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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

2015

Open to Public Inspection

A For the 2015 calendar year, or tax year beginning 07-01-2015 , and ending 06-30-2016

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

C Name of organization
BUTLER HEALTHCARE PROVIDERS

Doing business as
Butler Memorial Hospital

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

City or town, state or province, country, and ZIP or foreign postal code
BUTLER, PA 16001

D Employer identification number
25-0965274

E Telephone number
(724) 284-4429

G Gross receipts $ 279,045,602

F Name and address of principal officer
Kenneth P DeFurio
ONE HOSPITAL WAY
BUTLER, PA 16001

H(a) Is this a group return for subordinates? ☐ Yes ☑ No

H(b) Are all subordinates included? ☐ Yes ☐ No
If "No," attach a list (see instructions)

H(c) Group exemption number ▶

I Tax-exempt status ☑ 501(c)(3) ☐ 501(c) ( ) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

J **Website:** ▶ www butlerhealthsystem org

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

L Year of formation 1898

M State of legal domicile PA

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities
The mission of Butler Memorial Hospital is to be a healing presence in the communities we serve We exist to make a positive difference in the lives of people by providing compassionate, high quality care and comfort, and inspiring health and well-being

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	9
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	7
5	Total number of individuals employed in calendar year 2015 (Part V, line 2a)	5	1,995
6	Total number of volunteers (estimate if necessary)	6	289
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	4,903,538
b	Net unrelated business taxable income from Form 990-T, line 34	7b	831,940

			Prior Year	Current Year
Revenue	8	Contributions and grants (Part VIII, line 1h)	1,882,509	2,001,456
	9	Program service revenue (Part VIII, line 2g)	246,653,831	261,839,305
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	2,930,999	4,603,429
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	9,637,963	10,601,412
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	261,105,302	279,045,602
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	50,200	53,900
	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)	107,018,530	112,601,078
	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)	119,901,842	120,445,829
	18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	226,970,572	233,100,807
	19	Revenue less expenses Subtract line 18 from line 12	34,134,730	45,944,795

			Beginning of Current Year	End of Year
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	320,336,569	348,613,993
	21	Total liabilities (Part X, line 26)	181,184,338	192,104,470
	22	Net assets or fund balances Subtract line 21 from line 20	139,152,231	156,509,523

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

****** 2017-05-15
Signature of officer Date

Anne B Krebs VP of Finance
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no	

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

The mission of Butler Memorial Hospital is to be a healing presence in the communities we serve We exist to make a positive difference in the lives of people by providing compassionate, high quality care and comfort, and inspiring health and well-being

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 $ 195,181,602 including grants of $ 53,900) (Revenue $ 267,538,191)

Butler Memorial Hospital (BMH) is an independent, community-based hospital that has served Butler County, PA, and the surrounding area for over 100 years BMH employs approximately 2,000 people The hospital has grown into a regional referral center for the areas It is the largest hospital facility between Pittsburgh and Erie It is comprised of 296 acute care beds and a 25 bed skilled nursing facility BMH serves approximately 13,000 acute care patients (admissions) and over 516,000 outpatients each year The Hospital maintains a deep commitment to its community, as is demonstrated through its broad services offering It provides all levels of general medical and surgical care, emergency services, a robust psychiatric service, drug & alcohol treatment, family services, preventative & wellness programs and tertiary cardiovascular care It also has a network of approximately 60 convenient, low cost outpatient sites that are located in communities through Butler County and the surrounding area

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 ▶** 195,181,602

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	Yes	
2	Is the organization required to complete *Schedule B, Schedule of Contributors* (see instructions)?	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		No
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4	Yes	
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		No
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? *If "Yes," complete Schedule D, Part II*	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		No
9	Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		No
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10		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		No
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X*	11f		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)*

		Line	Yes	No
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	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	Yes	
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d	Yes	
25a	**Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	25b		No
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? *If "Yes," complete Schedule L, Part II*	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? *If "Yes," complete Schedule L, Part III*	27		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28b		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	28c		No
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29		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	Yes	
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1*	34	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	Yes	
b	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	35b	Yes	
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	36		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? **Note.** All Form 990 filers are required to complete Schedule O	38	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

					Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable . .	1a	103			
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		
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	1,995			
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		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?			7h		
8	**Sponsoring organizations maintaining donor advised funds.** Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?			8		
9a	Did the sponsoring organization make any taxable distributions under section 4966? . . .			9a		
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person? . . .			9b		
10	**Section 501(c)(7) organizations.** Enter					
a	Initiation fees and capital contributions included on Part VIII, line 12 . . .	10a				
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b				
11	**Section 501(c)(12) organizations.** Enter					
a	Gross income from members or shareholders	11a				
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b				
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?			12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b				
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**					
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** See the instructions for additional information the organization must report on Schedule O			13a		
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b				
c	Enter the amount of reserves on hand	13c				
14a	Did the organization receive any payments for indoor tanning services during the tax year?			14a		No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O* . .			14b		

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

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

Section A. Governing Body and Management

					Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	**1a**	9			
	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**	7			
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**	Yes	
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990			
12a	Did the organization have a written conflict of interest policy? *If "No," go to line 13*	**12a**	Yes	
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	**12b**	Yes	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? *If "Yes," describe in Schedule O how this was done*	**12c**	Yes	
13	Did the organization have a written whistleblower policy?	**13**	Yes	
14	Did the organization have a written document retention and destruction policy?	**14**	Yes	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official	**15a**	Yes	
b	Other officers or key employees of the organization	**15b**	Yes	
	If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	**16a**	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▶ PA

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
▶Anne Krebs One Hospital Way Butler, PA 16001 (724) 284-4429

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): Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(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
(1) Kenneth P DeFurio President & CEO	40 00 22 00	X		X				730,033	0	217,864
(2) Marcia Segraves Trustee	0 80 1 00	X		X				0	0	0
(3) Margaret Irvine-Weir Chairperson	2 00 2 00	X		X				0	0	0
(4) Patrick Hampson Trustee	0 80 0 20	X						0	0	0
(5) David E Foreman Corporate Secretary	1 00 1 00	X		X				0	0	0
(6) Kathryn S Helfer Trustee	0 80 0 20	X						0	0	0
(7) Patti-Ann Kanterman Corporate Secretary	0 80 0 20	X		X				0	0	0
(8) Douglas K McClaine Trustee	0 80 0 20	X						0	0	0
(9) Robert M Smith PhD Trustee	0 80 0 20	X						0	0	0
(10) Dennis Demby MD Trustee	0 80 40 20	X						0	280,737	10,654
(11) Timothy Morgus Trustee	1 00 1 00	X						0	0	0
(12) Don Shamey Trustee	1 00 1 00	X						0	0	0
(13) Anne B Krebs Chief Financial Officer	40 00 15 00			X				386,041	0	81,932
(14) Stephanie Roskovski Chief Operating Officer	35 00 25 00				X			400,741	0	69,915

