



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



Form **990-PF**Department of the Treasury
Internal Revenue Service**Return of Private Foundation**

or Section 4947(a)(1) Trust Treated as Private Foundation

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

▶ Information about Form 990-PF and its separate instructions is at www.irs.gov/form990pf

OMB No 1545-0052

2015

Open to Public Inspection

For calendar year 2015 or tax year beginning

, and ending

Name of foundation GARY AND MARY WEST HEALTH POLICY CENTER, INC.		A Employer identification number 27-5388874
Number and street (or P.O. box number if mail is not delivered to street address) 1909 K STREET NW, SUITE 730	Room/suite	B Telephone number (202) 729-8577
City or town, state or province, country, and ZIP or foreign postal code WASHINGTON, DC 20006		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Address change <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Amended return <input type="checkbox"/> Name change		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 730,534.	J Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received	3,803,721.			
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities				
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10				
	b Gross sales price for all assets on line 6a				
	7 Capital gain net income (from Part IV, line 2)		0.		
	8 Net short-term capital gain			0.	
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less Cost of goods sold					
c Gross profit or (loss)					
11 Other income					
12 Total. Add lines 1 through 11	3,803,721.	0.	0.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	796,409.		0.	796,409.
	14 Other employee salaries and wages	921,215.		0.	1,011,206.
	15 Pension plans, employee benefits	233,870.	0.	0.	232,356.
	16a Legal fees STMT 1	15,145.	0.	0.	15,145.
	b Accounting fees STMT 2	23,173.	0.	0.	26,673.
	c Other professional fees STMT 3	504,764.	0.	0.	498,767.
	17 Interest				
	18 Taxes				
	19 Depreciation and depletion	134,885.	0.	0.	
	20 Occupancy	331,532.	0.	0.	342,428.
	21 Travel, conferences, and meetings	30,664.	0.	0.	33,054.
	22 Printing and publications	27,075.	0.	0.	27,758.
	23 Other expenses STMT 4	205,617.	0.	0.	206,149.
	24 Total operating and administrative expenses. Add lines 13 through 23	3,224,349.	0.	0.	3,189,945.
	25 Contributions, gifts, grants paid	644,501.			611,766.
	26 Total expenses and disbursements. Add lines 24 and 25	3,868,850.	0.	0.	3,801,711.
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	-65,129.				
b Net investment income (if negative, enter -0-)		0.			
c Adjusted net income (if negative, enter -0-)			0.		

523501
11-24-15

LHA For Paperwork Reduction Act Notice, see instructions.

Form **990-PF** (2015)

**GARY AND MARY WEST HEALTH POLICY CENTER,
INC.**

Form 990-PF (2015)

27-5388874

Page 2

Part II Balance Sheets <small>Attached schedules and amounts in the description column should be for end-of-year amounts only</small>		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing	358,265.	291,176.	291,176.
	2 Savings and temporary cash investments			
	3 Accounts receivable 806.			
	Less: allowance for doubtful accounts	556.	806.	806.
	4 Pledges receivable			
	Less: allowance for doubtful accounts			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable			
	Less: allowance for doubtful accounts			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges	43,840.	47,176.	47,176.
	10a Investments - U.S. and state government obligations			
	b Investments - corporate stock			
	c Investments - corporate bonds			
	Liabilities	11 Investments - land, buildings, and equipment basis		
Less: accumulated depreciation				
12 Investments - mortgage loans				
13 Investments - other				
14 Land, buildings, and equipment basis 900,607.				
Less: accumulated depreciation STMT 5 534,996.		444,303.	365,611.	365,611.
15 Other assets (describe LEASE/RENT DEPOSIT)		25,765.	25,765.	25,765.
16 Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I)		872,729.	730,534.	730,534.
17 Accounts payable and accrued expenses		503,979.	426,913.	
18 Grants payable				
19 Deferred revenue				
20 Loans from officers, directors, trustees, and other disqualified persons				
21 Mortgages and other notes payable				
22 Other liabilities (describe)				
23 Total liabilities (add lines 17 through 22)	503,979.	426,913.		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted	368,750.	303,621.	
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, bldg., and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
30 Total net assets or fund balances	368,750.	303,621.		
31 Total liabilities and net assets/fund balances	872,729.	730,534.		

