V, Section B.

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

Form and Line Reference	Explanation
Facility Reporting Group - A Part V, Section B, line 16 b website	http //www regionalhealth com/Patients-Visitors/Financial-Assistance/Financ

Form 990 Part V Section C Supplemental Information for Part V, Section B.

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

Form and Line Reference	Explanation
Facility Reporting Group - A Part V, Section B, line 16c website	http //www regionalhealth com/Patients-Visitors/Financial-Assistance/Financ

Form 990 Part V Section C Supplemental Information for Part V, Section B.

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

Form and Line Reference	Explanation
Group A-Facility 1 -- Spearfish Regional Hospital Part V, Section B, line 5	As part of the community health needs assessment, a focus group was held on September 24, 2012. The focus group participants were comprised of 13 key informants, including representatives from public health, Indian Health Services, other health professionals, social service providers, and other community leaders. Participants were chosen because of their ability to identify primary concerns of the populations with whom they work, as well as of the community overall. Participants included a representative of public health, as well as several individuals who work with low-income, minority or other medically underserved populations, and those who work with persons with chronic disease conditions.

Form 990 Part V Section C Supplemental Information for Part V, Section B.

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

Form and Line Reference	Explanation
Group A -Facility 1 -- Spearfish Regional Hospital Part V, Section B, line 6a	The Community Health Needs Assessment was undertaken by Regional Health, including Rapid City Regional Hospital, Same Day Surgery Center, Spearfish Regional Hospital, Spearfish Regional Surgery Center, Sturgis Regional Hospital, Lead-Deadwood Regional Hospital and Custer Regional Hospital Under a management contract with Regional Health, Hans P Peterson Memorial Hospital in Philip, SD, also collaborated on the project Hans P Peterson Memorial Hospital provided funding for their portion of the assessment

Form 990 Part V Section C Supplemental Information for Part V, Section B.

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

Form and Line Reference	Explanation
Group A-Facility 1 -- Spearfish Regional Hospital Part V, Section B, line 11	In review of the needs identified in the CHNA, Spearfish Regional Hospital has identified the areas below that will not be addressed due to prioritization of health needs 1) Maternal, Infant, Child Health As a provider of maternal, infant and child hospital care in the community, SPRH believes it fulfills its role in this area It was therefore given a lower priority that excluded this as an area chosen for action 2) Oral Health SPRH has limited expertise available to address oral health and access to oral health insurance Other community organizations have infrastructure and programs in place to better meet this need Limited expertise excluded this as an area chosen for action 3) Nutrition, Physical Activity & Weight Status It was determined that more pressing health needs exist Limited resources and lower priority excluded this as an area chosen for action 4) Respiratory Diseases SPRH believes this priority area falls within the purview of other available community resources, including outpatient clinical settings Participation with the Good Shepherd Clinic positively impacts the ability for those with chronic respiratory disease to access the health care system 5) Substance Abuse SPRH believes efforts outlined in its plan for mental health and mental health resources will also have a positive impact on substance abuse A separate set of specific initiatives in this area is not justified at this time 6) Tobacco Use SPRH is a tobacco-free facility The facility provides smoking cessation screening to our patients and refers patients and employees to the South Dakota Quit Line for ongoing support Lower priority excluded this as an area chosen for action SPRH continued to execute the implementation strategy during fiscal year 2015 The needs that are being addressed are as follows 1) access to health services, 2) conditions of aging, 3) diabetes, 4) injury and violence prevention, and 5) mental health and mental disorders

Form 990 Part V Section C Supplemental Information for Part V, Section B.

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

Form and Line Reference	Explanation
Group A -Facility 1 -- Spearfish Regional Hospital Part V, Section B, line 16i	A summary of the hospital's financial assistance policy is posted for all patients at various points of entry, on the facility website, in waiting rooms, and in the admissions office The policy in its entirety is also available upon request The hospital is in the process of revising the FAP and once complete the revised full policy will be available on the Regional Health website

Form 990 Part V Section C Supplemental Information for Part V, Section B.