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) Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(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
(15) Karen Allen VP Patient Svc,CNO,	55 00 0 00					X		330,436	0	71,151
(16) A Thomas McGill MD VP Quality & Safety/CIO	40 00 15 00					X		507,306	0	94,913
(17) John C Reefer MD VP Prof Affairs & CMO	52 00 8 00					X		444,124	0	100,100
(18) Paula L Hooper VP General Counsel	30 00 26 00					X		374,639	0	63,703
(19) Thomas Genevro VP Facilities/Human Resour	45 00 10 00					X		289,867	0	59,475

		(D)	(E)	(F)
1b	**Sub-Total** ▶			
c	**Total from continuation sheets to Part VII, Section A** ▶			
d	**Total (add lines 1b and 1c)** ▶	3,463,187	280,737	769,707

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 ▶ 60

			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		No
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? *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
Metz Culinary Management Two Woodland Drive Dallas, PA 18612	Dietary	2,248,357
Butler Anesthesia Associates PO Box 737 East Butler, PA 16029	Anesthesiology	2,110,433
Quest Diagnostics 875 Greentree Road Pittsburgh, PA 152203610	Laboratory Services	1,688,367
Advanced Imaging PO Box 62395 Pittsburgh, PA 15241	Imaging Services	1,680,365
Three Rivers Cardiac 400 Holiday Drive Suite 101 Pittsburgh, PA 152203610	Cardiology	1,662,612

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 ▶ 23

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 532,733				
	e	Government grants (contributions)	1e 1,128,742				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f 339,981				
	g	Noncash contributions included in lines 1a-1f $					
	h	**Total.** Add lines 1a-1f . . . . ▶		2,001,456			
Program Service Revenue			Business Code				
	2a	Net Patient Revenue	621500	261,839,305	259,060,390	2,778,915	
	b						
	c						
	d						
	e						
	f	All other program service revenue					
	g	**Total.** Add lines 2a–2f . . . . ▶		261,839,305			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts) . . . . ▶		4,603,429		1,012	4,602,417
	4	Income from investment of tax-exempt bond proceeds . . ▶					
	5	Royalties . . . . ▶					
			(i) Real / (ii) Personal				
	6a	Gross rents					
	b	Less rental expenses					
	c	Rental income or (loss)					
	d	Net rental income or (loss) . . . . ▶					
			(i) Securities / (ii) Other				
	7a	Gross amount from sales of assets other than inventory					
	b	Less cost or other basis and sales expenses					
	c	Gain or (loss)					
	d	Net gain or (loss) . . . . ▶					
	8a	Gross income from fundraising events (not including $ ____ of contributions reported on line 1c) See Part IV, line 18 . .	a				
	b	Less direct expenses	b				
	c	Net income or (loss) from fundraising events . . ▶					
	9a	Gross income from gaming activities See Part IV, line 19 . . .	a				
	b	Less direct expenses	b				
	c	Net income or (loss) from gaming activities . . . ▶					
	10a	Gross sales of inventory, less returns and allowances .	a				
	b	Less cost of goods sold . .	b				
	c	Net income or (loss) from sales of inventory . . ▶					
		Miscellaneous Revenue	Business Code				
	11a	Other Income	900099	5,581,037	5,240,124	340,913	
	b	Retail Pharmacy	446110	1,603,243		1,603,243	
	c	Dietary	722210	1,474,090	1,474,090		
	d	All other revenue		1,943,042	1,763,587	179,455	
	e	**Total.** Add lines 11a–11d . . . . . . ▶		10,601,412			
	12	**Total revenue.** See Instructions . . . . . . ▶		279,045,602	267,538,191	4,903,538	4,602,417

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	53,900	53,900		
2 Grants and other assistance to domestic individuals See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	1,973,470		1,973,470	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	85,696,221	75,797,007	9,899,214	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	3,017,356	2,497,239	520,117	
9 Other employee benefits	15,770,993	13,358,450	2,412,543	
10 Payroll taxes	6,143,038	5,423,293	719,745	
11 Fees for services (non-employees)				
a Management				
b Legal	553,796	43,658	510,138	
c Accounting	58,541		58,541	
d Lobbying				
e Professional fundraising services See Part IV, line 17				
f Investment management fees				
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	7,466,849	4,859,162	2,607,687	
12 Advertising and promotion	920,055	6,898	913,157	
13 Office expenses	59,177,880	58,781,087	396,793	
14 Information technology	1,989,076	1,969,526	19,550	
15 Royalties				
16 Occupancy	5,441,503	5,287,212	154,291	
17 Travel	700,440	244,449	455,991	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	156,767	90,859	65,908	
20 Interest	4,478,008		4,478,008	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	11,804,469	5,487,877	6,316,592	
23 Insurance	1,838,361	29,773	1,808,588	
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 Purchased Services	15,859,988	12,604,414	3,255,574	
b Bad Debt	7,780,133	7,780,133		
c Miscellaneous	2,219,963	866,665	1,353,298	
d				
e All other expenses				
25 **Total functional expenses.** Add lines 1 through 24e	233,100,807	195,181,602	37,919,205	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		3,374	1	3,474
	2	Savings and temporary cash investments		39,755,032	2	49,872,670
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		34,037,803	4	34,412,893
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L			6	
	7	Notes and loans receivable, net		655,648	7	623,758
	8	Inventories for sale or use		3,164,628	8	3,166,024
	9	Prepaid expenses and deferred charges		2,743,937	9	3,005,674
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 323,751,236			
	b	Less accumulated depreciation	10b 201,587,278	126,051,608	10c	122,163,958
	11	Investments—publicly traded securities		99,787,641	11	118,603,717
	12	Investments—other securities See Part IV, line 11			12	
	13	Investments—program-related See Part IV, line 11		9,917,282	13	12,692,650
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		4,219,616	15	4,069,175
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		320,336,569	16	348,613,993
Liabilities	17	Accounts payable and accrued expenses		23,594,120	17	24,754,227
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities		150,900,327	20	157,296,700
	21	Escrow or custodial account liability Complete Part IV of Schedule D			21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L			22	
	23	Secured mortgages and notes payable to unrelated third parties			23	
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		6,689,891	25	10,053,543
	26	**Total liabilities.** Add lines 17 through 25		181,184,338	26	192,104,470
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		137,924,301	27	155,334,900
	28	Temporarily restricted net assets		1,227,930	28	1,174,623
	29	Permanently restricted net assets			29	
		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		139,152,231	33	156,509,523
	34	Total liabilities and net assets/fund balances		320,336,569	34	348,613,993

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	279,045,602
2	Total expenses (must equal Part IX, column (A), line 25)	2	233,100,807
3	Revenue less expenses Subtract line 2 from line 1	3	45,944,795
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	139,152,231
5	Net unrealized gains (losses) on investments	5	-1,140,072
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	-27,447,431
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	156,509,523

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

2015

Open to Public Inspection

Name of the organization
BUTLER HEALTHCARE PROVIDERS

Employer identification number
25-0965274

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 (Form 990 or 990-EZ))

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 331/3% 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 331/3% 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 (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						

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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) 2011	(b) 2012	(c) 2013	(d) 2014	(e) 2015	(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) 2011	(b) 2012	(c) 2013	(d) 2014	(e) 2015	(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 2015 (line 6, column (f) divided by line 11, column (f)) | 14 |