Part III Analysis of Changes in Net Assets or Fund Balances

1 Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	368,750.
2 Enter amount from Part I, line 27a	2	-65,129.
3 Other increases not included in line 2 (itemize) 	3	0.
4 Add lines 1, 2, and 3	4	303,621.
5 Decreases not included in line 2 (itemize) 	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	303,621.

**GARY AND MARY WEST HEALTH POLICY CENTER,
INC.**

Form 990-PF (2015)

27-5388874

Page **3**

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a			
b	NONE		
c			
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a			
b			
c			
d			
e			

2 Capital gain net income or (net capital loss)	{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7	2
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8	{	3

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

☐ Yes ☒ No

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2014	4,864,575.	708,692.	6.864160
2013	4,931,653.	251,826.	19.583574
2012	2,752,055.	84,138.	32.708824
2011	652,821.	28,972.	22.532825
2010			

2 Total of line 1, column (d)	2	81.689383
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	20.422346
4 Enter the net value of noncharitable-use assets for 2015 from Part X, line 5	4	717,981.
5 Multiply line 4 by line 3	5	14,662,856.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	0.
7 Add lines 5 and 6	7	14,662,856.
8 Enter qualifying distributions from Part XII, line 4	8	3,857,904.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate.
See the Part VI instructions.

GARY AND MARY WEST HEALTH POLICY CENTER,
INC.

27-5388874

Page 4

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see instructions)

1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b		1	0.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	0.
3 Add lines 1 and 2		3	0.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	0.
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5	0.
6 Credits/Payments:			
a 2015 estimated tax payments and 2014 overpayment credited to 2015	6a		
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7		0.
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9		0.
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10		
11 Enter the amount of line 10 to be: Credited to 2016 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	11		

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for the definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities		X
1c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. \$ 0. (2) On foundation managers. \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities	X	
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <u>DC, DE</u>		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2015 or the taxable year beginning in 2015 (see instructions for Part XIV)? If "Yes," complete Part XIV	X	
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

Form 990-PF (2015)

Part VII-A Statements Regarding Activities (continued)

	Yes	No
11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11	X
12 Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12	X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address WWW.WESTHEALTH.ORG	13	X
14 The books are in care of SALLY HALLAK Telephone no. (858) 535-7000 Located at 10350 NORTH TORREY PINES ROAD, LA JOLLA, CA ZIP+4 92037		
15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year 15 N/A		
16 At any time during calendar year 2015, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for FinCEN Form 114. If "Yes," enter the name of the foreign country	16	X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

	Yes	No
1a During the year did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? STATEMENT 8 <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? STATEMENT 6 <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>	1b	X
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2015?	1c	X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a At the end of tax year 2015, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2015? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.) N/A	2b	
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. <div style="border: 1px solid black; height: 20px; width: 100%;"></div>		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If "Yes," did it have excess business holdings in 2015 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2015) N/A	3b	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2015?	4b	X

Form 990-PF (2015)

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)

5a During the year did the foundation pay or incur any amount to:

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?

☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?

☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes?

☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? (see instructions)

☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?

☐ Yes ☒ No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

N/A

Organizations relying on a current notice regarding disaster assistance check here

☒

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?

N/A

☐ Yes ☐ No

If "Yes," attach the statement required by Regulations section 53.4945-5(d)

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?

☐ Yes ☒ No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

6b

X

If "Yes" to 6b, file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?

☐ Yes ☒ No

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?

N/A

7b

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1** List all officers, directors, trustees, foundation managers and their compensation.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 6		796,409.	38,813.	0.

