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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 10-01-2014 , and ending 09-30-2015

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

C Name of organization
SHANNON MEDICAL CENTER

% SHANNON MEDICAL CENTER

Doing business as

Number and street (or P O box if mail is not delivered to street address) | Room/suite
120 E HARRIS AVENUE

City or town, state or province, country, and ZIP or foreign postal code
SAN ANGELO, TX 76903

D Employer identification number
75-2559845

E Telephone number
(325)481-8644

G Gross receipts $ 320,468,956

F Name and address of principal officer
BRYAN HORNER
120 E HARRIS AVENUE
SAN ANGELO,TX 76903

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: ▶ SHANNONHEALTH COM

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

L Year of formation 1994

M State of legal domicile TX

Part I Summary

1 Briefly describe the organization's mission or most significant activities
FOUNDED ON A LEGACY OF CARING, SHANNON IS A LOCALLY OWNED HEALTHCARE SYSTEM DEDICATED TO PROVIDING EXCEPTIONAL HELATHCARE FOR OUR FAMILY, FRIENDS, AND NEIGHBORS

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

3	Number of voting members of the governing body (Part VI, line 1a)	**3**	14
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	11
5	Total number of individuals employed in calendar year 2014 (Part V, line 2a)	**5**	2,162
6	Total number of volunteers (estimate if necessary)	**6**	134
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	331,427
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	9,943,973	15,411,760
9	Program service revenue (Part VIII, line 2g)	269,569,043	299,400,929
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	3,121,270	2,418,742
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	5,811,438	3,237,525
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	288,445,724	320,468,956
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	270,000	108,125
14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	92,085,398	98,685,409
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶0		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	148,533,425	161,302,493
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	240,888,823	260,096,027
19	Revenue less expenses Subtract line 18 from line 12	47,556,901	60,372,929

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	343,353,495	354,696,407
21	Total liabilities (Part X, line 26)	26,996,606	27,949,529
22	Net assets or fund balances Subtract line 21 from line 20	316,356,889	326,746,878

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

****** | 2016-08-15
Signature of officer | Date

STACI WETZ CFO
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Jana Kirksey	Jana Kirksey			P01261744

Firm's name ▶ BKD LLP | Firm's EIN ▶

Firm's address ▶ 2800 Post Oak Blvd Ste 3200
HOUSTON, TX 77056 | Phone no (713) 499-4600

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

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission

FOUNDED ON A LEGACY OF CARING, SHANNON IS A LOCALLY OWNED HEALTHCARE SYSTEM DEDICATED TO PROVIDING EXCEPTIONAL HEALTHCARE FOR OUR FAMILY, FRIENDS AND NEIGHBORS

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

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

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

If "Yes," describe these changes on Schedule O

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

4a (Code) (Expenses $ 209,998,551 including grants of $ 108,125) (Revenue $ 302,307,027)

PROVIDING TOTAL MEDICAL CARE TO THE CITIZENS OF WEST TEXAS

4b (Code) (Expenses $ including grants of $) (Revenue $)

4c (Code) (Expenses $ including grants of $) (Revenue $)

4d Other program services (Describe in Schedule O)

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

4e **Total program service expenses** ▶ 209,998,551

Part IV Checklist of Required Schedules

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

Part IV Checklist of Required Schedules *(continued)*

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable . .	1a	119		
b	Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c		Yes	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	2,162		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? **Note.** If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	2b		Yes	
3a	Did the organization have unrelated business gross income of $1,000 or more during the year? . . .	3a		Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No" to line 3b, provide an explanation in Schedule O* . . .	3b		Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a			No
b	If "Yes," enter the name of the foreign country ▶ _____ See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR)				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . .	5a			No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b			No
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c			
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions? . . .	6a			No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b			
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?	7a			No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b			
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c			No
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e			No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .	7f			No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g			No
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h			No
8	**Sponsoring organizations maintaining donor advised funds.** Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	8			
9a	Did the sponsoring organization make any taxable distributions under section 4966? . . .	9a			
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person? . . .	9b			
10	**Section 501(c)(7) organizations.** Enter				
a	Initiation fees and capital contributions included on Part VIII, line 12 . . .	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?	12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**				
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** See the instructions for additional information the organization must report on Schedule O	13a			
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b			
c	Enter the amount of reserves on hand	13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a			No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O* . .	14b			

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

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

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	**1a**	14		
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O				
b	Enter the number of voting members included in line 1a, above, who are independent	**1b**	11		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	**2**			No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? .	**3**			No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	**4**			No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .	**5**			No
6	Did the organization have members or stockholders?	**6**		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**		No
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990			
12a	Did the organization have a written conflict of interest policy? *If "No," go to line 13*	**12a**	Yes	
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	**12b**	Yes	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? *If "Yes," describe in Schedule O how this was done*	**12c**	Yes	
13	Did the organization have a written whistleblower policy?	**13**	Yes	
14	Did the organization have a written document retention and destruction policy?	**14**	Yes	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official	**15a**	Yes	
b	Other officers or key employees of the organization	**15b**	Yes	
	If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	**16a**	Yes	
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	**16b**	Yes	

Section C. Disclosure

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

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

☐ 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

▶SHANNON MEDICAL CENTER
120 E HARRIS AVENUE
SAN ANGELO,TX 76903 (325)653-6741

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

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

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

1a Complete this table for all persons required to be listed Report compensation for the calendar year ending with or within the organization's tax year

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

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) BRYAN HORNER CEO/PRESIDENT	32 0 8 0	X		X				692,737	0	14,336
(2) LEN MERTZ CHAIRMAN	2 0 18 0	X		X				0	7,660	4,509
(3) JAMES JOHNSON SECRETARY/TREASURER	2 0 6 0	X		X				23,820	33,148	142
(4) JOE HENDERSON INDIVIDUAL TRUSTEE	2 0 6 0	X						27,595	33,615	427
(5) ORAN BERRY III INDIVIDUAL TRUSTEE	2 0 6 0	X						21,771	29,000	4,195
(6) VIRGINIA NOELKE DIRECTOR	2 0 4 0	X						19,000	0	0
(7) MIKE BOYD INDIVIDUAL TRUSTEE	2 0 6 0	X						0	0	0
(8) MIKE OLIPHANT INDIVIDUAL TRUSTEE	2 0 6 0	X						21,521	30,700	2,173
(9) STEVE CECIL INDIVIDUAL TRUSTEE	2 0 6 0	X						23,100	30,000	6,517
(10) JOANNE RICE DIRECTOR	2 0 4 0	X						19,300	0	0
(11) PAMELA TALLEY DIRECTOR	2 0 4 0	X						23,600	0	0
(12) MICHELLE SNUGGS MD DIRECTOR	2 0 4 0	X						0	875,213	100,074
(13) ANGELA WILLIAMS DIRECTOR	2 0 6 0	X						22,000	0	0
(14) ANDREW HUME MD DIRECTOR	2 0 0 0	X						0	670,050	96,474

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(15) KELLY SHANE PLYMELL CFO	32 0 8 0			X				470,258	0	48,508
(16) DR IRVIN ZEITLER MEDICAL DIRECTOR	37 0 5 0			X				467,700	0	21,357
(17) PATRICIA TIPTON NURSE ANESTHETIST	40 0 0 0					X		271,015	0	13,881
(18) PAULINE JAMES NURSE ANESTHETIST	40 0 0 0					X		238,440	0	14,242
(19) MARVIN HILL NURSE ANESTHETIST	40 0 0 0					X		317,171	0	15,108
(20) THOMAS PERKINS DIRECTOR OF IT	40 0 0 0					X		173,541	0	10,638
(21) LISA HILL GENERAL COUNSEL	40 0 0 0					X		271,579	0	9,894
(22) EMMETE FLYNN MD DIRECTOR	2 0 4 0						X	0	407,999	64,492
(23) WILMA STUART CNO	40 0 0 0						X	307,630	0	14,597

1b	**Sub-Total** . . . . . ▶			
c	**Total from continuation sheets to Part VII, Section A** . . . . ▶			
d	**Total (add lines 1b and 1c)** . . . . . ▶	3,411,778	2,117,385	441,564

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 ▶ 73

			Yes	No
3	Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	**3**	Yes	
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? *If "Yes," complete Schedule J for such individual*	**4**	Yes	
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? *If "Yes," complete Schedule J for such person*	**5**		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
PRUDENTIAL ASSIGNED SETTLEMENT SERV, 200 WOOD AVENUE SOUTH ISELIN, NJ 08830	SETTLEMENT SERVICES	674,042
KANSAS CITY SERIES LOCKTON COMPANI, PO BOX 802707 KANSAS CITY, MI 64180	INSURANCE	581,504
SIGNET HEALTH CORPORATION, 235 W HICKORY SUITE 201 DENTON, TX 76201	CONSULTING	358,762
METLIFE TOWER RESOURCES GROUP INC, 200 PARK AVENUE NEW YORK, NY 10166	INSURANCE	238,434
MATAGORDA RESOURCES, PO BOX 96024 LAS VEGAS, NV 89193	LITHOTRIPSY	168,015