15 Public support percentage for 2014 Schedule A, Part II, line 14 | 15 |

16a **33 1/3% support test—2015.** 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—2014.** 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—2015.** 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—2014.** 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) 2011	(b) 2012	(c) 2013	(d) 2014	(e) 2015	(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) 2011	(b) 2012	(c) 2013	(d) 2014	(e) 2015	(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 2015 (line 8, column (f) divided by line 13, column (f))	15	
16	Public support percentage from 2014 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage

17	Investment income percentage for **2015** (line 10c, column (f) divided by line 13, column (f))	17	
18	Investment income percentage from **2014** Schedule A, Part III, line 17	18	

19a **33 1/3% support tests—2015.** 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—2014.** 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) ☐

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

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 2015 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-2015**	**(iii) Distributable Amount for 2015**
1 Distributable amount for 2015 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2015 (reasonable cause required--see instructions)			
3 Excess distributions carryover, if any, to 2015			
a			
b			
c			
d From 2013. . . . . . . ______			
e From 2014. . . . . . . ______			
f **Total** of lines 3a through e			
g Applied to underdistributions of prior years			
h Applied to 2015 distributable amount			
i Carryover from 2010 not applied (see instructions)			
j Remainder Subtract lines 3g, 3h, and 3i from 3f			
4 Distributions for 2015 from Section D, line 7 $ ______			
a Applied to underdistributions of prior years			
b Applied to 2015 distributable amount			
c Remainder Subtract lines 4a and 4b from 4			
5 Remaining underdistributions for years prior to 2015, if any Subtract lines 3g and 4a from line 2 (if amount greater than zero, see instructions)			
6 Remaining underdistributions for 2015 Subtract lines 3h and 4b from line 1 (if amount greater than zero, see instructions)			
7 **Excess distributions carryover to 2016.** Add lines 3j and 4c			
8 Breakdown of line 7			
a			
b			
c Excess from 2013. . . . . . . ______			
d From 2014. . . . . . . ______			
e From 2015. . . . . . . ______			

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

Facts And Circumstances Test

Return Reference	Explanation

SCHEDULE C (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

For Organizations Exempt From Income Tax Under section 501(c) and section 527
▶Complete if the organization is described below. ▶Attach to Form 990 or Form 990-EZ.
▶Information about Schedule C (Form 990 or 990-EZ) and its instructions is at *www.irs.gov/form990*.

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

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

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

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

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

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

Name of the organization	Employer identification number
BUTLER HEALTHCARE PROVIDERS	25-0965274

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

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

2 Political expenditures ▶ $

3 Volunteer hours

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

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

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

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

4a Was a correction made? ☐ Yes ☐ No

b If "Yes," describe in Part IV

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

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

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

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

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

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

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds If none, enter -0-	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization If none, enter -0-
2				
3				
4				
5				
6				

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

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

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

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)	**(a) Filing organization's totals**	**(b) Affiliated group totals**
1a Total lobbying expenditures to influence public opinion (grass roots lobbying)		
b Total lobbying expenditures to influence a legislative body (direct lobbying)		
c Total lobbying expenditures (add lines 1a and 1b)		
d Other exempt purpose expenditures		
e Total exempt purpose expenditures (add lines 1c and 1d)		
f Lobbying nontaxable amount Enter the amount from the following table in both columns		

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

	(a)	(b)
g Grassroots nontaxable amount (enter 25% of line 1f)		
h Subtract line 1g from line 1a If zero or less, enter -0-		
i Subtract line 1f from line 1c If zero or less, enter -0-		

j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?

☐ Yes ☐ No

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

Lobbying Expenditures During 4-Year Averaging Period

Calendar year (or fiscal year beginning in)	**(a)** 2012	**(b)** 2013	**(c)** 2014	**(d)** 2015	**(e)** Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

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

For each "Yes" response on lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity		(a) Yes	(a) No	(b) Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?		No	
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		No	
c	Media advertisements?		No	
d	Mailings to members, legislators, or the public?		No	
e	Publications, or published or broadcast statements?		No	
f	Grants to other organizations for lobbying purposes?		No	
g	Direct contact with legislators, their staffs, government officials, or a legislative body?		No	
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	Other activities?	Yes		3,600
j	Total Add lines 1c through 1i			3,600
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

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

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

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

Part IV Supplemental Information

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

Return Reference	Explanation
Part II-B, Line 1	A portion of the annual dues paid to Hospital Council of Western Pennsylvania are used for lobbying

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," on 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*.

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Open to Public Inspection

Name of the organization
BUTLER HEALTHCARE PROVIDERS

Employer identification number
25-0965274

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.
Complete if the organization answered "Yes" on 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" on 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, handling of violations, and enforcing conservation easements during the year
▶______________

7 Amount of expenses incurred in monitoring, inspecting, handling of violations, 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" on 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 on 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 on 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" on 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	b (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 on 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" on 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		2,577,581		2,577,581
b Buildings		87,598,717	40,694,267	46,904,450
c Leasehold improvements		7,835,041	4,825,208	3,009,833
d Equipment		213,192,236	149,683,597	63,508,639
e Other		12,547,661	6,384,206	6,163,455
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c))* . . . . ▶				122,163,958

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

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

Part VIII Investments—Program Related.
Complete if the organization answered 'Yes' on 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' on Form 990, Part IV, line 11d See Form 990, Part X, line 15

(a) Description	(b) Book value
Total. *(Column (b) must equal Form 990, Part X, col (B) line 15)* . . . . ▶	

Part X Other Liabilities. Complete if the organization answered 'Yes' on 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	
Pension	8,284,028
Third Party Settlements	1,769,515
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	10,053,543

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' on Form 990, Part IV, line 12a.

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

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

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

Part XIII Supplemental Information

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

Return Reference	Explanation

Part 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" on 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

2015

Open to Public Inspection

Name of the organization
BUTLER HEALTHCARE PROVIDERS

Employer identification number
25-0965274

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	3a	Yes	
	☐ 100% ☐ 150% ☑ 200% ☐ Other ______ %			
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	3b	Yes	
	☐ 200% ☐ 250% ☑ 300% ☐ 350% ☐ 400% ☐ Other ______ %			
c	If the organization used factors other than FPG in determining eligibility, describe in Part VI the criteria used for determining eligibility for free or discounted care Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care			
4	Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	4	Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a	Yes	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	5b		No
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligibile for free or discounted care?	5c		
6a	Did the organization prepare a community benefit report during the tax year?	6a	Yes	
b	If "Yes," did the organization make it available to the public?	6b	Yes	

Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)			3,573,036		3,573,036	1 590 %
b Medicaid (from Worksheet 3, column a)			27,595,451	20,457,939	7,137,512	3 170 %
c Costs of other means-tested government programs (from Worksheet 3, column b)			0	0		
d **Total** Financial Assistance and Means-Tested Government Programs			31,168,487	20,457,939	10,710,548	4 760 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			107,660	0	107,660	0 050 %
f Health professions education (from Worksheet 5)			190,092	0	190,092	0 080 %
g Subsidized health services (from Worksheet 6)			11,768,370	7,734,294	4,034,076	1 790 %
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)			131,401	0	131,401	0 060 %
j **Total.** Other Benefits			12,197,523	7,734,294	4,463,229	1 980 %
k **Total.** Add lines 7d and 7j			43,366,010	28,192,233	15,173,777	6 740 %