2 Compensation of five highest-paid employees (other than those included on line 1). If none, enter "NONE."

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
CHRISTOPHER POPE - 1909 K STREET NW, SUITE 730, WASHINGTON, DC 20006	SENIOR ADVISOR 50.00	130,851.	28,100.	0.
KATIE HOWARD - 1909 K STREET NW, SUITE 730, WASHINGTON, DC 20006	SENIOR MANAGER 50.00	81,816.	13,622.	0.

Total number of other employees paid over \$50,000

0

Form 990-PF (2015)

GARY AND MARY WEST HEALTH POLICY CENTER,
INC.

Form 990-PF (2015)

27-5388874

Page 7

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)

3 Five highest-paid independent contractors for professional services. If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
WILLIAM SCANLON 3055 CROSEN COURT, OAK HILL, VA 20171 HART HEALTH STRATEGIES, INC.	CONSULTANTS	205,000.
3823 FORDHAM ROAD NW, WASHINGTON, DC 20016	CONSULTANTS	180,000.

Total number of others receiving over \$50,000 for professional services

0

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.

	Expenses
1 STATEMENT 7	
	3,801,711.
2	
3	
4	

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.

	Amount
1 N/A	
2	
All other program-related investments. See instructions.	
3	

Total. Add lines 1 through 3

0.

Form 990-PF (2015)

Part X**Minimum Investment Return** (All domestic foundations must complete this part. Foreign foundations, see instructions)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	0.
b	Average of monthly cash balances	1b	728,915.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	728,915.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	728,915.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	10,934.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	717,981.
6	Minimum investment return. Enter 5% of line 5	6	35,899.

Part XI**Distributable Amount** (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ☒ and do not complete this part.)

1	Minimum investment return from Part X, line 6	1	
2a	Tax on investment income for 2015 from Part VI, line 5	2a	
b	Income tax for 2015. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	
6	Deduction from distributable amount (see instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	

Part XII**Qualifying Distributions** (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	3,801,711.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	56,193.
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	3,857,904.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	0.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	3,857,904.

Note. The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Form 990-PF (2015)

Part XIII Undistributed Income (see instructions)

N/A

	(a) Corpus	(b) Years prior to 2014	(c) 2014	(d) 2015
1 Distributable amount for 2015 from Part XI, line 7				
2 Undistributed income, if any, as of the end of 2015				
a Enter amount for 2014 only				
b Total for prior years:				
3 Excess distributions carryover, if any, to 2015:				
a From 2010				
b From 2011				
c From 2012				
d From 2013				
e From 2014				
f Total of lines 3a through e				
4 Qualifying distributions for 2015 from Part XII, line 4: ▶ \$				
a Applied to 2014, but not more than line 2a				
b Applied to undistributed income of prior years (Election required - see instructions)				
c Treated as distributions out of corpus (Election required - see instructions)				
d Applied to 2015 distributable amount				
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2015 (If an amount appears in column (d), the same amount must be shown in column (a).)				
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5				
b Prior years' undistributed income. Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b. Taxable amount - see instructions				
e Undistributed income for 2014. Subtract line 4a from line 2a. Taxable amount - see instr.				
f Undistributed income for 2015. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2016				
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required - see instructions)				
8 Excess distributions carryover from 2010 not applied on line 5 or line 7				
9 Excess distributions carryover to 2016. Subtract lines 7 and 8 from line 6a				
10 Analysis of line 9:				
a Excess from 2011				
b Excess from 2012				
c Excess from 2013				
d Excess from 2014				
e Excess from 2015				

**GARY AND MARY WEST HEALTH POLICY CENTER,
INC.**

Form 990-PF (2015)

27-5388874

Page 10

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9)

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2015, enter the date of the ruling

01/09/12

b Check box to indicate whether the foundation is a private operating foundation described in section

☒ 4942(j)(3) or ☐ 4942(j)(5)

2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed

b 85% of line 2a

c Qualifying distributions from Part XII, line 4 for each year listed

d Amounts included in line 2c not used directly for active conduct of exempt activities

e Qualifying distributions made directly for active conduct of exempt activities.