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

Form and Line Reference	Explanation
Group A-Facility 1 -- Spearfish Regional Hospital Part V, Section B, line 24	All individuals eligible under the hospital financial assistance policy are provided a discount for medically necessary care. The financial assistance policy does not apply to certain elective procedures. Therefore, FAP-eligible patients without insurance may be charged gross charges on certain elective procedures.

Form 990 Part V Section C Supplemental Information for Part V, Section B.

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

Form and Line Reference	Explanation
Group A -Facility 2 -- Custer Regional Hospital Part V, Section B, line 5	As part of the community health needs assessment, a focus group was held on September 24, 2012. The focus group participants were comprised of 13 key informants, including representatives from public health, Indian Health Services, other health professionals, social service providers, and other community leaders. Participants were chosen because of their ability to identify primary concerns of the populations with whom they work, as well as of the community overall. Participants included a representative of public health, as well as several individuals who work with low-income, minority or other medically underserved populations, and those who work with persons with chronic disease conditions.

Form 990 Part V Section C Supplemental Information for Part V, Section B.

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

Form and Line Reference	Explanation
Group A -Facility 2 -- Custer Regional Hospital Part V, Section B, line 6a	The Community Health Needs Assessment was undertaken by Regional Health, including Rapid City Regional Hospital, Same Day Surgery Center, Spearfish Regional Hospital, Spearfish Regional Surgery Center, Sturgis Regional Hospital, Lead-Deadwood Regional Hospital and Custer Regional Hospital Under a management contract with Regional Health, Hans P Peterson Memorial Hospital in Philip, SD, also collaborated on the project Hans P Peterson Memorial Hospital provided funding for their portion of the assessment

Form 990 Part V Section C Supplemental Information for Part V, Section B.

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

Form and Line Reference	Explanation
Group A -Facility 2 -- Custer Regional Hospital Part V, Section B, line 11	In review of the needs identified in the CHNA, Custer Regional Hospital has identified the areas below that will not be addressed due to prioritization of health needs 1) Access to Health Services The specific concern identified here was annual checkups for children ages 0-17 National standards deem a checkup every three years as the standard of care for children older than three years of age Local medical staff adheres to this standard CRH was a recipient of a grant in FY 12 providing wellness checkups for kids when finances are a barrier to receiving care 2) Cancer CRH partners with the All Women Count program promoting early detection for women who have financial barriers to breast cancer screening Awareness activities through the American Cancer Society currently exist in the community and surrounding area The provider for mobile mammography services discontinued services in Western South Dakota in 2012 Efforts continue to replace this service yet won't have impact in the timeline and scope of this implementation plan 3) Conditions of Aging In the area of Alzheimer's deaths, Custer Regional Senior Care, a related facility, is a licensed skilled nursing facility providing services to the elderly of the community Services include a special care unit specifically serving residents with Alzheimer's and dementia related diagnoses The Department of Social Services Adult Services and Aging department provides in-home services and case management to elders in the community with conditions of aging, such as difficulty seeing and hearing, assisting in obtaining adaptive equipment and transportation 4) Injury & Violence Prevention There are numerous activities currently provided to the community in the area of injury prevention in which CRH partners and it will continue to be open to additional opportunities for partnerships CRH currently provides physician education presentations to employee groups surrounding safe logging practices and the Custer High School students on healthy decisions, CRH partners with the Custer School District in providing hands-on, experiential education, namely Freshman Impact, on distracted driving and driving under the influence and the negative consequences associated with those unsafe practices, Custer School District has an active Students Against Destructive Decisions group, firearm and hunter safety courses are currently provided, Custer Rotary Club provides area youth bicycle helmets at a community bike rodeo 5) Mental Health & Mental Disorders The Service Area currently has several programs and services in place to assist in addressing mental health issues Mental health issues are best addressed as a community as a whole and although deemed out of the scope for a Critical Access Hospital, CRH will continue to seek opportunities for partnerships with area entities to assist in addressing this issue in its primary service area Current programs include the Helpline Center, Front Porch Coalition, Suicide Awareness Education in the schools, Veteran Administration Hospital in Fall River County addresses mental health concerns for military veterans, licensed mental health professionals provide counseling services, Department of Social Services provide case management services 6) Oral Health Insurance coverage for dental insurance was considered the barrier to adequate oral health and is currently addressed by a Mobile Dental Program providing no cost dental exams to area youth, local dentists provide in-class oral health education to elementary students and provide free dental screenings to children entering kindergarten 7) Respiratory Diseases Tobacco Use was not an area of need identified Chronic respiratory disease and pneumonia/influenza are currently addressed through community flu shot clinics and education of the public and health care personnel on importance of flu shots 8) Substance Abuse Substance abuse issues are currently addressed with existing area programs and services to include Custer Regional Hospital's existing partnership with the Freshman Impact program previously noted Other area programs and services include Custer Schools Students Against Destructive Decisions group, Southern Hills Alcohol and Drug Center provides substance abuse related services, Veteran's Administration in Fall River County provides Substance Abuse treatment for military veterans CRH continued to execute the implementation strategy during fiscal year 2015 The needs that are being addressed are as follows 1) diabetes, 2) heart disease and stroke, and 3) nutrition, physical activity and weight status