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 ▶ 12

Part VIII Statement of Revenue

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

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns . .	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations . . .	1d	15,411,760			
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	0			
	g	Noncash contributions included in lines 1a-1f $					
	h	**Total.** Add lines 1a-1f . . . . . ▶		15,411,760			
Program Service Revenue			Business Code				
	2a	Net Patient Revenue	621990	298,949,366	298,749,815	199,551	
	b	Rental Income	532000	451,563	451,563		
	c						
	d						
	e						
	f	All other program service revenue					
	g	**Total.** Add lines 2a–2f . . . . . ▶		299,400,929			
	3	Investment income (including dividends, interest, and other similar amounts) . . . . . ▶		2,140,150			2,140,150
	4	Income from investment of tax-exempt bond proceeds . . ▶		0			
	5	Royalties . . . . . ▶		0			
			(i) Real	(ii) Personal			
	6a	Gross rents					
	b	Less rental expenses					
	c	Rental income or (loss)	0	0			
	d	Net rental income or (loss) . . . . . ▶		0			
			(i) Securities	(ii) Other			
	7a	Gross amount from sales of assets other than inventory	261,687	16,905			
	b	Less cost or other basis and sales expenses					
	c	Gain or (loss)	261,687	16,905			
	d	Net gain or (loss) . . . . . ▶		278,592			278,592
Other Revenue	8a	Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18 . . a					
	b	Less direct expenses . . . b					
	c	Net income or (loss) from fundraising events . . ▶		0			
	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 . . ▶		0			
	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 . . ▶		0			
		Miscellaneous Revenue	Business Code				
	11a	Cafeteria	900099	1,685,789	1,685,789		
	b	Regional Cancer Treatment	900099	-184,100	-184,100		
	c	ALL OTHER MISC REVENUE		1,735,836	1,603,960	131,876	
	d	All other revenue					
	e	**Total.** Add lines 11a–11d . . . . . ▶		3,237,525			
	12	**Total revenue.** See Instructions . . . . . ▶		320,468,956	302,307,027	331,427	2,418,742

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	108,125	108,125		
2 Grants and other assistance to domestic individuals See Part IV, line 22	0			
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals See Part IV, lines 15 and 16	0			
4 Benefits paid to or for members	0			
5 Compensation of current officers, directors, trustees, and key employees	2,238,830		2,238,830	0
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	155,517	155,517		
7 Other salaries and wages	81,762,962	63,529,149	18,233,813	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	2,556,951	1,998,948	558,003	
9 Other employee benefits	6,026,994	4,579,299	1,447,695	
10 Payroll taxes	5,944,155	4,503,429	1,440,726	
11 Fees for services (non-employees)				
a Management	233,750		233,750	
b Legal	74,807		74,807	
c Accounting	96,677		96,677	
d Lobbying	0			
e Professional fundraising services See Part IV, line 17	0			
f Investment management fees	0			
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	28,067,650	20,204,933	7,862,717	
12 Advertising and promotion	1,084,709	29,334	1,055,375	
13 Office expenses	4,322,114	393,818	3,928,296	
14 Information technology	3,239,247	476,589	2,762,658	
15 Royalties	0			
16 Occupancy	2,412,414	398,668	2,013,746	
17 Travel	505,556	245,909	259,647	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19 Conferences, conventions, and meetings	0			
20 Interest	0			
21 Payments to affiliates	0			
22 Depreciation, depletion, and amortization	11,183,019	6,406,267	4,776,752	
23 Insurance	692,893		692,893	
24 Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24e If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O)				
a Medical Supplies	60,696,924	60,656,977	39,947	
b Bad Debt	42,202,610	42,202,610		
c Equipment Costs	3,949,267	2,909,820	1,039,447	
d Collection Fees	865,107		865,107	
e All other expenses	1,675,749	1,199,159	476,590	
25 **Total functional expenses.** Add lines 1 through 24e	260,096,027	209,998,551	50,097,476	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) Beginning of year		(B) End of year
Assets	1	Cash–non-interest-bearing		5,892,546	1	15,895,700
	2	Savings and temporary cash investments		0	2	0
	3	Pledges and grants receivable, net		0	3	0
	4	Accounts receivable, net		32,303,766	4	25,679,875
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		0	5	0
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L		0	6	0
	7	Notes and loans receivable, net		375,109	7	435,160
	8	Inventories for sale or use		4,110,747	8	4,573,171
	9	Prepaid expenses and deferred charges		2,221,544	9	3,259,093
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 227,254,211			
	b	Less accumulated depreciation	10b 166,489,993	57,367,899	10c	60,764,218
	11	Investments—publicly traded securities		69,274,117	11	88,621,781
	12	Investments—other securities See Part IV, line 11		1,000	12	1,000
	13	Investments—program-related See Part IV, line 11		0	13	0
	14	Intangible assets		2,592,529	14	2,592,529
	15	Other assets See Part IV, line 11		169,214,238	15	152,873,880
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		343,353,495	16	354,696,407
Liabilities	17	Accounts payable and accrued expenses		19,305,197	17	20,535,619
	18	Grants payable		0	18	0
	19	Deferred revenue		3,735	19	2,025
	20	Tax-exempt bond liabilities		0	20	0
	21	Escrow or custodial account liability Complete Part IV of Schedule D		0	21	0
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L		0	22	0
	23	Secured mortgages and notes payable to unrelated third parties		0	23	0
	24	Unsecured notes and loans payable to unrelated third parties		0	24	0
	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		7,687,674	25	7,411,885
	26	**Total liabilities.** Add lines 17 through 25		26,996,606	26	27,949,529
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		152,849,539	27	179,161,880
	28	Temporarily restricted net assets		163,507,350	28	147,584,998
	29	Permanently restricted net assets		0	29	0
		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		316,356,889	33	326,746,878
	34	Total liabilities and net assets/fund balances		343,353,495	34	354,696,407

Part XI Reconcilliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	320,468,956
2	Total expenses (must equal Part IX, column (A), line 25)	2	260,096,027
3	Revenue less expenses Subtract line 2 from line 1	3	60,372,929
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	316,356,889
5	Net unrealized gains (losses) on investments	5	-2,333,336
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	-47,649,604
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	326,746,878

Part XII Financial Statements and Reporting

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

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

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SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

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

OMB No 1545-0047

2014

Open to Public Inspection

Name of the organization
SHANNON MEDICAL CENTER

Employer identification number
75-2559845

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? Yes	(iv) No	(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
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 III **Support Schedule for Organizations Described in Section 509(a)(2)**
(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 **Public support** (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part VI)						
13 **Total support.** (Add lines 9, 10c, 11, and 12)						

14 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ▶☐

Section C. Computation of Public Support Percentage

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

Section D. Computation of Investment Income Percentage

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

19a **33 1/3% support tests—2014.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

b **33 1/3% support tests—2013.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

20 **Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ▶☐

Part IV Supporting Organizations

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

Section A. All Supporting Organizations

			Yes	No
1	Are all of the organization's supported organizations listed by name in the organization's governing documents? *If "No," describe in* ***Part VI*** *how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.*	1		
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.*	1		
2	Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? *If "Yes," explain in* ***Part VI*** *how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised or controlled the supporting organization.*	2		

Section C. Type II Supporting Organizations

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

Section D. All Type III Supporting Organizations

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

Section E. Type III Functionally-Integrated Supporting Organizations

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

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

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

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

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

Section A - Adjusted Net Income

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

Section B - Minimum Asset Amount

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

Section C - Distributable Amount

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

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

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

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

Facts And Circumstances Test

Return Reference	Explanation

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SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

OMB No 1545-0047

2014

Open to Public Inspection

Name of the organization
SHANNON MEDICAL CENTER

Employer identification number
75-2559845

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

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate value of contributions to (during year)		
3	Aggregate value of grants from (during year)		
4	Aggregate value at end of year		

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(ii) Assets included in Form 990, Part X ▶ $ _____

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

a Revenue included in Form 990, Part VIII, line 1 ▶ $ _____

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

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

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

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

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

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

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

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

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

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

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? ☐ Yes ☐ No

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

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

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

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

- a Board designated or quasi-endowment ▶
- b Permanent endowment ▶
- c Temporarily restricted endowment ▶

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

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

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

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

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		5,122,978		5,122,978
b Buildings		77,178,354	56,970,298	20,208,056
c Leasehold improvements		1,381	1,381	
d Equipment		139,179,468	107,905,386	31,274,082
e Other		5,772,030	1,612,928	4,159,102
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				60,764,218

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

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
Other		
Total. *(Column (b) must equal Form 990, Part X, col (B) line 12)* ▶		

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

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

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

(a) Description	(b) Book value
(1) Int in Net Assets - Shannon Tr	147,584,998
(2) Self Insurance Trust	4,300,152
(3) Beneficiary Account	510,864
(4) Interest Receiveable	477,866
Total. *(Column (b) must equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	152,873,880