Subtract line 2d from line 2c

3 Complete 3a, b, or c for the alternative test relied upon:

a "Assets" alternative test - enter:

(1) Value of all assets

(2) Value of assets qualifying under section 4942(j)(3)(B)(i)

b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed

c "Support" alternative test - enter:

(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)

(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)

(3) Largest amount of support from an exempt organization

(4) Gross investment income

Tax year	Prior 3 years			(e) Total
(a) 2015	(b) 2014	(c) 2013	(d) 2012	
0.	0.	0.	0.	0.
0.	0.	0.	0.	0.
3,857,904.	4,864,575.	4,931,653.	2,752,055.	16,406,187.
611,766.	171,333.	384,001.	66,667.	1,233,767.
3,246,138.	4,693,242.	4,547,652.	2,685,388.	15,172,420.
				0.
				0.
23,933.	23,623.	8,394.	2,805.	58,755.
				0.
				0.
				0.
				0.

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year-see instructions.)

1 Information Regarding Foundation Managers:

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2).)

NONE

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

NONE

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here ☒ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

a The name, address, and telephone number or e-mail address of the person to whom applications should be addressed:

b The form in which applications should be submitted and information and materials they should include:

c Any submission deadlines:

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:

GARY AND MARY WEST HEALTH POLICY CENTER,
INC.

Form 990-PF (2015)

27-5388874 Page 11

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
THE REGENTS OF THE UNIVERSITY OF MICHIGAN BOX 223131 PITTSBURGH, PA 15251-2131	NONE	PC	RESEARCH AIMED AT LOWERING THE COST OF HEALTH CARE	340,750.
UNIVERSITY OF NEW HAMPSHIRE 51 COLLEGE ROAD, ROOM 109 DURHAM, NJ 03824-3585	NONE	PC	RESEARCH AIMED AT LOWERING THE COST OF HEALTH CARE	102,021.
CENTER FOR HEALTH CARE STRATEGIES, INC. 200 AMERICAN METRO BLVD., SUITE 119 HAMILTON, NJ 08619	NONE	PC	DEDICATED TO IMPROVING THE HEALTH OF LOW-INCOME AMERICANS	168,995.
Total				611,766.
b Approved for future payment				
UNIVERSITY OF NEW HAMPSHIRE 51 COLLEGE ROAD, ROOM 109 DURHAM, NJ 03824-3585	NONE	PC	RESEARCH AIMED AT LOWERING THE COST OF HEALTH CARE	32,735.
Total				32,735.

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

- | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|
| <p>1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?</p> <p>a Transfers from the reporting foundation to a noncharitable exempt organization of:</p> <p>(1) Cash</p> <p>(2) Other assets</p> <p>b Other transactions:</p> <p>(1) Sales of assets to a noncharitable exempt organization</p> <p>(2) Purchases of assets from a noncharitable exempt organization</p> <p>(3) Rental of facilities, equipment, or other assets</p> <p>(4) Reimbursement arrangements</p> <p>(5) Loans or loan guarantees</p> <p>(6) Performance of services or membership or fundraising solicitations</p> <p>c Sharing of facilities, equipment, mailing lists, other assets, or paid employees</p> <p>d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.</p> | <p>Yes</p> |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |

[illegible]

- 2a** Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No
- b** If "Yes," complete the following schedule.

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

**Sign
Here**

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 taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer or trustee

11-10-16
Date

 CFO
 Title

May the IRS discuss this return with the preparer shown below (see instr)?

☒ Yes ☐ No

**Paid
Preparer
Use Only**

Print/Type preparer's name

DIANA J. MCCUTCHEN

Preparer's signature

Diama G. McCutchen

Date _____

11-10-16

Check ☐ self-employed

PTIN

P00545657

Firm's name ► **DELOITTE TAX LLP**

Firm's EIN ▶ 86-1065772

Firm's address ► 655 WEST BROADWAY, SUITE 700
SAN DIEGO, CA 92101-8590

Phone no. (619) 232-6500

Form **990-PF** (2015)

Schedule B

(Form 990, 990-EZ, or 990-PF)

Department of the Treasury
Internal Revenue Service**Schedule of Contributors**

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.
▶ Information about Schedule B (Form 990, 990-EZ, or 990-PF) and
its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2015

Name of the organization

GARY AND MARY WEST HEALTH POLICY CENTER,
INC.