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						
4	Environmental improvements						
5	Leadership development and training for community members						
6	Coalition building						
7	Community health improvement advocacy						
8	Workforce development						
9	Other						
10	**Total**						

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** 7,650,000

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** 4,131,000

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** 34,687,336

6 Enter Medicare allowable costs of care relating to payments on line 5 . . . . . **6** 35,642,633

7 Subtract line 6 from line 5 This is the surplus (or shortfall) . . . . **7** -955,297

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	1 Butler Physicians Realty LLC	Leases medical office space	15 790 %	10 530 %	
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					

Part V Facility Information

Section A. Hospital Facilities (list in order of size from largest to smallest—see instructions) How many hospital facilities did the organization operate during the tax year? 1 Name, address, primary website address, and state license number (and if a group return, the name and EIN of the subordinate hospital organization that operates the hospital facility)		Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	**Other (Describe)**	**Facility reporting group**
	See Additional Data Table										

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices

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

Name of hospital facility or letter of facility reporting group Butler Memorial Hospital

Line number of hospital facility, or line numbers of hospital facilities in a facility reporting group (from Part V, Section A): 1

			Yes	No
Community Health Needs Assessment				
1	Was the hospital facility first licensed, registered, or similarly recognized by a state as a hospital facility in the current tax year or the immediately preceding tax year?	1		No
2	Was the hospital facility acquired or placed into service as a tax-exempt hospital in the current tax year or the immediately preceding tax year? If "Yes," provide details of the acquisition in Section C	2		No
3	During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 12	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 20 15			
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	
6 a	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) http //www butlerhealthsystem org/InTheCommunity/Pages/Community-Health-Ass			
b	☐ Other website (list url)			
c	☑ Made a paper copy available for public inspection without charge at the hospital facility			
d	☐ Other (describe in Section C)			
8	Did the hospital facility adopt an implementation strategy to meet the significant community health needs identified through its most recently conducted CHNA? If "No," skip to line 11	8	Yes	
9	Indicate the tax year the hospital facility last adopted an implementation strategy 20 15			
10	Is the hospital facility's most recently adopted implementation strategy posted on a website?	10	Yes	
a	If "Yes" (list url) http //www butlerhealthsystem org/InTheCommunity/Pages/Community-Health-Ass			
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" on line 12a, did the organization file Form 4720 to report the section 4959 excise tax?	12b		
c	If "Yes" on 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)*

Financial Assistance Policy (FAP)

Name of hospital facility or letter of facility reporting group Butler Memorial Hospital

			Yes	No
	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 000000000000 % and FPG family income limit for eligibility for discounted care of 300 000000000000 %			
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) http //www butlerhealthsystem org/AboutBHS/Pages/Policies aspx			
b	☑ The FAP application form was widely available on a website (list url) http //www butlerhealthsystem org/AboutBHS/Pages/Policies aspx			
c	☑ A plain language summary of the FAP was widely available on a website (list url) http //www butlerhealthsystem org/AboutBHS/Pages/Policies aspx			
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

			Yes	No
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)*

Name of hospital facility or letter of facility reporting group Butler Memorial Hospital

			Yes	No
19	Did the hospital facility or other authorized 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 19 (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

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? 2

	Name and address	Type of Facility (describe)
1	1 - Butler Healthcare Providers SNF One Hospital Way Butler, PA 16001	Skilled Nursing Facility
2	2 - Butler Healthcare Providers Psych One Hospital Way Butler, PA 16001	Psychiatric and Chemical Dependency
3		
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
Part I, Line 7	The costing methodology is based on the ratio of cost to charges from our Butler Memorial Hospital's accounting system

Form and Line Reference	Explanation
Part I, Ln 7 Col(f)	The Bad Debt expense included on Form 990, Part IX, Line 25, Column (A), was subtracted for purposes of calculating the percentage in this column is $7,780,132

Form and Line Reference	Explanation
Part II, Community Building Activities	Supporting those in need Our Charity Care and Community Benefit BMH provides free care to those patients who have an obligation after insurance payments, if any The amount of fre e care is determined based on the patient's income and family size Free care is provided to those with incomes up to 300% of the Federal Poverty Guideline To inform patients of th is program, signs are posted in all the registration areas notifying the public of the ava ilability of our free care program More information is available in the Patient Handbook and on the System website www butlerhealthsystem org on the "About BHS" page At the time of registration, any patient who is uninsured is given a "Patient Notice of Financial Aid notice The notice instructs the patient to call or visit the Patient Financial Assistance Department to seek more information about how to qualify for free or discounted care The monthly collection statements that are mailed to patients inform them that they may contac t the Patient Financial Assistance Department to discuss their eligibility for free care Financial representatives receive and make many calls to the patients During the calls, f inancial representatives will discuss with the patients the availability of free care prog rams and will mail out applications to patients wanting to apply BMH also contracts with representatives to assist patients in applying for Medical Assistance coverage These repr esentatives will also discuss with patients the availability of free care, especially for those who may not be eligible for the government healthcare plan Government Program Subsid iesIn addition to providing free and discounted care to uninsured patients or patients tha t need financial help, BMH subsidizes the difference between the costs of care and the amo unt paid by government-sponsored programs such as Medicare and Medicaid Last year, that a mounted to more than $8 1 million As provisions of the Patient Protection and Affordable Care Act are implemented, BMH expects this burden on our patients and the health system to increase To that end and to remain a viable healthcare provider to our community, BMH co ntinually evaluates ways to keep costs low and maintain high quality Billing and Collecti onsBMH is diligent in providing bills that are accurate and easy to understand Every bill and statement includes information about how to contact financial representatives and arr ange payment plans BMH is committed to finding ways to help every patient pay the portion of their bill they are responsible for without experiencing an overwhelming financial bur den In addition to making the billing process easy to understand and ensuring ready acces s to charity care and financial assistance, upon request BMH will provide cost information to patients, in advance of services or treatment Providing Needed Care and Services Plays a Critical Role in Meeting Patient Needs Butler Memorial Hospital subsidizes many of the critical services it offers, such as the Transitional Care Facility, Family Services, obst etrical services, psychiatric services, prevention and wellness services, and primary care services offered through our physician clinics Last year, BMH provided $4,034,076 in sub sidized care and services BMH actively supports the Community Health Clinic It provides f inancial support as well as operational and technical support for many of the diagnostic s ervices provided at the Clinic Many BMH physicians and employees volunteer time to treat patients at the Clinic Building Our Community Strengthening the community is a responsibil ity for all local businesses and something the System takes very seriously For example, t he System offers space for meetings and community education, the System helps local reside nts escape violent situations, the System employees volunteer to help those in need, the S ystem provides education to new and expectant parents, and the System provides community h ealth outreach and patient advocacy Opening System Facilities for Local MeetingsThe Knowl edge Center at Butler Memorial Hospital offers modern meeting and education space for loca l and regional conferences Last year, the System hosted the seventh annual Carol Dietrich Memorial Health Symposium to physicians, nurses and other providers, entitled "Opiates Concepts and Controverssies" The day-long program provided a variety of high quality progr ams at no cost to participants Through its accredited Continuing Medical Education Depart ment, Butler Memorial Hospital also offers a series of programs which are made available t o health care professionals throughout the region In cooperation with local institutions such as Slippery Rock University and Butler County Community College, as well as others th roughout Butler County and the region, BMH is fully-committed to maintaining high-quality professional health education for students and practitioners alike Classroom space is pro vided for programs within the Knowledge Center, an