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

1 (a) Description of liability	(b) Book value
Federal income taxes	0
Asset Retirement Obligation	887,199
Accrued Pension Cost	2,083,165
Malpractice Costs	1,701,691
DUE TO/FROM THIRD PARTY PAYORS	2,457,940
Long Term Incentive Accrual	281,890
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	7,411,885

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

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

1	Total revenue, gains, and other support per audited financial statements			1	260,476,699
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains (losses) on investments	2a	-2,333,336		
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIII)	2d	-42,310,735		
e	Add lines **2a** through **2d**			2e	-44,644,071
3	Subtract line **2e** from line **1**			3	305,120,770
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	15,348,186		
c	Add lines **4a** and **4b**			4c	15,348,186
5	Total revenue Add lines **3** and **4c.** (This must equal Form 990, Part I, line 12)			5	320,468,956

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	217,785,292
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	217,785,292
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	42,310,735		
c	Add lines **4a** and **4b**			4c	42,310,735
5	Total expenses Add lines **3** and **4c.** (This must equal Form 990, Part I, line 18)			5	260,096,027

Part XIII Supplemental Information

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

Return Reference	Explanation
SCHEDULE D, PART XI, LINE 2D & XII, LINE 4B	INCOME & EXPENSES INCLUDED IN FORM 990 NOT ON BOOKS BAD DEBT (INCLUDED W/ REVENUE ON AUDIT) $ 42,202,610 GRANTS INCLUDED IN REVENUE ON AUDIT 108,125 ---------- 42,310,735
SCHEDULE D, PART XIV	UNCERTAIN TAX POSITIONS MANAGEMENT HAS EVALUATED THEIR INCOME TAX POSITIONS UNDER THE GUIDANCE INCLUDED IN ASC 740 BASED ON THEIR REVIEW, MANAGEMENT HAS NOT IDENTIFIED ANY MATERIAL UNCERTAIN TAX POSITIONS TO BE RECORDED OR DISCLOSED IN THE FINANCIAL STATEMENTS
SCHEDULE D, PART XI, LINE 4B	INCOME INCLUDED ON THE RETURN NOT ON BOOKS CONTRIBUTIONS RECORDED TO NET ASSETS $15,348,186

Part XIII Supplemental Information *(continued)*

Return Reference	Explanation

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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
SHANNON MEDICAL CENTER

Employer identification number
75-2559845

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 *free* care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for *free* care ☐ 100% ☐ 150% ☑ 200% ☐ Other _____ %	3a	Yes	
b	Did the organization use FPG as a factor in determining eligibility for providing *discounted* care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care ☑ 200% ☐ 250% ☐ 300% ☐ 350% ☐ 400% ☐ Other _____ %	3b	Yes	
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			
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	Yes	
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligibile for free or discounted care?	5c		No
6a	Did the organization prepare a community benefit report during the tax year?	6a	Yes	
b	If "Yes," did the organization make it available to the public?	6b	Yes	
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H			

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)			15,498,255		15,498,255	7 110 %
b Medicaid (from Worksheet 3, column a)			12,237,713	23,969,400	-11,731,687	
c Costs of other means-tested government programs (from Worksheet 3, column b)			78,828	36,374	42,454	0 020 %
d **Total** Financial Assistance and Means-Tested Government Programs			27,814,796	24,005,774	3,809,022	7 130 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			357,899		357,899	0 160 %
f Health professions education (from Worksheet 5)			527,222		527,222	0 240 %
g Subsidized health services (from Worksheet 6)			11,199,829		12,745,729	5 140 %
h Research (from Worksheet 7)			144,657		144,657	0 070 %
i Cash and in-kind contributions for community benefit (from Worksheet 8)			37,794		16,080	0 020 %
j **Total.** Other Benefits			12,267,401		13,791,587	5 630 %
k **Total.** Add lines 7d and 7j			40,082,197	24,005,774	17,600,609	12 760 %

Part II Community 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
1	Physical improvements and housing						
2	Economic development						
3	Community support		630	17,454		17,454	
4	Environmental improvements						
5	Leadership development and training for community members						
6	Coalition building						
7	Community health improvement advocacy		630	4,260		4,260	
8	Workforce development						
9	Other						
10	**Total**		1,260	21,714		21,714	

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

				Yes	No
1	Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No 15?		1	Yes	
2	Enter the amount of the organization's bad debt expense Explain in Part VI the methodology used by the organization to estimate this amount	2	42,234,847		
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit	3			
4	Provide 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

5	Enter total revenue received from Medicare (including DSH and IME)	5	83,868,135		
6	Enter Medicare allowable costs of care relating to payments on line 5	6	72,211,003		
7	Subtract line 6 from line 5 This is the surplus (or shortfall)	7	11,657,132		
8	Describe 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

9a	Did the organization have a written debt collection policy during the tax year?		9a	Yes	
b	If "Yes," did the organization's collection policy that applied to the largest number of its patients during the tax year contain provisions on the collection practices to be followed for patients who are known to qualify for financial assistance? Describe in Part VI		9b	Yes	

Part IV Management Companies and Joint Ventures (owned 10% or more by officers, directors, trustees, key employees, and physicians—see instructions)

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

Part V Facility Information

Section A. Hospital Facilities

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

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

	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)

Name of hospital facility or letter of facility reporting group SHANNON MEDICAL CENTER

Line number of hospital facility, or line numbers of hospital facilities in a facility reporting group (from Part V, Section A): 01

			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	3	Yes	
	If "Yes," indicate what the CHNA report describes (check all that apply)			
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 2013			
5	In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	5	Yes	
6a	Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C	6a		No
b	Was the hospital facility's CHNA conducted with one or more organizations other than hospital facilities?" If "Yes," list the other organizations in Section C	6b		No
7	Did the hospital facility make its CHNA report widely available to the public?	7	Yes	
	If "Yes," indicate how the CHNA report was made widely available (check all that apply)			
a	☑ Hospital facility's website (list url) SEE PART V, SECTION C			
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 2013			
10	Is the hospital facility's most recently adopted implementation strategy posted on a website?	10	Yes	
a	If "Yes" (list url) SEE PART V, SECTION C			
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)*

SHANNON MEDICAL CENTER

Name of hospital facility or letter of facility reporting group

			Yes	No
Financial Assistance Policy (FAP)				
	Did the hospital facility have in place during the tax year a written financial assistance policy that			
13	Explained eligibility criteria for financial assistance, and whether such assistance included free or discounted care?	13	Yes	
	If "Yes," indicate the eligibility criteria explained in the FAP			
a	☑ Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of 200 % and FPG family income limit for eligibility for discounted care of 200 %			
b	☐ Income level other than FPG (describe in Section C)			
c	☐ Asset level			
d	☐ Medical indigency			
e	☐ Insurance status			
f	☑ Underinsurance discount			
g	☐ Residency			
h	☐ Other (describe in Section C)			
14	Explained the basis for calculating amounts charged to patients?	14	Yes	
15	Explained the method for applying for financial assistance?	15	Yes	
	If "Yes," indicate how the hospital facility's FAP or FAP application form (including accompanying instructions) explained the method for applying for financial assistance (check all that apply)			
a	☑ Described the information the hospital facility may require an individual to provide as part of his or her application			
b	☐ Described the supporting documentation the hospital facility may require an individual to submit as part of his or her application			
c	☐ Provided the contact information of hospital facility staff who can provide an individual with information about the FAP and FAP application process			
d	☑ Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications			
e	☐ Other (describe in Section C)			
16	Included measures to publicize the policy within the community served by the hospital facility?	16	Yes	
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
a	☐ The FAP was widely available on a website (list url)			
b	☐ The FAP application form was widely available on a website (list url)			
c	☑ A plain language summary of the FAP was widely available on a website (list url)			
d	☑ The FAP was available upon request and without charge (in public locations in the hospital facility and by mail)			
e	☑ The FAP application form was available upon request and without charge (in public locations in the hospital facility and by mail)			
f	☐ A plain language summary of the FAP was available upon request and without charge (in public locations in the hospital facility and by mail)			
g	☐ Notice of availability of the FAP was conspicuously displayed throughout the hospital facility			
h	☐ Notified members of the community who are most likely to require financial assistance about availability of the FAP			
i	☐ Other (describe in Section C)			
Billing and Collections				
17	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained all of the actions the hospital facility or other authorized party may take upon non-payment?	17	Yes	
18	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP			
a	☐ 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)			
e	☐ None of these actions or other similar actions were permitted			

Part V Facility Information *(continued)*

SHANNON MEDICAL CENTER

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?	**19**		No
	If "Yes," check all actions in which the hospital facility or a third party engaged			
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?	**21**	Yes	
	If "No," indicate why			
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?	**23**		No
	If "Yes," explain in Section C			
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?	**24**		No
	If "Yes," explain in Section C			

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? **3**

	Name and address	Type of Facility (describe)
1	SHANNON SURGERY CENTER 120 E HARRIS AVENUE SAN ANGELO,TX 76903	AMBULATORY SURGERY CENTER
2	SHANNON HOME HEALTH 2030 PULLIAM STE 6 SAN ANGELO,TX 76905	HOME HEALTH CENTER
3	SHANNON DIALYSIS CENTER 2018 PULLIAM SAN ANGELO,TX 76905	DIALYSIS
4		
5		
6		
7		
8		
9		
10		