Form 990 Part V Section C Supplemental Information for Part V, Section B.

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

Form and Line Reference	Explanation
Group A -Facility 2 -- Custer Regional Hospital Part V, Section B, line 16i	A summary of the hospital's financial assistance policy is posted for all patients at various points of entry, on the facility website, in waiting rooms, and in the admissions office The policy in its entirety is also available upon request The hospital is in the process of revising the FAP and once complete the revised full policy will be available on the Regional Health website

Form 990 Part V Section C Supplemental Information for Part V, Section B.

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

Form and Line Reference	Explanation
Group A -Facility 2 -- Custer Regional Hospital Part V, Section B, line 24	All individuals eligible under the hospital financial assistance policy are provided a discount for certain medically necessary care The financial assistance policy does not apply to elective procedures Therefore, FAP-eligible patients without insurance may be charged gross charges on certain elective procedures

Form 990 Part V Section C Supplemental Information for Part V, Section B.

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

Form and Line Reference	Explanation
Group A-Facility 3 -- Sturgis Regional Hospital Part V, Section B, line 5	As part of the community health needs assessment, a focus group was held on September 24, 2012. The focus group participants were comprised of 13 key informants, including representatives from public health, Indian Health Services, other health professionals, social service providers, and other community leaders. Participants were chosen because of their ability to identify primary concerns of the populations with whom they work, as well as of the community overall. Participants included a representative of public health, as well as several individuals who work with low-income, minority or other medically underserved populations, and those who work with persons with chronic disease conditions.

Form 990 Part V Section C Supplemental Information for Part V, Section B.

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

Form and Line Reference	Explanation
Group A -Facility 3 -- Sturgis Regional Hospital Part V, Section B, line 6a	The Community Health Needs Assessment was undertaken by Regional Health, including Rapid City Regional Hospital, Same Day Surgery Center, Spearfish Regional Hospital, Spearfish Regional Surgery Center, Sturgis Regional Hospital, Lead-Deadwood Regional Hospital and Custer Regional Hospital Under a management contract with Regional Health, Hans P Peterson Memorial Hospital in Philip, SD, also collaborated on the project Hans P Peterson Memorial Hospital provided funding for their portion of the assessment

Form 990 Part V Section C Supplemental Information for Part V, Section B.