Form and Line Reference	Explanation
Part II, Community Building Activities	d students are given real-life clinical experience as they work with staff in the care and treatment of patients BMH works closely with local school districts in supporting high s chool health occupation programs The Simulation Laboratory is available for seminars that give students hands-on experience, exposing them to the highly complex world of health ca re delivery

Form and Line Reference	Explanation
Part III, Line 4	Patient accounts receivable are reported at estimated net realizable value after deduction of allowances for doubtful accounts The allowance for doubtful accounts is based on historical losses and an analysis of currently outstanding amounts for its major payor sources Management regularly reviews data about these major payor 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 Hospital analyzes contractually due amounts and provides an allowance for doubtful accounts and a provision for bad debts, if necessary (for example, for expected uncollectible deductibles and copayments on accounts for which the third-party payor has not yet paid) For receivables associated with self-pay patients (which includes both patients without insurance and patients with deductible and payment balances due for which third-party coverage exists for part of the bill), the Hospital records a significant portion 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 discounted rates if negotiated) and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for doubtful accounts The costing methodology is based on the ratio of cost to charges from our Butler Memorial Hospital's accounting system

Form and Line Reference	Explanation
Part III, Line 8	The cost used to determine the Medicare payment shortfall comes from the CMS required filing of the Medicare cost report The methodology uses a ratio of cost to charges to determine the cost assigned to the Medicare services Butler Memorial Hospital is committed to serving the healthcare needs of all members of our community We consider the revenue shortfall from the Medicare program payments to be part of our community contribution

Form and Line Reference	Explanation
Part III, Line 9b	Patients who have previously applied and been approved for our charity care program are automatically qualified for any additional services provided over the next six months after application approval We also will presumptively qualify patients for charity care if they meet criteria such as being food stamp eligible and qualifying for Section 8 housing

Form and Line Reference	Explanation
Part VI, Line 2	Executive SummaryButler Memorial Hospital (BMH) is proud to serve our community In furthe rance of our charitable mission, BMH provided over $16 1 million in support in the form of charity care, unreimbursed care, community health improvement, health education, subsidiz ed services and contributions to community organizations This support accounts for over 6 74% of total expenses BMH demonstrates its commitment by improving the overall health of our community through the operation of an efficient and effective health care system and by actively supporting appropriate community services Summary of Services and Community S upportHelping People to Live Better, Every DayAt Butler Memorial Hospital, a key goal is t o strengthen the health and well-being of the community BMH understand that as a sole com munity hospital it plays an important role in the health of Butler County residents This role is taken very seriously Last year, BMH provided over $16 1 million in total communit y benefit support This accounts for over 6 74% of our total expenses The services BMH pr ovides are essential to not only the community's overall health, but also to the quality o f life of every resident Butler Health SystemButler Memorial Hospital has a sole corporat e member, Butler Health System ("System") Butler Health System is an integrated health or ganization serving a multi-county area in western Pennsylvania It employs more than 192 p hysicians and midlevels with another 201 on active medical staff Its scope includes acute hospital care, ambulatory care, urgent care, and a network of laboratory services to more than 150 clients Primary community health care The 296-bed general acute care Hospital provides essential services to the community including emergency services, surgical intens ive care, medical intensive care, geriatric and adult psychiatry, chemical dependency, and obstetrics (with 949 deliveries in fiscal year 2016) Inpatient and acute observation pat ients account for approximately 18,260 admissions each year The Emergency Department trea ted 48,448 patients last year All major specialties and consultants are available, includ ing general surgery, orthopedics, neurology, pathology, anesthesia, radiology, pulmonary/c ritical care medicine, cardiology, urology, otolaryngology, gastroenterology, ophthalmolog y, palliative care, electrophysiology, endocrinology, neurosurgery, radiation and medical oncology, and a hospitalist service A 25-bed skilled nursing unit is also located within the hospital building The Skilled Nursing Facility provides a safety net by treating pati ents with more complex and costly to treat conditions that other skilled nursing facilitie s often may not care for The Hospital also offers a broad range of community programs off -site including Family Services Center, focused on psycho-social issues that affect famili es and the health of the home Tertiary care Over the years, the Hospital has continued to expand the scope and depth of tertiary services so residents have access to services loca lly without the need for patients and families to travel to Pittsburgh These services inc lude open heart surgery (with 332 cases in fiscal year 2016), electrophysiology services, thoracic and vascular surgery, advanced orthopedics, palliative care, endocrinology, radia tion and medical oncology, neurosurgery and spine surgery The Hospital's goal is to expan d services throughout its service areas so that its community has access to the highest qu ality tertiary services matching or exceeding the levels of care provided in Pittsburgh ho spitals at a reasonable cost BMH costs are typically lower than Pittsburgh hospitals prov iding an identical service This range and complexity of service is not offered by any oth er entity in Butler County Ambulatory ExpansionSince 1999, the System has recognized and e mbarked upon the necessity for an available, low-cost, high-quality, ambulatory network T his network now includes over 60 convenient locations where regional residents can access a broad range of services This network of services continues to grow, with locations in s ix counties In addition to serving Butler County, services have been expanded in Lawrence , Venango, Mercer, Clarion and Armstrong Counties A comprehensive array of ambulatory ser vices is available where patients can access advanced imaging, cardiac testing, wellness, primary care, specialty care and walk-in/urgent care, often providing a continuum of servi ces just short of acute inpatient care The BHS Crossroads Campus, which is approximately one-half mile from the Hospital, serves as the System's largest ambulatory location The o riginal building houses the Cardiovascular and Musculoskeletal Centers Due to the growth in the System's services, in November 2015, a new medical office building was opened This campus now houses cardiology testing, medical and interventional cardiologists, cardiovas cular surgeons, electrophysiologists, neurosurgeon

Form and Line Reference	Explanation
Part VI, Line 2	s, orthopedic surgeons, laboratory/x-ray/pre-admission testing, pulmonology, general surge ry, women's imaging, obstetricians/gynecologists, medical oncologists, palliative care and endocrinology In addition, the System has four urgent care centers These urgent care ce nters are strategically located in the Hospital's primary and secondary markets The urgen t care centers were created as a joint venture with the Hospital's emergency room physicia ns The System focuses on strong relationships with the medical staff This joint venture is one example of the partnerships developed with physicians Another example of the System engaging with physicians is the development of a Provider Hospital Organization (PHO) in 2015 Participants of this PHO include both employed and independent members of the Butler Memorial Hospital Medical Staff The PHO is a vehicle that will allow the Hospital and it s physician partners to work collaboratively to provide high level, cost effective care to the patients of the communities in which we service in a manner that results in an except ional experience Surrounding our services, are a robust complement of primary and specialt y physicians These physicians include family practice, internal medicine, adult and pedia tric hospitalist, intensivist, radiation oncology, pathology, palliative care, electrophys iology, endocrinology, neurology, cardiology, oncology, surgery, orthopedics, radiology, g ynecology/obstetrics, infectious disease and dermatology Providing convenient care with a positive experience is the focus of such physician practices With 192 physician and mid- level providers in over 60 offices covering six counties, these providers offer office vis its and testing close to home while referring inpatient business to the Hospital