Part VI Supplemental Information

Provide the following information

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part II and Part III, lines 2, 3, 4, 8 and 9b

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e g , open medical staff, community board, use of surplus funds, etc)

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report

Form and Line Reference	Explanation
DESCRIPTION OF BAD DEBT	ACCOUNTS RECEIVABLE ARE REDUCED BY AN ALLOWANCE FOR DOUBTFUL ACCOUNTS IN EVALUATING THE COLLECTABILITY OF ACCOUNTS RECEIVABLE, THE SYSTEM ANALYZES ITS PAST HISTORY AND IDENTIFIES TRENDS FOR EACH OF ITS MAJOR PAYER SOURCES OF REVENUE TO ESTIMATE THE APPROPRIATE ALLOWANCE FOR DOUBTFUL ACCOUNTS AND PROVISION FOR BAD DEBTS MANAGEMENT REGULARLY REVIEWS DATA ABOUT THESE MAJOR PAYER SOURCES OF REVENUE IN EVALUATING THE SUFFICIENCY OF THE ALLOWANCE FOR DOUBTFUL ACCOUNTS FOR RECEIVABLES ASSOCIATED WITH SERVICES PROVIDED TO PATIENTS WHO HAVE THIRD-PARTY COVERAGE, THE SYSTEM ANALYZES CONTRACTUALLY DUE AMOUNTS AND PROVIDES AN ALLOWANCE FOR DOUBTFUL ACCOUNTS AND A PROVISION FOR BAD DEBTS, IF NECESSARY FOR RECEIVABLES ASSOCIATED WITH SELF-PAY PATIENTS WHICH INCLUDES BOTH PATIENTS WITHOUT INSURANCE AND PATIENTS WITH DEDUCTIBLE AND COPAYMENT BALANCES DUE FOR WHICH THIRD-PARTY COVERAGE EXISTS FOR PART OF THE BILL, THE SYSTEM RECORDS A SIGNIFICANT PROVISION FOR BAD DEBTS IN THE PERIOD OF SERVICE ON THE BASIS OF ITS PAST EXPERIENCE, WHICH INDICATES THAT MANY PATIENTS ARE UNABLE OR UNWILLING TO PAY THE PORTION OF THEIR BILL FOR WHICH THEY ARE FINANCIALLY RESPONSIBLE THE DIFFERENCE BETWEEN THE STANDARD RATES OR THE DISCOUNTED RATES IF NEGOTIATED OR PROVIDED BY POLICY AND THE AMOUNTS ACTUALLY COLLECTED AFTER ALL REASONABLE COLLECTION EFFORTS HAVE BEEN EXHAUSTED IS CHARGED OFF AGAINST THE ALLOWANCE FOR DOUBTFUL ACCOUNTS

Form and Line Reference	Explanation
LINE 2 AND 3	COSTING METHODOLOGY LINE 2 AMOUNT REPORTED ON LINE 2 IS BASED ON BAD DEBTS PER THE AUDITED FINANCIAL STATEMENTS LINE 3 THE ORGANIZATION IS UNABLE TO ESTIMATE THE AMOUNT FOR LINE 3 AND HAS ELECTED TO LEAVE IT BLANK

Form and Line Reference	Explanation
SECTION B - MEDICARE	SURPLUS OR SHORT FALL SHORTFALL N/A COSTING METHODOLOGY THE RATIO OF COST TO CHARGES USED IN THE CALCULATION OF COSTS FOR MEDICARE WAS TAKEN FROM THE MEDICARE COST REPORT

Form and Line Reference	Explanation
SECTION C - COLLECTION PRACTICES	WRITTEN DEBT COLLECTION POLICY CHARITY CARE AND DISCOUNTING FOR UNINSURED PATIENTS WHO ARE NOT ELIGIBLE FOR GOVERNMENT HEALTH CARE PROGRAMS AND WHOSE FINANCIAL CONDITION IS SUCH THAT THEY ARE NOT ABLE TO PAY FOR HOSPITAL SERVICES MAY BE ELIGIBLE FOR ASSISTANCE UNDER THE SHANNON MEDICAL CENTER CHARITY CARE PROGRAM PATIENTS WHO ARE UNINSURED, DO NOT QUALIFY FOR COVERAGE UNDER GOVERNMENT HEALTH CARE PROGRAMS, MAY BE ELIGIBLE FOR A 50% DISCOUNT OFF THE TOTAL BILL FOR HOSPITAL SERVICES, IF THE SERVICES ARE PAID FOR WHEN RECEIVED OR WITHIN 30 DAYS OF DISCHARGE COLLECTION OF ACCOUNTS RECEIVABLE PATIENTS / GUARANTOR WILL BE RESPONSIBLE FOR PAYMENT OF SERVICES RECEIVED AT SHANNON MEDICAL CENTER PATIENTS / GUARANTORS WILL BE RESPONSIBLE FOR FULL CHARGES, OR PATIENT PORTION NOT COVERED BY INSURANCE PAYMENT WILL BE REQUESTED PRIOR TO OR ON THE DATE OF SCHEDULED ELECTIVE SERVICES FULL CHARGES OR PATIENT PORTION NOT COVERED BY INSURANCE FOR URGENT / EMERGENT SERVICES WILL BE COLLECTED UPON DISCHARGE PATIENTS WHO ARE UNABLE TO PAY THE FULL AMOUNT OF THEIR RESPONSIBILITY AT THE TIME OF SERVICE CAN MAKE PAYMENT ARRANGEMENTS UNDER THE FOLLOWING GUIDELINES A BALANCE OF OUTPATIENT SERVICES MUST BE PAID WITHIN SIX (6) MONTHS FROM THE DATE OF SERVICE UNLESS INDIGENT STATUS IS PROVEN B BALANCE OF INPATIENT SERVICES MUST BE PAID WITHIN TWELVE (12) MONTHS FROM THE DATE OF DISCHARGE UNLESS INDIGENT STATUS IS PROVEN MONTHLY STATEMENTS WILL BE SENT THROUGHOUT THE COLLECTION CYCLE COLLECTION LETTERS WILL BE UTILIZED AT THE DISCRETION OF THE PATIENT ACCOUNT REPRESENTATIVE ACCOUNTS WILL BE REVIEWED FOR OUTSIDE COLLECTION AGENCY PLACEMENT ANYTIME FOLLOWING 90 DAYS FROM THE DATE OF SERVICE MEDICARE ACCOUNTS WILL NOT BE CONSIDERED FOR PLACEMENT UNTIL 120 DAYS FROM THE FIRST NOTICE OF PATIENT RESPONSIBILITY IN ACCORDANCE WITH MEDICARE REGULATIONS ANY OVERPAYMENT OF AN ACCOUNT WILL BE REVIEWED FOR REFUND WITHIN 30 DAYS FROM THE DATE THE CREDIT BALANCE IS CREATED BY THE OVERPAYMENT CREDIT BALANCES ON MEDICARE ACCOUNTS WILL BE PROCESSED THROUGH THE NORMAL CREDIT BALANCE PROCESS AND REPORTED ON A QUARTERLY BASIS IN COMPLIANCE WITH MEDICARE REGULATIONS

Form and Line Reference	Explanation
PART V, SECTION B	NEEDS ASSESSMENT The 2013 Community Health Needs Assessment gathered overall health information of the community Analysis of the community needs assessment data provided a means to evaluate and prioritize areas of greatest need To facilitate prioritization of identified health needs, a ranking and prioritization process was used Health needs were ranked based on the following five factors - How many people are affected by the issue or size of the issue? - What are the consequences of not addressing this problem? - The impact of the problem on vulnerable populations - How important the problem is to the community? - Prevalence of common themes As a result from the analysis, priorities were determined by taking into account the overall ranking, the degree to which Shannon can influence long-term change and the identified health needs impact on overall health The following priorities were identified - Healthy Living - Prevention and Disease Management - Education Because Access to Care ranks high and relates to each of the priorities, Shannon made it a goal to address Access to Care within each Priority Area SHANNON MEDICAL CENTER CORRELATED COMMUNITY PRIORITIES HEALTH NEED ---------- HEALTHY LIVING -ACCESS TO CARE -OBESITY -PHYSICAL INACTIVITY -POOR NUTRITION PREVENTION AND DISEASE MANAGEMENT -ACCESS TO CARE -ADULT SMOKING -CANCER -COPD/RESPIRATORY DISEASE -DIABETES -EPISODIC CARE VS PREVENTATIVE MEASURES -HEART DISEASE -HIGH BLOOD PRESSURE -LACK OF MENTAL HEALTH SERVICES -LACK OF PRIMARY CARE PHYSICIANS EDUCATION -ACCESS TO CARE -DOCTOR'S OFFICE HOURS -LACK OF HEALTH EDUCATION/KNOWLEDGE -LANGUAGE/CULTURAL BARRIERS THE HOSPITALS' COMMUNITY HEALTH NEEDS ASSESSMENT & IMPLEMENTATION PLAN CAN BE FOUND AT https //www shannonhealth com/education-resources/health-needs-assessment aspx