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

Form and Line Reference	Explanation
Group A-Facility 3 -- Sturgis Regional Hospital Part V, Section B, line 11	In review of the needs identified in the CHNA, Sturgis Regional Hospital has identified the areas below that will not be addressed due to prioritization of health needs 1) Access to Health Services SRH believes more pressing health needs exist Lower priority excluded this as an area chosen for action 2) Injury & Violence Prevention SRH has limited expertise available to address injury and violence prevention The facility will work in collaboration with community partners as opportunities arise 3) Maternal, Infant, Child Health SRH does not provide obstetrical services at the facility There are other available resources in the community that serve this need Limited expertise excluded this as an area chosen for action 4) Oral Health SRH has limited expertise available to address oral health The facility will work in collaboration with community partners as opportunities arise 5) Respiratory Diseases SRH believes more pressing health needs exist Lower priority excluded this as an area chosen for action 6) Substance Abuse SRH has limited expertise available to address alcohol and other drug issues Other community organizations have infrastructure and programs in place to better meet this need Limited expertise excluded this as an area chosen for action 7) Tobacco Use Lower priority excluded this as an area chosen for action SRH continued to execute the implementation strategy during fiscal year 2015 The needs that are being addressed are as follows 1) conditions of aging, 2) diabetes, 3) mental health and mental disorders, and 4) nutrition, physical activity and weight status

Form 990 Part V Section C Supplemental Information for Part V, Section B.

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

Form and Line Reference	Explanation
Group A -Facility 3 -- Sturgis Regional Hospital Part V, Section B, line 16i	A summary of the hospital's financial assistance policy is posted for all patients at various points of entry, on the facility website, in waiting rooms, and in the admissions office The policy in its entirety is also available upon request The hospital is in the process of revising the FAP and once complete the revised full policy will be available on the Regional Health website

Form 990 Part V Section C Supplemental Information for Part V, Section B.

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

Form and Line Reference	Explanation
Group A-Facility 3 -- Sturgis Regional Hospital Part V, Section B, line 24	All individuals eligible under the hospital financial assistance policy are provided a discount for certain medically necessary care. The financial assistance policy does not apply to elective procedures. Therefore, FAP-eligible patients without insurance may be charged gross charges on certain elective procedures.

Form 990 Part V Section C Supplemental Information for Part V, Section B.

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

Form and Line Reference	Explanation
Group A-Facility 4 -- Lead-Deadwood Regional Hospital Part V, Section B, line 5	As part of the community health needs assessment, a focus group was held on September 24, 2012. The focus group participants were comprised of 13 key informants, including representatives from public health, Indian Health Services, other health professionals, social service providers, and other community leaders. Participants were chosen because of their ability to identify primary concerns of the populations with whom they work, as well as of the community overall. Participants included a representative of public health, as well as several individuals who work with low-income, minority or other medically underserved populations, and those who work with persons with chronic disease conditions.

Form 990 Part V Section C Supplemental Information for Part V, Section B.

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

Form and Line Reference	Explanation
Group A -Facility 4 -- Lead-Deadwood Regional Hospital Part V, Section B, line 6a	The Community Health Needs Assessment was undertaken by Regional Health, including Rapid City Regional Hospital, Same Day Surgery Center, Spearfish Regional Hospital, Spearfish Regional Surgery Center, Sturgis Regional Hospital, Lead-Deadwood Regional Hospital and Custer Regional Hospital Under a management contract with Regional Health, Hans P Peterson Memorial Hospital in Philip, SD, also collaborated on the project Hans P Peterson Memorial Hospital provided funding for their portion of the assessment

Form 990 Part V Section C Supplemental Information for Part V, Section B.