Form and Line Reference	Explanation
Part VI, Line 3	Community Health AssessmentButler Memorial Hospital (BMH) has conducted Community Health A ssessments for over 20 years to guide resource allocation and service development Past ma jor initiatives that have been started or programs that have received ongoing support due to the recognized community needs have been Maternal Services Program 1990Family First (su pport) 1992Mammography Outreach 1996Women's Imaging Center 1999Cardiovascular Surgery 1999 Best Practices Stroke Care 2005Community Hospital Comprehensive Cancer Program 2006Tumor R egistry 2006Community Health Clinic (support) 2008Pediatric Hospitalist Program 2012Lung C ancer Screening 2014"The BMH Committee" has used numerous data sources to identify gaps or unmet community health needs These are prioritized to address needs that may have the gr eatest impact on overall health status of the populations affected Previously Identified a nd Ongoing Obesity and Lack of Exercise Obesity and lack of exercise are associated with Type 2 Diabetes Obesity is a national phenomenon There is little evidence that community level interventions have a significant impact on obesity The geography and population de nsity of Butler County require that most residents drive or ride to work, school, and to n early all destinations for shopping For instance, in the Behavioral Risk Factor Surveilla nce Study, 39 to 40% of respondents report a long commute to work In 2010 25% of county r esidents were obese, in 2015 30% were obese, this is consistent with national trends From 2011 to 2012 the percent reporting physical inactivity fell from 24% to 23% but physical inactivity has remained steady at 23% for the last 4 years in spite of more access to exer cise from 72% to 79% between 2014 and 2015 A recent report by Raj Chetty in JAMA suggeste d that location of residence and thus local policy might have an impact on health separate ly from income The Committee will monitor this topic to see if this observation is proven to be substantiated by other investigators (http //www nytimes com/interactive/2016/04/1 1/upshot/where-the-poor-live-longer-how-your-area-compares html?_r=0)Cancer Cancer remain s the leading cause of premature death in Butler County Lung Cancer and breast cancer are the two most common types of cancer causing premature death Cancer screening programs ar e in place for these two diseases The Cancer Committee monitors the performance and outco mes of these programs These are also reported by BMH at its annual community report New T opics Asthma In Children Is associated with adult smoking and particulate air pollution 1 8-19% of adults smoke, Butler County has the second highest level of small particulate air pollution (PM 2 5) in Pennsylvania Particles less than 2 5 microns are not filtered by t he upper airway defense systems and reach the lung and are absorbed into the body School nurses identify asthma as the leading chronic health condition for which they oversee medi cation administration or use at school Reliable access to medication is a problem that sc hool nurses identify for a segment of the children in school Maternal Fetal Health Countyw ide maternal fetal health statistics have shown a small decline in the health of this popu lation after many years of steady improvement A county has many neighborhoods and subgrou ps BMH has engaged an epidemiologist to perform an investigation to understand this chang e in long term trends with a focus on identifying areas that may benefit from targeted out reach High Rates of Osteoporosis Fractures While there has been an improvement in hip fra ctures in women over 65 since 2003, Butler County has a relatively high rate of hip fractu res in this population group A hip fracture requires surgery, may ultimately be fatal, li mits mobility and may force the person to leave their home Low Rates of Early Childhood Im munization Early Childhood immunization rates in Butler County are lower than Pennsylvania averages Pennsylvania is lower than US national rates By 7th grade Butler County childr en are up-to-date on their immunizations Barriers to immunizations based on time, transpo rtation and money are part of this problem Opioid Overdose Epidemic National and State Aut horities across the country have identified opioid addiction and overdoses as a national c risis BMH will fully participate in these programs as they apply to physician education a nd best practices and patient education Achieving Quality Measure in Patient CareButler He alth System offers exceptional quality of care and has been recognized for superior clinic al excellences Achieved 4 STARS rating and Physician Quality Report System PQRS goals as identified by payors, 2016 American Heart Association/American Stroke Association's"Get W ith the Guidelines Stroke" recognized the System as Gold Plus Quality Achievement Award wi th Target Stroke Honor roll Elite American College of Radiology designated BHS a Lung Can cer Screening Center Intersocietal Accreditation

Form and Line Reference	Explanation
Part VI, Line 3	Commission accreditation echocardiograph all six sites Society of Cardiovascular Patient Care gave a three year accreditation to BHS as a Chest Pain Center with Percutaneous Coron ary Intervention US Department of Health and Human Services has awarded a $200,000 grant to Butler Health System and Madison, WI based Wellbe as part of the Rural Health Care Serv ices Outreach Grant program to support diabetes self-management using online patient engag ement The Women's Choice Award named the System as one of America's Best Hospitals for Pat ient Safety, and one of America's Best for Emergency and Orthopedic care (3 years) BHS wa s chosen by the state of Pennsylvania to be a Center of Excellence for Opioid Use/Disorder s Enhancing our Services to the CommunityNewly Renovated Women's Imaging Center including Breast Tomosynthesis unit and Radioactive Seed Localization ProcedureWe implemented this technology in December 2015 In the past 12 months we have screened 10,479 patients and ha ve diagnosed 124 cancers The new 3D Breast Tomosynthesis technology has been shown to be superior to digital mammography because it allows doctors to examine breast tissue one lay er at a time As part of an annual screening, 3D Breast Tomosynthesis may be used in conju nction with traditional digital mammography in order to capture more breast images This t echnology is helping physicians find very small cancers and reduce the number of women cal led back for diagnostic mammograms each year Recent studies have shown about a 30% increa se in cancer detection and a 15% decrease in women recalled for additional imaging Radioa ctive Seed Localization Procedure- This procedure utilizes small radioactive seed implante d by the radiologist to localize the lesion for the surgeon The use of this radioactive s eed in lieu of the standard wire localization approach reduces incidence of positive margi ns, allowing for improved surgical approach and removal of lesion