Form and Line Reference	Explanation
PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE	FINANCIAL ASSISTANCE BROCHURES ARE AVAILABLE IN EACH OF THE REGISTRATION AREAS THAT OUTLINE ACCESS TO INFORMATION ABOUT ASSISTANCE PROGRAMS WE ALSO HAVE CONTRACTED ELIGIBILITY WORKERS WHO SCREEN PATIENTS FOR ALL SOCIAL SERVICE PROGRAMS AND ASSIST WITH THE APPLICATION PROCESS IF NEEDED

Form and Line Reference	Explanation
COMMUNITY INFORMATION	Shannon Medical Center is located in San Angelo, Texas The city of San Angelo serves as the county seat and population center of Tom Green County, with an estimated population in 2015 of 118,105 Tom Green County's population in 2014 is reported at 116,608 The estimated population for Shannon's service area as of 2014, including Tom Green County, is 357,440 (U S Census Bureau, State & County Quickfacts) The counties included in the Shannon service area are Brown, Coke, Concho, Coleman, Crockett, Howard, Irion, Kimble, Mason, McCulloch, Menard, Mills, Mitchell, Nolan, Pecos, Reagan, Runnels, San Saba, Schleicher, Sterling, Sutton, Terrell, Upton, and Val Verde A breakdown of Tom Green County demographics is as follows (Source U S Census Bureau, State & County Quickfacts, The County Information Project, Texas Association of Counties) A Tom Green County Age Distribution 1 Under 18 years old - 23 6% (27,519) 2 18-64 years old - 61 9% (72,181) 3 65 years and older - 14 5% (16,908) B Tom Green County Ethnic Distribution (More than one category may be self-reported) 1 Caucasian - 55 1% (64,251) 2 Hispanic - 38 1% (44,428) 3 Black - 4 6% (5,364) 4 Other - 2 2% (2,565) C Tom Green County (Household) 1 Median Household Income - $45,114 (Texas $52,576) 2 Persons living below poverty level - 15 6% (Texas 17 2%) D Tom Green County Health Index 1 Tom Green County uninsured - 22 9% (Texas 21 3%, United States 12 0%) (Source U S Census Bureau, Quickfacts 2014)

Form and Line Reference	Explanation
PROMOTION OF COMMUNITY HEALTH	In a county with no hospital taxing authority, a hospital whose mission reflects commitmen t to treating patients without regard to ability to pay is a highly desirable and pivotal point of community health care For more than 80 years, Shannon has embraced such a missio n and follows through on the wishes of our benefactor, Margaret Shannon, in providing care for the people of West Texas Our FY2015 charity care figure of more than $62,874,890 wou ld be a burden to the taxpayers of Tom Green County, and many other counties whose citizen s directly benefit from her generosity Shannon provides a host of community education eve nts related to topics such as cancer prevention and screenings, diabetes education, fitnes s and nutrition, and cardiovascular health Through events like Go Red and Health Beat Liv e, health professionals relay current health information to the public In addition to pub lic outreach events, Shannon publishes the Health Beat magazine which is delivered to 30,0 00 households and produces Health Beat television spots that air during the 6 and 10 p m news hours on two local stations They also host a free online health library as well as t he Words of Wellness health blog These contain a variety of health education information from local healthcare providers Shannon contributed $93,613 for these programs Shannon s upports health and fitness activities, as well Each October Shannon organizes the Pink Ri bbon Run for cancer awareness and education with more than 1,000 participants Additionall y, to address the growing concern over childhood obesity, the Kids' Marathon event provide s an opportunity for students, ranging in ages from Kindergarten through sixth grade, to p articipate in a program that encourages healthy habit formation early in life A full mara thon is considered 26 2 miles Students accumulate miles and run the last 0 2 lap during a celebratory event at the San Angelo Stadium The event hosts local summer programs and ca mps that encourage children to remain active through the summer months Shannon also parti cipates in the American Heart Association Heart Walk in both San Angelo and Sweetwater Th ese events are provided at a cost of $18,268 to Shannon Shannon provides health and welln ess presentations to numerous non-profits, businesses and organizations, including the loc al school districts and Angelo State University Representatives from different department s provide support and participate in local health fairs and health-related community event s These presentations and events are provided at a cost of $6,026 to Shannon Shannon is one of the collaborating organizations of the Tom Green County Partnership for Better Heal th The partnership began in January 2012 as a result of an initiative by the Department o f State Health Services to reduce potentially preventable hospitalizations The coalition implements evidence-based strategies to prevent hospitalizations for the following three c onditions Congestive Heart Failure (CHF), Chonic Obstructive Pulmonary Disease (COPD) and Diabetes Complications Some of the initiatives include influenza immunizations, patient education, healthcare provider education and public awareness campaigns at a cost of $4 S hannon is the only provider that operates the Sexual Assault Nurse Examiner program (SANE) SANE trained nurses work with the Children's Advocacy Center, the Concho Valley Rape Cri sis Center and other community-based organizations to provide training and services relate d to sexual assault crises The Shannon Care Coordination program is designed to assist in the healthcare of chronically ill patients with multiple diseases processes Patients wit h multiple chronic illnesses account for the majority of healthcare spending in our societ y with a mere 5% accounting for nearly 50% of the spending Common issues that can lead to wasted spending, unnecessary ER visits and hospitalizations include patients with multipl e chronic illnesses failing to take medications as prescribed Shannon provided $167,442 f or the operation of this program Shannon provides staff dedicated to assisting with healt h exchange enrollment and public assistance for anyone in the community Shannon served 15 2 people in this capacity at a cost to Shannon of $9,242 Additionally, Shannon provides s upport services such as $4,192 in transportation vouchers Shannon's Trauma Service Depart ment coordinates the annual Gus Eckhardt Trauma Symposium This is a full day of trauma re lated education for all health care practitioners in the region Approximately 200 physici ans, nurses, EMTs, students, and Allied Health professionals attended the 2014 symposium The cost to host the symposium is $6,488 A total of 281 ASU nursing students and 163 Howa rd College nursing students shadow Shannon staff for a cost benefit of $445,861 to the stu dents and the universities (#hrs x AHR x 50% effort) A total of 51 Physical Therapy, Spe ech Therapy, Occupational Therapy, Social Work and

Form and Line Reference	Explanation
PROMOTION OF COMMUNITY HEALTH	Psychology interns from Howard College and Angelo State were supervised at a Shannon clin ical site The total cost is $52,045 Shannon provided emergency and trauma services to Co leman, Culberson, Kimble, Menard, Pecos, Reagan, Runnels, Schleicher and Winkler counties in the amount of $4,923,130 Shannon also assisted Concho, Crockett and McCulloch counties by providing outpatient clinic and indigent health services in the amount of $5,455,392 By providing specialty care for unmet needs, Shannon reduces the burden to local and gover nmental entities Lastly, Shannon contributed $821,307 to provide community based mental h ealth services currently not available in the Concho Valley Community The Pharmaceutical Assistance Program provides a community benefit of 10,402 prescriptions at a cost to Shann on of $158,204 Shannon participates in research efforts through active cancer and trauma registries Both registries have designated staff to facilitate data collection, which aid s in the evaluation of patients who meet specific criteria Shannon donated funds to socia l services and community-based efforts, such as providing meeting space for community orga nizations and hosting United Services Blood drives Shannon contributes planning and finan cial assistance to community building efforts This past year, $11,750 was donated to othe r organizations including Healthy Families, San Angelo Independent School District, Americ an Cancer Society-Relay for Life, House of Faith, the All Veterans' Council, Boy Scouts of America and the Chamber of Commerce's Goodfellow Airforce Base Military Appreciation Day Shannon supports The Lighthouse for the Blind by donating used linen to the organization Based on thrift value, the cost of the linen donated is $4,260 Shannon's Health & Wellne ss department assists with tracking and monitoring community benefit activities for the ho spital This past year the department completed a Lean project to improve tracking and imp lemented a monthly reporting requirement for departments The staff provided more than 100 hours towards this effort As the issues of providing healthcare for the uninsured and th e underinsured in Tom Green County as well as our surrounding counties have continued to b ecome more apparent, Shannon leadership has been involved with working internally and exte rnally on improving access for all patients while balancing quality and costs Shannon has played a major role in the region through the 1115 Medicaid Waiver program By focusing o n maximizing resources and advancing collaboration to improve the health of the people it serves, Shannon strikes a balance among the needs, interests, and resources available thro ugh health care providers, payers, public health departments, and community based organiza tions Collaboration among Regional Health Partnership 13 has provided a model for local-l evel agencies to break down their own silos This helps overcome barriers that partners fa ce at the local level and encourages new delivery systems by setting an example for collab oration across agencies