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

Form and Line Reference	Explanation
Group A-Facility 4 -- Lead-Deadwood Regional Hospital Part V, Section B, line 11	In review of the needs identified in the CHNA, Lead-Deadwood Regional Hospital has identified the areas below that will not be addressed due to prioritization of health needs 1) Access to Health Services LDRH believes more pressing health needs exist Lower priority excluded this as an area chosen for action 2) Conditions of Aging In the area of Alzheimer's deaths, Golden Ridge Regional Senior Care, a related facility, is a licensed assisted living facility providing services to the elderly of the community Other organizations provide in-home services and case management to elders in the community with conditions of aging, such as difficulty seeing and hearing, assisting in obtaining adaptive equipment and transportation 3) Maternal, Infant, Child Health LDRH does not provide obstetrical services at the facility There are other available resources in the community that serve this need Limited expertise excluded this as an area chosen for action 4) Oral Health LDRH has limited expertise available to address oral health and access to oral health insurance Other community organizations have infrastructure and programs in place to better meet this need Limited expertise excluded this as an area chosen for action 5) Respiratory Diseases LDRH believes this priority area falls within the purview of other available community resources, including outpatient clinical settings 6) Substance Abuse LDRH believes efforts outlined in its plan for mental health and mental health resources will also have a positive impact on substance abuse A separate set of specific initiatives in this area is not justified at this time 7) Tobacco Use LDRH is a tobacco-free facility The facility provides smoking cessation screening to our patients and refers patients and employees to the South Dakota Quit Line for ongoing support Lower priority excluded this as an area chosen for action LDRH continued to execute the implementation strategy during fiscal year 2015 The needs that are being addressed are as follows 1) diabetes, 2) injury and violence prevention, 3) mental health and mental disorders, and 4) nutrition, physical activity and weight status

Form 990 Part V Section C Supplemental Information for Part V, Section B.

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

Form and Line Reference	Explanation
Group A -Facility 4 -- Lead-Deadwood Regional Hospital Part V, Section B, line 16i	A summary of the hospital's financial assistance policy is posted for all patients at various points of entry, on the facility website, in waiting rooms, and in the admissions office The policy in its entirety is also available upon request The hospital is in the process of revising the FAP and once complete the revised full policy will be available on the Regional Health website

Form 990 Part V Section C Supplemental Information for Part V, Section B.

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

Form and Line Reference	Explanation
Group A -Facility 4 -- Lead-Deadwood Regional Hospital Part V, Section B, line 24	All individuals eligible under the hospital financial assistance policy are provided a discount for medically necessary care The financial assistance policy does not apply to certain elective procedures Therefore, FAP-eligible patients without insurance may be charged gross charges on certain elective procedures

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
Regional Health Network Inc

Employer identification number
46-0360899

Part I

Questions Regarding Compensation

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

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

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

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

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

Part III Supplemental Information

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

Return Reference	Explanation
Part I, Line 3	The compliance and audit committee, which is a committee of the Regional Health (parent) Board, reviews and approves base salary and total compensation ranges for all executives within the Regional Health System. Please see Form 990, part VI, Lines 15a & 15b disclosure on Schedule O.
Part I, Line 4b	Regional Health provides a supplemental nonqualified retirement plan and a flexible benefit plan that can include deferred compensation for its executives. The following individuals had amounts deferred into the account as reported in column c on Schedule J: Chandran, Sharmila \$8,453; Henson, Maureen \$10,660; Horton, Jennifer \$12,331; Klocke MD, David \$19,202; Thompson, Mark \$38,769; Richards, Kyle \$12,430; Schmidt, Veronica \$9,906; Veitz, Larry \$15,077; Bailey MD, Lee \$17,969; Gasbarre DO, Christopher \$43,896; Birkelo DO, Krista \$17,796; Fromm MD, Christopher \$19,044.
Part I, Line 7	Executives and Other Employees of System Entities will be eligible to receive annual incentive awards that are competitive with the incentives offered by the organizations in the System's Peer group(s) in accordance with the terms of the Regional Health, Inc. Annual Incentive Plan for Selected Executives and Other Employees (Incentive Plan). In accordance with this plan, the Board's Compliance and Audit Committee of Directors will review and approve all incentive compensation performance measures and all awards, if any.