Form and Line Reference	Explanation
Part VI, Line 4	Hybrid OR Suite/TAVR ProgramWe built a hybrid operating room suite This is a surgical the atre that is equipped with advanced medical imaging devices The last few years have seen a paradigm shift in the treatment of cardiovascular-related diseases, from once traditiona l open surgical modalities to the entire cardiovascular tree being amenable to percutaneou s interventions The tremendous advances in transcatheter endovascular procedures currentl y being applied to the heart and the peripheral vasculature have resulted in a treatment p aradigm shift in the care of the cardiovascular patient To allow these procedures, operat ing rooms with integrated x-ray imaging capabilities have to be installed A fully integrat ed interventional suite combines surgical sterility with flat-panel cardiovascular imaging , a linked workstation, post processing and storage facilities Supportive equipment is av ailable in the room, includes patient monitoring, anesthesia, intravascular ultrasound, th ree-dimensional (3D) transesophageal echocardiogram or rotational angiography The ability for open conversion or hybrid intervention, as well as endovascular supplies and devices, are all located within the hybrid OR suite The new Hybrid OR suite provided the platform to perform transcatheter aortic valve replacement procedures This is a minimally invasiv e surgical procedure in which the Aortic heart valve is repaired without removing the old, damaged valve, instead it wedges a replacement valve into the aortic valves place Usuall y valve replacement requires an open heart procedure with a "sternotomy", in which the che st is surgically separated (open) for the procedure The TAVR or TAVI procedures can be do ne through very small openings that leave all the chest bones in place The TAVR procedure is performed using one of two different approaches, allowing the cardiologist or surgeon to choose which one provides the best and safest way to access the valve Entering through the femoral artery (large artery in the groin), called the transfemoral approach, which do es not require a surgical incision in the chestor using a minimally invasive surgical appr oach with a small incision in the chest and entering through a large artery in the chest o r through the tip of the left ventricle (the apex), which is known as the transapical appr oach We began our program in Sept 2016 and have performed 56 TAVR procedures to date Pall iative CareButler Memorial Hospital added palliative care services in 2015 to our broad ar ray of specialties Palliative care service was initially offered to people suffering seri ous illness who were being treated as an inpatient of the hospital In 2016, the service w as expanded to include outpatient services An additional physician and office offers pati ents continued care and allows primary care doctors to refer other seriously ill patients and families Assertive Community Treatment (ACT)Butler Memorial Hospital, in working with local agencies, is now staffing a much needed service The Assertive Community Treatment, or ACT, is a way of delivering a full range of services to people who have been diagnosed with a serious mental illness ACT's goal is to give consumers outstanding community care and to help them have a life that is not dominated by their mental illness With ACT, con sumers get help taking care of their basic needs, from taking medications to getting out a nd getting through the day ACT teams work closely with consumers to see which medications and therapies work best for them They help consumers find housing, apply for food stamps , go back to school or get a job and become productive members of society The ACT team ha s been successful in reducing the number of hospitalized days for clients in our region Th e Patient and Family Advisory CouncilAs part of BMH's commitment to excellent service, The Patient and Family Advisory Council was formed in September of 2014 The Committee is mad e up of former patients and a few BMH employees The Committee is dedicated to strengtheni ng collaboration between patients, family members and the health care team The System wan ts to assure we are providing patient-centered care and believes the patients are the righ t people to provide direction on what is most important to patients Since its inception, the Committee has provided valuable input to many initiatives, including but not limited t o the Patient Handbook, the System website, Emergency Room waiting experience, quiet at n ight, patient experience video and call bell response time The Patient and Family Advisory Council approved the implementation of two service improvement projects First, a support group for patients with cardiac disease and secondly, a patient information privacy code system to allow family to obtain patient information and protect patient privacy The new support group for cardiac patients, Heart and Soul, was designed, implemented and meets re gularly and provides emotional support to those wh

Form and Line Reference	Explanation
Part VI, Line 4	o have experienced cardiac disease The patient information privacy code was implemented i n May of 2016 24 Hour Electroencephalographic (EEG) video monitoringA 24 hour electroencep halographic video monitoring service was implemented to improve inpatient outcome by permi tting accurate diagnoses and modified therapy of seizure disorders for in-patients This p rocedure is widely regarded as safe and effective for evaluating seizures disorders The A merican Epilepsy Society has stated that this technique is the method of choice for the ev aluation of intractable and/or undiagnosed seizure disorders Additionally, many studies h ave reported the usefulness of this technique, and recommended its use for the diagnosis o f psychogenic seizures Electroencephalographic (EEG) video monitoring medically necessary for the following indications, where the diagnosis cannot be made by neurological examina tion, standard EEG studies, and ambulatory EEG monitoring, and non-neurological causes of symptoms (e g , syncope, cardiac arrhythmias) have been ruled out To differentiate epilep tic events from psychogenic seizures, or to establish the first diagnosis of a seizure dis order, or to establish the specific type of epilepsy in poorly characterized seizure types where such characterization is medically necessary to select the most appropriate therape utic regimen Interventional Neurology Services Interventional Neurology Services added a B iPlane Imaging Interventional Procedure Lab in 2014 Treatment of Cerebral Vascular Aneury sm Endovascular Coiling Studies have shown that patients with a ruptured aneurysm tend to do better in the long term after a coiling procedure A coiling procedure is performed as an extension of the angiogram Most elective patients will go home the next day after surg ery and are back to normal activities the following day Interventional Radiology Cancer T reatments Yttrium-90 treatment of nonresectable liver cancer, was implemented in 2014 Int erventional radiologists use intra-arterial yttrium-90 (Y-90) radioembolization, to treat liver cancer Studies show that treating liver tumors with doses of Y-90, provides results when chemotherapies have failed, preserves the patient's quality of life, and can be done on an outpatient basis Radioembolization is a minimally invasive procedure that combines embolization and radiation therapy to treat liver cancer It can help extend the lives of patients with inoperable tumors and improve their quality of life Electrophysiology Cryoa blation ProceduresElectrophysiology Cryoablation Procedures were implemented in 2015 Cryo ablation is a therapy that uses the removal of heat from tissue to treat cardiac arrhythmi as

Form and Line Reference	Explanation
Part VI, Line 5	Employees in the CommunityEvery year, the System and its employees support a variety of community support programs These include the Caring Angel Program, the United Way, the American Heart Association, the American Cancer Society, the Butler YMCA and the March of Dimes In addition to these activities, employees participate in a variety of community service initiatives, such as Habitat for Humanity, Doctors without Borders, Ride for the Cure, Produce to the People and local student mentoring programs SummaryThe System physicians, nurses, employees, volunteers and volunteer leadership maintain deep connections to the communities they serve They live and work in the multi-county area that Butler Health System serves, and they are acutely aware of the needs of residents As a tax-exempt charitable organization, The System is careful to manage its resources to meet the current and future healthcare needs of residents BHS is proud of its independence and pledges to always strive to provide high quality, low cost care in a comfortable and supporting environment

Form and Line Reference	Explanation
Part VI, Line 6	This organization is not part of an affiliated health care system Part VI, Line 3 There are signs posted in all registration areasindicating that free care is provided to those people in need Information is provided to all self pay patients at time ofregistration indicating that help is available if the patient meets thecriteria A notice is also posted on the hospital's web site Eachpatient statement that is mailed out has a notice of the availabilityof free care and how to apply The Hospital provides assistance topatients to determine if they are eligible for the Pennsylvania MedicalAssistance program The Patient Financial Assistance staff notifiespatients of the availability of free care during phone conversationsabout the collection of balances due Part VI,Line 5 A majority of the Governing Body of Butler MemorialHospital reside in our primary service area Per the Corporate Bylaws60% of the Trustees must work or reside in the service area Medical Staff Privileges are offered to all qualified physicianssubject to the recommendation of the Hospital Medical Staff and incompliance with the policies of the Board of Trustees Currently 283physicians, podiatrists and dentists hold privileges on the ButlerMemorial Hospital Medical Staff Privileges are offered based onqualifications and community need without regard to other factors suchas race, sex, color, creed, or national origin Annually, Butler Memorial Hospital establishes operating and capitalbudgets designed to efficiently allocate funds for its ongoingoperation and for the additional investment in new and replacementpatient care equipment, plant and infrastructure, and technology Uponpreparation by management staff the final budget is presented forapproval by the Board of Trustees