Employer identification number

27-5388874

Organization type (check one)

Filers of:

Section:

Form 990 or 990-EZ

☐ 501(c)() (enter number) organization☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation☐ 527 political organization

Form 990-PF

☒ 501(c)(3) exempt private foundation☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation☐ 501(c)(3) taxable private foundationCheck if your organization is covered by the **General Rule** or a **Special Rule**.**Note.** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.**General Rule**

- ☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

Special Rules

- ☐ For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year. ▶ \$ _____

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990, or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF. Schedule B (Form 990, 990-EZ, or 990-PF) (2015)

Name of organization

GARY AND MARY WEST HEALTH POLICY CENTER,
INC.

Employer identification number

27-5388874

Part I **Contributors** (see instructions) Use duplicate copies of Part I if additional space is needed

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	GARY AND MARY WEST FOUNDATION 505 LOMAS SANTA FE DRIVE, SUITE 230 SOLANA BEACH, CA 92075	\$ 3,803,721.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization

**GARY AND MARY WEST HEALTH POLICY CENTER,
INC.**

Employer identification number

27-5388874**Part II** **Noncash Property** (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	

Name of organization

**GARY AND MARY WEST HEALTH POLICY CENTER,
INC.**

Employer identification number

27-5388874**Part III**

Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year (Enter this info once) ▶ \$

Use duplicate copies of Part III if additional space is needed

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee

FORM 990-PF

LEGAL FEES

STATEMENT 1

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL FEES	15,145.	0.	0.	15,145.
TO FM 990-PF, PG 1, LN 16A	15,145.	0.	0.	15,145.

FORM 990-PF

ACCOUNTING FEES

STATEMENT 2

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	23,173.	0.	0.	26,673.
TO FORM 990-PF, PG 1, LN 16B	23,173.	0.	0.	26,673.

FORM 990-PF

OTHER PROFESSIONAL FEES

STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
MANAGEMENT/ADMINISTRATIVE SERVICES	23,001.	0.	0.	23,001.
CONTRACTORS	451,397.	0.	0.	445,496.
IT CONSULTANT SERVICES FEES	30,366.	0.	0.	30,270.
TO FORM 990-PF, PG 1, LN 16C	504,764.	0.	0.	498,767.

FORM 990-PF

OTHER EXPENSES

STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
OFFICE EQUIPMENT & WIRELESS	28,065.	0.	0.	34,506.
OFFICE SUPPLIES	5,968.	0.	0.	6,068.
BUILDING MAINTENANCE	4,916.	0.	0.	4,916.
MEALS AND ENTERTAINMENT	5,718.	0.	0.	5,833.
INSURANCE	9,754.	0.	0.	10,896.
PAYROLL PROCESSING FEES	3,486.	0.	0.	3,498.
EE MORALE/WELFARE	5,323.	0.	0.	5,368.
OTHER EXPENSES	6,026.	0.	0.	6,026.
POSTAGE/COURIER/MAIL SERVICE	1,032.	0.	0.	1,259.
DUES & MEMBERSHIPS	568.	0.	0.	568.
LICENSES & PERMITS	225.	0.	0.	225.
EVENT SPONSORSHIP	20,000.	0.	0.	20,000.
PROGRAM COMMUNICATIONS	63,537.	0.	0.	91,822.
PROPERTY TAXES	12,864.	0.	0.	12,864.
STUDIES/WHITEPAPERS	36,251.	0.	0.	416.
PRESS RELEASES	1,884.	0.	0.	1,884.
TO FORM 990-PF, PG 1, LN 23	205,617.	0.	0.	206,149.