Additional Data

Software ID:
Software Version:
EIN: 46-0360899
Name: Regional Health Network Inc

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

(A) Name and Title	(B) Breakdown of W-2 and/or 1099-MISC compensation			(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				
Lee B Bailey MD, Director	(i) 319,957 (ii) 0	0 0	0 0	32,320 0	22,716 0	374,993 0	0 0
Christopher Gasbarre DO, Director	(i) 0 (ii) 484,660	0 2,225	0 0	0 52,575	0 21,481	0 560,941	0 0
Charles E Hart MD, President & CEO (July-February)	(i) 0 (ii) 822,401	0 152,408	0 4,520	0 21,682	0 17,388	0 1,018,399	0 0
Timothy H Sughrue, CEO RCRH, RHN & COO RHI (July-March)	(i) 0 (ii) 584,475	0 88,650	0 1,823	0 24,219	0 23,231	0 722,398	0 0
Kyle Richards, COO	(i) 198,672 (ii) 0	11,300 0	0 0	18,897 0	18,834 0	247,703 0	0 0
Mark A Thompson, VP CFO	(i) 0 (ii) 355,658	0 63,697	0 6,090	0 57,755	0 15,956	0 499,156	0 6,090
Joseph C Sluka Jr, Executive VP/CAO (July-November)	(i) 0 (ii) 395,997	0 75,194	0 30,176	0 14,160	0 20,652	0 536,179	0 20,782
Mark F Brodin, VP Decision Support	(i) 0 (ii) 180,608	0 20,802	0 0	0 16,102	0 21,127	0 238,639	0 0
Sharmila M Chandran, VP Corporate Responsibility	(i) 0 (ii) 182,434	0 22,387	0 0	0 14,814	0 4,248	0 223,883	0 0
Maureen Henson, VP Human Resources	(i) 0 (ii) 171,543	0 0	0 0	0 15,826	0 1,065	0 188,434	0 0
Jennifer D Horton, VP PR Marketing	(i) 0 (ii) 161,539	0 20,248	0 9,357	0 23,245	0 23,277	0 237,666	0 9,357
David L Klocke MD, Chief Medical Officer	(i) 0 (ii) 358,521	0 65,879	0 0	0 27,293	0 23,271	0 474,964	0 0
Richard S Latuchie, VP Info Technology/ CIO	(i) 0 (ii) 279,031	0 32,281	0 0	0 14,822	0 17,180	0 343,314	0 0
Mary E Masten, VP Legal Services	(i) 0 (ii) 308,434	0 34,657	0 0	0 25,714	0 17,416	0 386,221	0 0
Veronica Schmidt, CEO of Custer Regional Hospital	(i) 133,744 (ii) 0	16,396 0	0 0	15,014 0	23,627 0	188,781 0	0 0
Sherry Bea Smith, CEO of Lead-Deadwood Regional Hospit	(i) 154,085 (ii) 0	17,844 0	0 0	16,302 0	16,741 0	204,972 0	0 0
Larry Veitz, CEO of Spearfish Regional Hospital	(i) 220,274 (ii) 0	24,755 0	11,454 0	28,597 0	16,013 0	301,093 0	11,454 0
Krista Birkelo DO, Physician - Emergency & Family Medic	(i) 283,850 (ii) 0	0 0	0 0	26,093 0	7,546 0	317,489 0	0 0
Christopher Fromm MD, Physician - Emergency & Family Medic	(i) 275,400 (ii) 0	0 0	360 0	32,616 0	21,127 0	329,503 0	0 0
Curtis Liedtke DO, Physician - Emergency & Family Medic	(i) 246,981 (ii) 0	0 0	360 0	8,554 0	9,724 0	265,619 0	0 0

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					
M Donald Potts MD, Physician - Emergency & Family Medic	(i)	293,436	0	54,228	8,804	15,181	371,649	53,838
	(ii)	0	0	0	0	0	0	0
Thomas Reid, Nurse Anesthetist	(i)	175,485	0	0	7,000	22,385	204,870	0
	(ii)	0	0	0	0	0	0	0

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 Regional Health Network Inc	Employer identification number 46-0360899
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Return Reference	Explanation
Form 990, Part III, line 2	Spearfish Surgery Center became a department of Spearfish Regional Hospital. Regional Health Network owned the Spearfish Regional Surgery Center but in prior years it was operated by Regional Health Physicians, Inc, a related organization. Beginning on July 1, 2014, operation of the Spearfish Regional Surgery Center was transferred to and it became a department of Spearfish Regional Hospital, one of the hospitals owned and operated by Regional Health Network.