Form and Line Reference	Explanation
AFFILIATED HEALTH CARE SYSTEM	Shannon, a non-profit health system established in the 1930's, provides the communities of West Central Texas with a variety of medical services Dedicated to the region's health and well-being, the center offers diverse clinical services, including a nationally-recognized cardiac care program, nationally-recognized ICU, the region's only Level III Trauma Facility and AirMed 1 air ambulance serving a 200-mile radius of San Angelo, a dedicated Women's & Children's Hospital which is home to the Children's Miracle Network, and the most extensive Senior Health services in the Concho Valley Shannon continues to collaborate and build relationships with a broad range of agencies, organizations and institutions to build community and organizational capacity By effectively utilizing resources and working together, Shannon plans to implement strategies to improve the community it serves

Form and Line Reference	Explanation
STATE FILING OF COMMUNITY BENEFIT REPORT	TEXAS

Additional Data

Software ID:
Software Version:
EIN: 75-2559845
Name: SHANNON MEDICAL CENTER

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
SCHEDULE H, PART V, SECTION B, LINE 5	
SCHEDULE H, PART V, SECTION B, LINE 22D	DETERMINATION FOR BILLING FOR EMERGENCY CARE COLLECTION OF GROSS CHARGES FOR UNINSURED UNL ESS PROMPT PAYMENT SECURED, COLLECTION OF DEDUCTIBLES/COINSURANCE AMOUNTS BASE ON CONTRACT ED RATES FOR INSURED PATIENTS
SCHEDULE H, PART V, SECTION B, LINE 11	THE BELOW CHNA ACTION PLAN INCLUDES DETAILS ON HOW SHANNON MEDICAL CENTER IS ADDRESSING SI GNIFICANT NEEDS IDENTIFIED IN THE CHNA CONDUCTED IN 2013 THE NEEDS ARE CATEGORIZED IN THR EE PRIORITY AREAS HEALTHY LIVING, PREVENTION AND DISEASE MANAGEMENT, AND EDUCATION PRIOR ITY 1 HEALTHY LIVING -SHANNON PARTNERS WITH SAN ANGELO INDEPENDENT SCHOOL DISTRICT TO HOS T AN EVENT TO PROMOTE PHYSICAL ACTIVITY FOR CHILDREN AND FAMILIES TO ADDRESS THE GROWING C ONCERN OF CHILDHOOD OBESITY THE KIDS' MARATHON EVENT PROVIDES AN OPPORTUNITY FOR STUDENTS , RANGING IN AGES FROM KINDERGARTEN THROUGH SIXTH GRADE, TO PARTICIPATE IN A PROGRAM THAT ENCOURAGES HEALTHY HABIT FORMATION EARLY IN LIFE STUDENTS ACCUMULATE LAPS/MILES DURING A THREE-MONTH PERIOD LEADING UP TO THE EVENT, AND PARTICIPATE IN THE FINAL LAP CELEBRATION -EACH OCTOBER SHANNON ORGANIZES THE PINK RIBBON RUN FOR CANCER AWARENESS AND EDUCATION TH IS EVENT FEATURES A 1 MILE WALK/RUN, AND A 5K, 10K RACE -SHANNON PARTNERS WITH THE LOCAL RESTAURANT ASSOCIATION AND RESTAURANTS TO PROMOTE HEALTHIER CHOICE RESTAURANTS THROUGHOUT THE COMMUNITY -WORKING WITH EMPLOYERS IN THE COMMUNITY TO OFFER WORKSITE WELLNESS PROGRAM S TO THEIR EMPLOYEES SOME ACTIVITIES INCLUDE PROVIDING FLU SHOTS, BIOMETRIC SCREENINGS, EDUCATIONAL LUNCH AND LEARNS, HEALTH FAIRS, HEALTH COACHING, AND RESOURCES -SHANNON OFFER S AN EMPLOYEE WELLNESS PROGRAM FOR SHANNON ASSOCIATES AND SPOUSES SOME ACTIVITIES INCLUDE BIOMETRIC SCREENINGS, HEALTH COACHING, EDUCATIONAL RESOURCES, CHALLENGES, AND HEALTHIER OPTIONS IN THE CAFETERIA PRIORITY 2 PREVENTION AND DISEASE MANAGEMENT -SHANNON IS ONE OF THE COLLABORATING ORGANIZATIONS OF THE TOM GREEN COUNTY PARTNERSHIP FOR BETTER HEALTH TH E PARTNERSHIP BEGAN IN JANUARY 2012 AS A RESULT OF AN INITIATIVE BY THE DEPARTMENT OF STAT E HEALTH SERVICES TO REDUCE POTENTIALLY PREVENTABLE HOSPITALIZATIONS THE COALITION IMPLEM ENTS EVIDENCE-BASED STRATEGIES TO PREVENT HOSPITALIZATIONS FOR THE FOLLOWING THREE CONDITI ONS CONGESTIVE HEART FAILURE (CHF), CHRONIC OBSTRUCTIVE PULMONARY DISEASE (COPD) AND DIAB ETES COMPLICATIONS -THE SHANNON CARE COORDINATION PROGRAM IS DESIGNED TO ASSIST IN THE HE ALTHCARE OF CHRONICALLY ILL PATIENTS WITH MULTIPLE DISEASES PROCESSES THIS PROGRAM PROVID ES AN INTENSIVE COMPREHENSIVE TEAM APPROACH TO MANAGING HIGH RISK PATIENTS BY UTILIZING PA TIENT NAVIGATORS THAT REPORT TO AN INTERDISCIPLINARY TEAM AT SHANNON ONGOING CARE OF THE IDENTIFIED HIGH RISK PATIENTS INCLUDES WEEKLY VISITS FROM THE PATIENT NAVIGATOR AND/OR MEM BER OF THE SHANNON TEAM IN ORDER TO ADDRESS HEALTH CARE ISSUES AS THEY ARISE THE TEAM COO RDINATES THE PATIENTS' HEALTHCARE WITH THE PRIMARY CARE PROVIDER'S GUIDANCE -PROVIDE INDI GENT/CHARITY CARE SERVICES FOR LOW-INCOME CHILDREN, ADULTS AND ELDERLY -PARTNERSHIP WITH SHANNON CLINIC -THE EXPANSION TO THREE URGENT CARE CLINIC LOCATIONS THEY ARE OPEN SEVEN DAYS PER WEEK WITH EXTENDED HOURS -PHYSICIAN RECRUITMENT TO INCREASE ACCESS - INCLUDING T HE ADDITION OF AN ENDOCRINOLOGIST -OPENING THE ACCESS CLINIC TO PROVIDE FOLLOW-UP APPOINT MENTS POST-DISCHARGE FOR PATIENTS THAT DO NOT HAVE A PRIMARY CARE PROVIDER -PARTNERSHIP W ITH MHMR SERVICES OF THE CONCHO VALLEY TO PROVIDE PRIMARY CARE SERVICES IN THE BEHAVIORAL HEALTH SETTING PRIORITY 3 EDUCATION -SHANNON PROVIDES A HOST OF COMMUNITY EDUCATION EVEN TS RELATED TO TOPICS SUCH AS CANCER PREVENTION AND SCREENINGS, DIABETES EDUCATION, FITNESS AND NUTRITION, AND CARDIOVASCULAR HEALTH THROUGH EVENTS LIKE GO RED, HEALTH PROFESSIONAL S RELAY CURRENT HEALTH INFORMATION TO THE PUBLIC -SHANNON HOSTS A FREE ONLINE HEALTH LIBR ARY AS WELL AS THE WORDS OF WELLNESS HEALTH BLOG TO ACCESS HEALTH-RELATED INFORMATION -SH ANNON HOSTS THREE HEALTHBEAT LIVE TELEVISION SEGMENTS EACH WEEK ON THE NEWS TO RELAY CURRE NT HEALTH INFORMATION AND EDUCATIONAL TIPS -SHANNON PROVIDES A MONTHLY 'HOUSE CALL' ARTIC LE IN THE LOCAL NEWSPAPER THIS ARTICLE IS PROVIDED BY SHANNON PHYSICIAN THAT DISCUSSES ED UCATION AND DETECTION OF DISEASE -SHANNON PROVIDES HEALTH AND WELLNESS PRESENTATIONS TO N UMEROUS NON-PROFITS, BUSINESSES AND ORGANIZATIONS SOME OF THE ORGANIZATIONS INCLUDE SAN ANGELO INDEPENDENT SCHOOL DISTRICT, EDUCATION SERVICES CENTER REGION 15, REECE ALBERT, DEV ON ENERGY, AND ANGELO STATE UNIVERSITY -REPRESENTATIVES FROM DIFFERENT DEPARTMENTS PROVID E SUPPORT AND PARTICIPATE IN LOCAL HEALTH FAIRS AND HEALTH-RELATED COMMUNITY EVENTS -SHAN NON'S TRAUMA SERVICE DEPARTMENT COORDINATES THE ANNUAL GUS ECKHARDT TRAUMA SYMPOSIUM THIS IS A FULL DAY OF TRAUMA RELATED EDUCATION FOR ALL HEALTH CARE PRACTITIONERS IN THE REGION -NURSING, PHYSICAL THERAPY, SPEECH THERAPY OCCUPATIONAL THERAPY, SOCIAL WORK, AND PSYCHO LOGY STUDENTS PARTICIPATE IN CLINICAL ROTATIONS AT SHANNON AS PART OF THEIR SCHOOL REQUIRE MENTS EXPLANATION OF NEEDS NOT ADDRESSED THERE ARE NEEDS THAT SHANNON WILL NOT ADDRESS IN THE CURRENT IMPLEMENTATION STRATEGY THAT ARE CLEARLY IMPORTANT TO IMPROVING THE HEALTH OF THE COMMUNITY HOWEVER, THEY ARE CONSIDERED TO HAVE LESS IMMEDIATE IMPACT AND WILL BE ADDR ESSED IN A FUTURE PLAN, OR IF THE OPPORTUNITY ARISES, COULD BE INCORPORATED WITHIN A CURRE NT STRATEGY SHANNON WILL CONTINUE TO EXPLORE POTENTIAL PARTNERSHIPS AND INTERNAL STRATEGI ES TO FIND A WAY TO PROVIDE THESE ESSENTIAL SERVICES TO OUR PATIENTS PATIENTS PATIENTS
SCHEDULE H, PART V, SECTION B, LINE 7A & 10A	CHNA AVAILABLE ON HOSPITAL FACILITY'S WEBSITE HTTPS //WWW SHANNONHEALTH COM/EDUCATION-RESO URCES/HEALTH-NEEDS-ASSESSMENT ASPX IMPLEMENTATION STRATEGY AVAILABLE ON HOSPITAL FACILITY 'S WEBSITE https //www shannonhealth com/media/54812/CHNA-Implementation-Strategy-201 3-f inal pdf
SCHEDULE H, PART V, SECTION B, LINE 17, 18, & 19	BILLING AND COLLECTIONS NEITHER SHANNON MEDICAL CENTER, NOR THIRD PARTIES AUTHORIZED BY SM C, TAKE ANY ACTIONS UPON NON-PAYMENT FROM A PATIENT BEFORE MAKING A REASONABLE EFFORT TO D ETERMINE IF THE PATIENT IS ELIGIBLE FOR THE FACILITY'S FINANCIAL ASSISTANCE POLICY BECAUS E NO ACTIONS WERE CHECKED ON LINE 18, LINE 19 INDICATES EFFORTS MADE BEFORE INITIATING ANY OF THE ACTIONS LISTED IN LINE 18