FORM 990-PF

DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT

STATEMENT 5

DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
LEASEHOLD/TENANT IMPROVEMENTS	321,930.	167,662.	154,268.
FURNITURE & FIXTURES	315,041.	185,209.	129,832.
COMPUTER/PHONE EQUIPMENT	173,069.	173,069.	0.
INTANGIBLE ASSET	90,567.	9,056.	81,511.
TOTAL TO FM 990-PF, PART II, LN 14	900,607.	534,996.	365,611.

FORM 990-PF

PART VIII - LIST OF OFFICERS, DIRECTORS
TRUSTEES AND FOUNDATION MANAGERS

STATEMENT 6

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
MICHAEL JOHNS 1909 K STREET NW, SUITE 730 WASHINGTON, DC 20006	DIRECTOR 5.00	0.	0.	0.
JOSEPH SMITH* 1909 K STREET NW, SUITE 730 WASHINGTON, DC 20006	CHAIRMAN/PRESIDENT 10.00	190,597.	0.	0.
SHELLEY LYFORD* 1909 K STREET NW, SUITE 730 WASHINGTON, DC 20006	COO/SECRETARY THROUGH 9/3/2015 5.00	13,377.	0.	0.
MICHAEL CAPONETTO* 1909 K STREET NW, SUITE 730 WASHINGTON, DC 20006	TREASURER 5.00	75,817.	0.	0.
MARK MCCLELLAN 1909 K STREET NW, SUITE 730 WASHINGTON, DC 20006	DIRECTOR 5.00	0.	0.	0.
ROY RAMTHUN 1909 K STREET NW, SUITE 730 WASHINGTON, DC 20006	SENIOR DIRECTOR THROUGH 9/30/2015 40.00	360,047.	38,813.	0.
NICK VALERIANI* 1909 K STREET NW, SUITE 730 WASHINGTON, DC 20006	SECRETARY & DIRECTOR 5.00	156,571.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		796,409.	38,813.	0.

* MESSRS. SMITH, VALERIANI, AND CAPONETTO AND MS. LYFORD WERE COMPENSATED AS EMPLOYEES OF THE GARY AND MARY WEST HEALTH INSTITUTE AND/OR GARY AND MARY WEST MANAGEMENT COMPANY AND AN ALLOCABLE PORTION OF THEIR COMPENSATION RELATED TO THEIR WORK FOR THE WEST HEALTH POLICY CENTER WAS REIMBURSED TO THE INSTITUTE AND/OR MANAGEMENT COMPANY BY THE CENTER, AS REPORTED IN PART VIII OF THIS RETURN. TRAVEL EXPENSES FOR THE OFFICERS AND DIRECTORS TO ATTEND BOARD OF DIRECTORS MEETINGS WERE REIMBURSED.

Gary and Mary West Health Policy Center, Inc.
Summary of Direct Charitable Activities
Form 990-PF, Part IX-A

In 2015, the Gary and Mary West Health Policy Center, Inc. ("WHPC") built on its previous years' works and continued to provide input and feedback on project ideas where economic analysis, knowledge of payment incentives, and policy experience were needed. Several promising projects have been developed and continue to advance the West Health mission. In late 2015, WHPC further focused its work around actively researching senior-appropriate acute, long-term and chronic care models that support independence for seniors. Americans are living longer than ever before thanks to major medical and public health advances, and greater access to healthcare. However, as our population ages and grows, we face significant challenges to living out our years in the best way possible. We are in the midst of one of the largest demographic shifts in U.S. history as Baby Boomers turn 65 at the rate of 10,000 a day. This is already having a major impact on our healthcare system and community-based services, which are not scaled or structured to meet the demands, needs and expectations of seniors and their families.