Return Reference	Explanation
Form 990, Part IV, Line 24a	Bond Issues The issue price of the bonds includes the filing organization's share of the entire bond issue, which was issued to Rapid City Regional Hospital on behalf of the Obligated Group The Obligated Group consists of Rapid City Regional Hospital, Regional Health Inc, Regional Health Network Inc, and Regional Health Physicians Inc In accordance with IRS instructions, information related to the tax exempt bond reporting is being reported on Rapid City Regional Hospital's tax return

Return Reference	Explanation
Form 990, Part V, Line 1a	All 1099's are issued centrally by Rapid City Regional Hospital, Inc , a related organization

Return Reference	Explanation
Form 990, Part VI, Section A, line 1	The membership of the Executive Committee of the corporation shall consist of the following Chairman of the Board of Directors, Vice Chairman of the Board of Directors, Secretary, Treasurer, CEO, and the most recent past Chairman of the Board of Directors unless such person is otherwise a member of the Committee (and only if the person continues to be a member of the Board of Directors) The Chairman of the Board of Directors shall serve as Chairman of the Executive Committee The Executive Committee, when the Board of Directors is not in session, shall have and may exercise all of the authority of the Board of Directors, except to the extent, if any, that such authority shall be limited by a motion or resolution of the Board of Directors

Return Reference	Explanation
Form 990, Part VI, Section A, line 1	The organization considers some members of the Board to not be independent because they are actively practicing physicians on its or its related entities' medical staffs or, in one instance, is an employee of the organization

Return Reference	Explanation
Form 990, Part VI, Section A, line 2	Brent Phillips has a business relationship with the following individuals due to being the CEO of the supporting organization that exercises reserve powers over the supported organizations that employ each of these individuals Lee Bailey, MD, Christopher Gasbarre, DO, Joseph Sluka Jr , Timothy Sughrue, Mark Thompson, Mark Brodin, Sharmila Chandran, Maureen Henson, Jennifer Horton, David Klocke, MD, Richard Latuchie, Mary Masten, Kyle Richards, Veronica Schmidt, Sherry Bea Smith and Larry Vetz

Return Reference	Explanation
Form 990, Part VI, Section A, line 6	Regional Health, Inc is the sole member of Regional Health Network, Inc

Return Reference	Explanation
Form 990, Part VI, Section A, line 7a	Regional Health, Inc , being the sole member of Regional Health Network, Inc , has the ability to appoint or remove all members of Regional Health Network, Inc 's board

Return Reference	Explanation
Form 990, Part VI, Section A, line 7b	Regional Health, Inc provides compliance, governance, financial, and planning support to its Supported Organizations to best assure the functions and services of the Supported Organizations are coordinated and supported in a manner that furthers the shared charitable mission of the Supported Organizations and RHI, as a whole (the System) Regional Health, Inc has final authority in significant business decisions affecting the Supported Organizations

Return Reference	Explanation
Form 990, Part VI, Section B, line 11	The 990 is prepared and reviewed by an independent accounting firm. It is then reviewed internally by finance and legal management. The Form 990 is further reviewed, prior to filing, by the organization's board of directors through a portal to the organization's internal information system, to which each board member has access. Educational sessions have been provided to each board member on how to access the portal.

Return Reference	Explanation
Form 990, Part VI, Section B, line 12c	As a part of the annual disclosure of potential conflicts process, all board members, officers, and management receive a copy of the conflict of interest policy and sign an acknowledgement they have read and understand it. Additionally, they are each required to complete a disclosure statement. Annually, a summary list of all conflicts disclosed by board members is prepared and provided to the full board so board members are aware of the conflicts/interests of other board members and are able to point out conflicts if an individual member with a conflict forgets. Additionally, the agenda for each board meeting and each board committee meeting includes an initial agenda item "Conflicts of Interest" where board members are asked if they have any conflicts related to the other items on the agenda. All employees are covered by the conflict of interest policy but completion of the annual disclosure statement is limited to board and board committee members, management, and certain physicians. When a proposed transaction involves a board member, the transaction is reviewed by the compliance and audit committee. At meetings, board members who have a conflict of interest may be invited to speak on the matter by the chairman, but are not permitted to vote on the matter and are required to leave the meeting during discussion, after they have made any comments invited by the chair. Failure to comply with this policy constitutes ground for removal from office or membership and in the case of all employees, termination of employment.