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Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

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

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

▶ **Attach to Form 990.**

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

OMB No 1545-0047

2014

Open to Public Inspection

Name of the organization
SHANNON MEDICAL CENTER

Employer identification number
75-2559845

Part I General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . . . ☑ Yes ☐ No

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

Part II Grants and Other Assistance to Domestic Organizations and Domestic Governments.

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

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) TEXAS CARE ALLIANCE 7160 DALLAS PARKWAY DALLAS,TX 75024	46-2829563	509 (A) (3)	68,125				STARTUP
(2) FOUNDATION FOR BETTER HEALTH 112 W BEAUREGARD AVE SAN ANGELO,TX 76903	47-3796589	501 (C) (3)	25,000				INDIV HLTH ASSISTANCE
(3) CITY OF SAN ANGELO 301 W 1ST ST SUITE B SAN ANGELO,TX 76903		SAN ANGELO CITY	15,000				CITY AMBULANCES

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

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

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

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

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

Return Reference	Explanation
SCHEDULE I, PART I, LINE 2	PROCEDURES FOR MONITORING USE OF GRANT FUNDS THE ORGANIZATION EVALUATES AND MONITORS DONEES BASED ON PUBLIC AND PRIVATE DATA

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Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

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

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, line 23.**

▶ **Attach to Form 990.**

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

OMB No 1545-0047

2014

Open to Public Inspection

Name of the organization
SHANNON MEDICAL CENTER

Employer identification number
75-2559845

Part I Questions Regarding Compensation

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

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

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

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

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

Part III Supplemental Information

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

Return Reference	Explanation
SCHEDULE J, PART I, LINE 4B	NAMES, AMOUNTS, AND DETAILS OF ARRANGEMENTS SERP DETAIL NAME AMOUNT BRYAN HORNER NONE 457(F) DETAIL NAME AMOUNT DR IRVIN ZEITLER $7,333 66 KELLY S PLYMELL $32,561 44 LISA HILL WAS A PARTICIPANT IN THE 457(F) PLAN, BUT SHE DID NOT RECEIVE A DISTRIBUTION CONTRIBUTIONS OF $16,400 WERE MADE ON HER BEHALF IN 2014 SCHEDULE J, PART I, QUESTION 1A PROVIDED HEALTH, SOCIAL DUES OR INITIATION FEES BRYAN HORNER AND KELLY SHANE PLYMELL RECEIVE MEMBERSHIP TO BENTWOOD COUNTRY CLUB EXCLUSIVELY FOR BUSINESS USE ANY PERSONAL USE IS REIMBURSED BY THE OFFICER AND THEREFORE NO AMOUNTS ARE REPORTABLE ON THEIR FORM W-2'S

Additional Data

Software ID:
Software Version:
EIN: 75-2559845
Name: SHANNON MEDICAL CENTER

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				
BRYAN HORNER, CEO/PRESIDENT	(I)	550,607	125,130	17,000	10,400	3,936	707,073	0
	(II)	0	0	0	0	0	0	0
EMMETE FLYNN MD, DIRECTOR	(I)	0	0	0	0	0	0	0
	(II)	346,918	26,368	34,713	38,354	26,138	472,491	0
MICHELLE SNUGGS MD, DIRECTOR	(I)	0	0	0	0	0	0	0
	(II)	642,953	184,895	47,365	73,840	26,234	975,287	0
KELLY SHANE PLYMELL, CFO	(I)	456,653	7,551	6,054	42,961	5,547	518,766	0
	(II)	0	0	0	0	0	0	0
DR IRVIN ZEITLER, MEDICAL DIRECTOR	(I)	385,197	82,503	0	17,734	3,623	489,057	0
	(II)	0	0	0	0	0	0	0
WILMA STUART, CNO	(I)	253,169	54,461	0	10,400	4,197	322,227	0
	(II)	0	0	0	0	0	0	0
ANDREW HUME MD, DIRECTOR	(I)	0	0	0	0	0	0	0
	(II)	558,890	51,619	59,541	70,240	26,234	766,524	0
PATRICIA TIPTON, NURSE ANESTHETIST	(I)	271,015	0	0	10,400	3,481	284,896	0
	(II)	0	0	0	0	0	0	0
PAULINE JAMES, NURSE ANESTHETIST	(I)	238,440	0	0	9,538	4,704	252,682	0
	(II)	0	0	0	0	0	0	0
MARVIN HILL, NURSE ANESTHETIST	(I)	317,171	0	0	10,400	4,708	332,279	0
	(II)	0	0	0	0	0	0	0
THOMAS PERKINS, DIRECTOR OF IT	(I)	165,666	7,875	0	6,942	3,696	184,179	0
	(II)	0	0	0	0	0	0	0
LISA HILL, GENERAL COUNSEL	(I)	224,941	46,638	0	4,375	5,519	281,473	0
	(II)	0	0	0	0	0	0	0

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Schedule L (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

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

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

▶ **Information about Schedule L (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
SHANNON MEDICAL CENTER

Employer identification number
75-2559845

Part I Excess Benefit Transactions (section 501(c)(3), section 501(c)(4), and 501(c)(29) organizations only)

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

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

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

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

Part II Loans to and/or From Interested Persons.

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

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

Total ▶ $				

Part III Grants or Assistance Benefiting Interested Persons.

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

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

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) DIANE ZEITLER	IRVIN ZEITLER'S SPOUSE	155,517	EMPLOYED BY SMC		No
(2) LEN MERTZ	PERAHEALTH BOARD MEMBER	95,000	SMC & PERHEALTH HAVE CONTRACT		No

Part V Supplemental Information

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

Return Reference	Explanation

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SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No 1545-0047

2014

Open to Public Inspection

Name of the organization	Employer identification number
SHANNON MEDICAL CENTER	75-2559845