CONTINUING (OR ONGOING) ACTIVITIES:

MEDICARE REFORM

With a few exceptions, Medicare – the health insurance program for the aged and permanently disabled – has changed little since enactment fifty years ago. Today, Medicare's benefit design, especially for Parts A (hospital insurance) and B (supplementary medical insurance) cost-sharing, differs in important ways from cost-sharing requirements in traditional health insurance. While the biggest difference is the lack of any catastrophic protection such as a cap on annual out-of-pocket spending, other appropriate changes could be implemented to assure a modernized benefit for beneficiaries. WHPC contracted with the Actuarial Research Corporation to develop a unique modeling tool to study the impact of policy proposals on beneficiaries and the federal budget.

VALUE-BASED INSURANCE DESIGN (V-BID)

V-BID is a concept in insurance design that centers on structuring cost-sharing to drive patients to high-value care. In 2014, the WHPC sponsored a research project through academicians at three respected universities that tested whether incorporating V-BID into high deductible health plans (HDHPs) would encourage people with chronic disease to migrate to HDHPs. The research showed that for a targeted group of "high-value" services, up to 45 million Americans could potentially migrate from more traditional plans to HDHPs that cover these services. The researchers estimate that the savings resulting from the shift in coverage for employer-sponsored insurance alone could be as much as \$1 trillion over 10 years.

While promising, this policy change requires a change in federal regulations by the Internal Revenue Service (IRS). In July, 2014, staff of WHPC met with federal officials from the IRS and the U.S. Treasury Department to understand their perspectives on changing the regulations. The federal officials did not commit to changing the regulations but did ask for recommendations on how they should be changed. Since then, the WHPC has continued to engage with stakeholders to address the Treasury/IRS questions

and concerns. Currently, we have aligned more than 30 stakeholders from industry, medicine and advocacy to jointly recommend policy change.

Additional research is also underway to advance V-BID in the Medicare Advantage (MA) space. The use of Value-Based Insurance Design in MA plans may lower or eliminate cost-sharing with a goal of promoting evidence-based, high-value treatments and clinical services which are used to treat and manage chronic disease. This research will serve to support an MA demonstration project to allow participating MA plans to use V-BID to lower copayments and coinsurance for seniors in order to encourage the use of specific, evidence-based treatments/services as well as specific high-performing providers as an improvement to coverage for those seniors living with multiple chronic conditions. The WHPC funded research with the University of Michigan Center for Value-Based Insurance Design studies the impact of this policy on both the plans and the beneficiaries. Specifically, it focuses on congestive heart failure, diabetes and chronic obstructive pulmonary disease.

HEALTHCARE TRANSPARENCY – ALL PAYOR CLAIMS DATABASES

Federal, state, and private sector entities have embraced the release of healthcare data although challenges remain in making the most pertinent information readily accessible, understandable, and usable to consumers and other healthcare stakeholders. All-payer claims databases (APCDs) are databases typically created from a state mandate and generally include data derived from medical, pharmacy, and dental claims; provider files; and eligibility files from private and public payers in the state. APCDs hold great promise for accelerating healthcare transparency efforts to better understand cost and utilization of services, and recognize cost savings.

WHPC contracted with the University of New Hampshire and has collaborated with the APCD Council which is a learning group of government, private, non-profit, and academic organizations focused on improving the development and deployment of state-based all payer claims databases (APCDs). The APCD Council is convened and coordinated by the Institute for Health Policy and Practice (IHPP) at the University of New Hampshire (UNH) and the National Association of Health Data Organizations (NAHDO). The Council's work focuses on shared learning amongst APCD stakeholders, early stage technical assistance to states and catalyzing states to achieve mutual goals.

NEW ACTIVITIES:

HOME-BASED PRIMARY CARE

WHPC focused on advancing policies to manage chronic conditions through the delivery of home-based primary care for the frail elderly. Specifically, ways to more effectively utilize primary care providers and care coordination teams in order to meet the goal of maximizing health care outcomes for Medicare patients living with chronic conditions. There is a small, often underrepresented population in the U.S. healthcare debate that is critical to how we think about improving patient-centered care and lowering costs. The frail elderly are some of Medicare's most complex patients. This group accounts for only five percent of the Medicare population, but drives almost 50 percent of its costs.