Return Reference	Explanation
Form 990, Part VI, Section B, line 15b	The Compliance and Audit committee of the sole member's board, a committee that includes only board members deemed "independent", determines all elements of compensation for the member's CEO (base salary, total cash compensation, benefits and total compensation) For other executive staff, the committee determines the appropriate base salary, cash compensation and total compensation ranges The CEO of the member or his designee determines the actual base salary of the other executives within the committee-approved base salary range based on performance, while the committee authorizes any incentive compensation awarded to executives and any additional benefits offered to executives The committee retains an independent compensation consultant, Sullivan & Cotter, to provide peer group market comparative data for base salary, total cash compensation, benefits and total compensation for executives Sullivan & Cotter most recently completed a market assessment, and the committee approved compensation elements and ranges based thereon, in April and June of 2015

Return Reference	Explanation
Form 990, Part VI, Section C, line 19	The Articles of Incorporation of the organization are filed in the office of the Secretary of State of South Dakota and are available to the public at the Secretary of State's website. Other documents (Bylaws, conflict of interest policy and financial statements) are not posted for the public but are available or described in other public documents or sites such as offering statements in bond issues or municipal securities rulemaking board's electronic municipal market access (EMMA) data port.

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
Regional Health Network Inc

Employer identification number
46-0360899

Part I

Identification of Disregarded Entities

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

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

Part II

Identification of Related Tax-Exempt Organizations

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(1) Regional Health Inc 353 Fairmont Blvd Rapid City, SD 57701 20-1487506	Healthcare	SD	501(c)(3)	Line 11c, III-FI	N/A		No
(2) Rapid City Regional Hospital Inc 353 Fairmont Blvd Rapid City, SD 57701 46-0319070	Healthcare	SD	501(c)(3)	Line 3	Regional Health Inc	Yes	
(3) Regional Health Physicians Inc 353 Fairmont Blvd Rapid City, SD 57701 46-0372454	Healthcare	SD	501(c)(3)	Line 3	Regional Health Inc	Yes	

Part III

Identification of Related Organizations Taxable as a Partnership

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512- 514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproporionate 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) Medical & Dental Building 2805 S 5th St Rapid City, SD 57701 46-0339629	Medical Office Bldg	SD	N/A									
(2) Black Hills Medical Office BD LLC 353 Fairmont Blvd Rapid City, SD 57701 41-1992146	Medical Office Bldg	SD	N/A									

Part IV

Identification of Related Organizations Taxable as a Corporation or Trust

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

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

Part V

Transactions With Related Organizations

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

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

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

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

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

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

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

e Loans or loan guarantees by related organization(s)

f Dividends from related organization(s)

g Sale of assets to related organization(s)

h Purchase of assets from related organization(s)

i Exchange of assets with related organization(s)

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

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

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

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

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

o Sharing of paid employees with related organization(s)

p Reimbursement paid to related organization(s) for expenses

q Reimbursement paid by related organization(s) for expenses

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

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

Yes

No

1a

No

1b

No

1c

No

1d

No

1e

No

1f

No

1g

No

1h

No

1i

No

1j

Yes

1k

No

1l

No

1m

Yes

1n

No

1o

No

1p

No

1q

Yes

1r

No

1s

No

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

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) Regional Health Physicians Inc	J	477,674	Cost
(2) Rapid City Regional Hospital Inc	M	6,162,818	Cost
(3) Rapid City Regional Hospital Inc	Q	2,080,354	Cost

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
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