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 6	CLASSES OF MEMBERS OR STOCKHOLDERS MARGARET SHANNON ESTATE, A TESTAMENTARY TRUST, IS THE SOLE MEMBER OF THE ORGANIZATION
FORM 990, PART VI, SECTION A, LINE 7A	MEMBERS OR STOCKHOLDERS WHO CAN ELECT MEMBERS OF THE GOVERNING BODY THE BOARD OF DIRECTORS SHALL CONSIST OF EACH OF THE SEVEN TRUSTEES OF THE MARGARET SHANNON ESTATE, A TESTAMENTAR Y TRUST THE OTHER DIRECTORS SHALL CONSIST OF REPRESENTATIVES OF THE COMMUNITY AND MEMBERS OF THE MEDICAL STAFF OF THE HOSPITAL, TO NUMBER IN AGGREGATE NOT MORE THAN SEVEN WHO ARE APPOINTED BY THE MEMBER AND THE CHIEF EXECUTIVE OFFICER OF THE CORPORATION
FORM 990, PART VI, SECTION A, LINE 7B	DECISIONS OF THE GOVERNING BODY SUBJECT TO APPROVAL APPROVAL OF THE SOLE MEMBER, THE TRUST EES OF SHANNON WEST TEXAS MEMORIAL HOSPITAL, IS REQUIRED FOR BUDGETS, LARGE FINANCIAL EXPE NDITURES THAT DEVIATE FROM BUDGET, SALE OF PROPERTY, MERGER, ACQUISITION, OR CONSOLIDATION , BORROWING OF MONEY, SEEKING OR GIVING GRANTS, SETTLEMENT OF CLAIMS OR LITIGATION, AMENDM ENT OF BYLAWS, AND CONTRACT IN WHICH THE CORPORATION ASSUMES FINANCIAL RISK
FORM 990, PART VI, SECTION B, LINE 11B	PROCESS TO REVIEW THE FORM 990 THE ORGANIZATION ENGAGES AN OUTSIDE ACCOUNTING FIRM TO PREP ARE FORM 990 ONCE PREPARED, THE FORM IS REVIEWED BY THE ORGANIZATION'S INTERNAL ACCOUNTAN TS PRIOR TO FILING THE ORGANIZATIONS FINANCE COMMITTEE WILL REVIEW AFTER THE FORM IS FILE D
FORM 990, PART VI, SECTION B, LINE 12C	PROCESS FOR MONITORING COMPLIANCE WITH CONFLICT OF INTEREST POLICY WE REGULARLY AUDIT FOR CONFLICT OF INTEREST STATEMENTS IN THE EMPLOYEES RECORDS PROCEDURE FOR MONITORING 1 WIT HIN 90 DAYS OF BECOMING AN AFFECTED INDIVIDUAL, THAT INDIVIDUAL MUST REVIEW THIS POLICY AN D COMPLETE A SMC CONFLICT OF INTEREST DISCLOSURE FORM 2 AT LEAST ANNUALLY THEREAFTER, AF FECTED INDIVIDUALS MUST REVIEW THIS POLICY AND COMPLETE A CONFLICT OF INTEREST DISCLOSURE FORM 3 THE CONFLICT OF INTEREST DISCLOSURE FORM SHOULD BE SENT TO THE SMC COMPLIANCE OFF ICER 4 AT ANY TIME WHEN AN ACTUAL, POTENTIAL, OR PERCEIVED CONFLICT OF INTEREST ARISES, THE AFFECTED INDIVIDUAL MUST REVISE HIS OR HER CONFLICT OF INTEREST DISCLOSURE FORM AND CO NTACT THE SMC COMPLIANCE OFFICER THE RESPONSIBILITY TO PROMPTLY REPORT SUCH ACTUAL OR POT ENTIAL CONFLICTS RESTS WITH THE AFFECTED INDIVIDUAL 5 THE SMC COMPLIANCE OFFICER WILL RE VIEW DISCLOSURES AND DETERMINE WHICH REQUIRE FURTHER ACTION WITH THE SMC GENERAL COUNSEL A ND APPROPRIATE SMC EXECUTIVE STAFF
FORM 990, PART VI, SECTION B, LINE 15A & 15B	REVIEW OF COMPENSATION INTEGRATED HEALTH STRATEGIES DID AN EXECUTIVE COMPENSATION STUDY IN 2015 AND IT COVERED ALL EXECUTIVE SALARIES EXECUTIVE COMPENSATION IS REVIEWED ANNUALLY B Y THE BOARD OF TRUSTEES' OPERATIONS COMMITTEE, WHICH CONSULTS COMPARABILITY DATA AND KEEPS CONTEMPORANEOUS RECORDS OF ITS DECISIONS
FORM 990, PART VI, SECTION C, LINE 19	GOVERNING DOCUMENTS AVAILABLE TO THE PUBLIC THE ORGANIZATIONS GOVERNING DOCUMENTS, CONFLIC T OF INTEREST POLICY, AND FINANCIAL STATEMENTS ARE AVAILABLE TO THE PUBLIC UPON REQUEST
FORM 990, PART XI, LINE 9	OTHER CHANGES IN NET ASSETS OF FUND BALANCES CHANGE IN ADDITIONAL MINIMUM PENSION LIABILIT Y 68,358 TRANFERS TO/FROM AFFILIATES (31,893,458) CHANGE IN SHANNON TRUST NET ASSETS (530, 583) CHANGE IN OWNERSHIP INTEREST IN (RCTC) 97,848 NET ASSETS RELEASED FROM RESTRICTION (1 5,391,769) ---------- $47,649,604

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SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

OMB No 1545-0047

2014

Open to Public Inspection

Name of the organization
SHANNON MEDICAL CENTER

Employer identification number
75-2559845

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	(g) No
See Additional Data Table							

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate allocations? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
(1) REGIONAL CANCER TREATMENT CENTER 102 N MAGDALEN STE 120 SAN ANGELO, TX 76903 75-2225955	RADIOTHERAPY	TX	NA	RELATED	284,467	4,299,881		No	0	Yes		56 247 %
(2) REGIONAL CANCER TREATMENT CTR 102 N MAGDALEN STE 120 SAN ANGELO, TX 76903 75-2225955	RADIOTHERAPY	TX	NA	RELATED	18,785	1,287,909		No	0		No	16 715 %

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	(i) No
(1) LEGACY MANAGEMENT SERVICES 2018 PULLIAM ST SAN ANGELO, TX 76903 75-2544450	MANAGEMENT	TX	NA	C - CORPORATION	0	0			No
(2) LEGACY HEALTH SOLUTIONS 2018 PULLIAM ST SAN ANGELO, TX 76903 20-0720762	MED INSURANCE	TX	NA	C - CORPORATION	0	0			No

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

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

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

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

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

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

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

Part VII Supplemental Information

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

Return Reference	Explanation

Additional Data

Software ID:
Software Version:
EIN: 75-2559845
Name: SHANNON MEDICAL CENTER

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	No
(1) TRUSTEES SHANNON WEST TEXAS HOSPITAL PO BOX 49 SAN ANGELO, TX 76902 75-0800679	TRUST	TX	501(C)(3)	11B	NA		No
(1) SHANNON RURAL HEALTH CLINICS INC 120 E HARRIS AVE SAN ANGELO, TX 76903 75-2940211	HEALTHCARE	TX	501(C)(3)	11C	SMC	Yes	
(2) SHANNON REAL ESTATE SERVICES INC 120 E HARRIS AVE SAN ANGELO, TX 76903 27-0075630	SUPPORT SVCS	TX	501(C)(3)	11B	SMC	Yes	
(3) SHANNON HEALTH SYSTEM 120 E HARRIS AVE SAN ANGELO, TX 76903 75-2602411	SUPPORT SVCS	TX	501(C)(3)	11A	SHANNON EST	Yes	
(4) SHANNON CLINIC 120 E HARRIS AVE SAN ANGELO, TX 76903 75-2600873	HEALTHCARE	TX	501(C)(3)	9	SHS	Yes	
(5) SHANNON BUSINESS SERVICES INC 120 E HARRIS AVE SAN ANGELO, TX 76903 43-2038769	SUPPORT SVCS	TX	501(C)(3)	11B	SMC	Yes	
(6) SHANNON MEDICAL MANAGEMENT 120 E HARRIS AVE SAN ANGELO, TX 76903 20-8367966	SUPPORT SVCS	TX	501(C)(3)	9	SHS	Yes	
(7) SHANNON MEDICAL CENTER PIONEER FDN 120 E HARRIS AVE SAN ANGELO, TX 76903 35-2229303	SUPPORT	TX	501(C)(3)	11A	SMC	Yes	

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

(a) Name of related organization	(b) Transaction type(a-s)	(c) Amount Involved	(d) Method of determining amount involved
SHANNON BUSINESS SERVICES	J	137,698	BOOK VALUE
SHANNON BUSINESS SERVICES	P	1,801,864	BOOK VALUE
SHANNON BUSINESS SERVICES	S	10,905,905	BOOK VALUE
SHANNON BUSINESS SERVICES	Q	13,580,548	BOOK VALUE
SHANNON BUSINESS SERVICES	R	105,547	BOOK VALUE
SHANNON CLINIC	P	2,184,405	BOOK VALUE
SHANNON CLINIC	Q	9,498,794	BOOK VALUE
SHANNON CLINIC	R	3,120,544	BOOK VALUE
SHANNON MEDICAL MANAGEMENT	P	170,510	BOOK VALUE
SHANNON MEDICAL MANAGEMENT	Q	9,318,976	BOOK VALUE
SHANNON MEDICAL MANAGEMENT	R	26,991,813	BOOK VALUE
SHANNON MEDICAL MANAGEMENT	S	731,026	BOOK VALUE
SHANNON REAL ESTATE SERVICES	K	313,280	BOOK VALUE
SHANNON REAL ESTATE SERVICES	Q	1,517,193	BOOK VALUE
SHANNON REAL ESTATE SERVICES	R	3,114,584	BOOK VALUE
SHANNON REAL ESTATE SERVICES	S	438,123	