The research involved in-depth review of MedStar's nationally recognized Medical House Call Practice (MHCP) model to identify the key levers that will catalyze the growth of home-based primary care for the frail elderly. Specifically, WHPC assessed the methodology used to capture cost and potential

savings for this program model and provided additional data analytics to inform the development of appropriate payment policies.

LONG-TERM SERVICES AND SUPPORTS

In May, 2015, the WHPC began a research project with the Center for Health Care Strategies (and its partners Mathematica Policy Research and Airam Actuarial Consulting) to identify best practices for reimbursement of Medicaid's long-term services and supports (LTSS) programs. The national initiative will glean lessons from pilot efforts in eight states: Arizona, Kansas, Massachusetts, Minnesota, Tennessee, Texas, Virginia and Wisconsin.

Medicaid's LTSS programs provide health-related supportive services for low-income seniors with a focus on helping individuals remain independent in their homes or communities as long as possible. As the country's largest funder of LTSS, Medicaid covers a flexible set of services including personal assistance with basic daily tasks such as bathing, dressing, toileting and eating, as well as home- and community-based services like adult day care and, when necessary, nursing home care.

As states grapple with the rising cost of Medicaid, they have increasingly looked to managed care organizations to provide LTSS and coordinate the care of individuals served by the program, typically paying a fixed amount per month for each beneficiary. However, if reimbursement strategies do not address the diverse needs of seniors, it can lead to inadequate care being provided to those who need the most care and excessive payments for those who do not require a high level of assistance.

The eight participating states were chosen for their commitment to using payment strategies to drive improvements in long-term care. Over the next year, key stakeholders from the government, private sector and policy community will join technical experts from CHCS, Mathematica Policy Research, and Airam Actuarial Consulting to help these states test new rate-setting, risk adjustment and data collection approaches for Medicaid managed LTSS (MLTSS) programs.

Participating states will test new or revised rate setting methods over several months. The best practices they identify will be included in a toolkit available to all states. The toolkit will be part of an online resource library to help states at different phases of designing, implementing or administering Medicaid MLTSS programs use rate-setting approaches to drive care improvements for beneficiaries while lowering costs.

CARE COORDINATION IN COMMUNITY-BASED SETTINGS/ORALCARE

Leverage the research being conducted at the Gary and Mary West Senior Dental Center in San Diego toward a coverage and access model toward sustainability and scalability of a community-based model of care for low-income seniors.

Gary and Mary West Health Policy Center, Inc.
Goods, services, or facilities furnished by a disqualified person
Form 990-PF, Part VII-B, question 1(a)(3)

In 2015 West Development, LLC, in which a disqualified person owns greater than 35%, provided IT services in the amount of \$5,494 to the Gary and Mary West Health Policy Center, Inc. on an arms-length basis. This is an excepted act of self-dealing under IRC Section 4941(d)(2)(E).

Gary and Mary West Health Policy Center, Inc.

SECTION 1.263(A)-1(F) DE MINIMIS SAFE HARBOR ELECTION

TAXPAYER IS MAKING THE DE MINIMIS SAFE HARBOR ELECTION UNDER TREAS. REG. 1.263(A)-1(F) FOR ALL ELIGIBLE AMOUNTS PAID OR INCURRED DURING THE TAXABLE YEAR.

SECTION 1.263(A)-3(N) CAPITALIZATION ELECTION

TAXPAYER HEREBY ELECTS TO CAPITALIZE REPAIR AND MAINTENANCE COSTS UNDER TREAS. REG. 1.263(A)-3(N). THE COSTS WERE INCURRED DURING THE TAXABLE YEAR IN THE ELECTING TAXPAYER'S TRADE OR BUSINESS AND THE ELECTING TAXPAYER TREATS SUCH COSTS AS CAPITAL EXPENDITURES ON ITS BOOKS AND RECORDS.