Additional Data

Software ID:
Software Version:
EIN: 25-0965274
Name: BUTLER HEALTHCARE PROVIDERS

Form 990 Schedule H, Part V Section A. Hospital Facilities

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		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**
1	Butler Memorial Hospital One Hospital Way Butler, PA 160014670 www butlerhealthsystem org 023-701	X	X					X			

efile GRAPHIC print - DO NOT PROCESS	As Filed Data -	DLN: 93493135063967

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," on 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

2015

Open to Public Inspection

Name of the organization
BUTLER HEALTHCARE PROVIDERS

Employer identification number
25-0965274

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" on 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) Community Health Clinic of Butler County 103 Bonnie Drive Butler, PA 16002	20-4852135	501 (c) (3)	53,900				General Support to provide medical care of indigent patients

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

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

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

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

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

Return Reference	Explanation
Part I, Line 2	The organization's bylaws control the contributions that can be made and the process related to such

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" on 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

2015

Open to Public Inspection

Name of the organization
BUTLER HEALTHCARE PROVIDERS

Employer identification number
25-0965274

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 on 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		
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, officers, including the CEO/Executive Director, regarding the items checked in line 1a?	2		
3	Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director Check all that apply Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III ☑ Compensation committee ☐ 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 on Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization			
a	Receive a severance payment or change-of-control payment?	4a		No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	Yes	
c	Participate in, or receive payment from, an equity-based compensation arrangement? If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III	4c		No
	Only 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.			
5	For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of			
a	The organization?	5a		No
b	Any related organization? If "Yes," on line 5a or 5b, describe in Part III	5b		No
6	For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of			
a	The organization?	6a		No
b	Any related organization? If "Yes," on line 6a or 6b, describe in Part III	6b		No
7	For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7	Yes	
8	Were any amounts reported on 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" on 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 on 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 on prior Form 990
		(i) Base compensation	**(ii)** Bonus & incentive compensation	**(iii)** Other reportable compensation				
1 Kenneth P DeFurio President & CEO	**(i)**	524,020	160,655	45,358	176,114	41,750	947,897	0
	(ii)	0	0	0	0	0	0	0
2 Dennis Demby MDTrustee	**(i)**	0	0	0	0	0	0	0
	(ii)	158,444	103,068	19,225	0	10,654	291,391	0
3 Anne B Krebs Chief Financial Officer	**(i)**	294,509	73,263	18,269	52,749	29,183	467,973	0
	(ii)	0	0	0	0	0	0	0
4 Stephanie Roskovski Chief Operating Officer	**(i)**	305,716	76,019	19,006	45,923	23,992	470,656	0
	(ii)	0	0	0	0	0	0	0
5 Karen Allen VP Patient Svc,CNO,	**(i)**	249,588	62,676	18,172	32,591	38,560	401,587	0
	(ii)	0	0	0	0	0	0	0
6 A Thomas McGill MD VP Quality & Safety/CIO	**(i)**	378,067	95,451	33,788	64,927	29,986	602,219	0
	(ii)	0	0	0	0	0	0	0
7 John C Reefer MD VP Prof Affairs & CMO	**(i)**	333,450	84,635	26,039	60,054	40,046	544,224	0
	(ii)	0	0	0	0	0	0	0
8 Paula L Hooper VP General Counsel	**(i)**	284,007	72,509	18,123	24,702	39,001	438,342	0
	(ii)	0	0	0	0	0	0	0
9 Thomas Genevro VP Facilities/Human Resour	**(i)**	220,540	55,734	13,593	20,797	38,678	349,342	0
	(ii)	0	0	0	0	0	0	0

Part III Supplemental Information

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

Return Reference	Explanation
Part I, Line 4b	4 (b) The organization utilizes a Supplemental Executive Retirement Program (SERP) to recruit and retain leadership talent Vesting periods are 5 and 10 years, and for all executives, with the exception of the President/CEO, at age 65 The thrid vesting period for the president/CEO is age 60 Eligible executives receive distributions upon reaching the vesting periods All contributions to the SERP have been reported previously and are reported annually The annual accrual amounts for calender year 2015 were Kenneth P DeFurio, 153,158, Anne B Krebs 35,166, Stephanie J Roskovski 36,489, A Thomas McGill MD 45,817, John C Reefer MD 40,625, Paula L Hooper 20,302, Karen A Allen 17,549, Thomas A Genevro 15,605
Part I, Line 7	Employees are eligible and received bonus compensation Bonuses are not guaranteed and are awarded based on Board approved metrics which include quality, services, and strategic financial performance

Additional Data

Software ID:
Software Version:
EIN: 25-0965274
Name: BUTLER HEALTHCARE PROVIDERS

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

(A) Name and Title		**(B)** Breakdown of W-2 and/or 1099-MISC compensation **(i)** Base Compensation	**(ii)** Bonus & incentive compensation	**(iii)** Other reportable compensation	**(C)** Retirement and other deferred compensation	**(D)** Nontaxable benefits	**(E)** Total of columns (B)(i)-(D)	**(F)** Compensation in column (B) reported as deferred on prior Form 990
1 Kenneth P DeFurio President & CEO	(i)	524,020	160,655	45,358	176,114	41,750	947,897	0
	(ii)	0	0	0	0	- 0	- 0	0
1 Dennis Demby MDTrustee	(i)	0	0	0	0	0	0	0
	(ii)	158,444	103,068	19,225	0	- 10,654	- 291,391	0
2 Anne B Krebs Chief Financial Officer	(i)	294,509	73,263	18,269	52,749	29,183	467,973	0
	(ii)	0	0	0	0	- 0	- 0	0
3 Stephanie Roskovski Chief Operating Officer	(i)	305,716	76,019	19,006	45,923	23,992	470,656	0
	(ii)	0	0	0	0	- 0	- 0	0
4 Karen Allen VP Patient Svc,CNO,	(i)	249,588	62,676	18,172	32,591	38,560	401,587	0
	(ii)	0	0	0	0	- 0	- 0	0
5 A Thomas McGill MD VP Quality & Safety/CIO	(i)	378,067	95,451	33,788	64,927	29,986	602,219	0
	(ii)	0	0	0	0	- 0	- 0	0
6 John C Reefer MD VP Prof Affairs & CMO	(i)	333,450	84,635	26,039	60,054	40,046	544,224	0
	(ii)	0	0	0	0	- 0	- 0	0
7 Paula L Hooper VP General Counsel	(i)	284,007	72,509	18,123	24,702	39,001	438,342	0
	(ii)	0	0	0	0	- 0	- 0	0
8 Thomas Genevro VP Facilities/Human Resour	(i)	220,540	55,734	13,593	20,797	38,678	349,342	0
	(ii)	0	0	0	0	- 0	- 0	0

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Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

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

OMB No 1545-0047

2015

Open to Public Inspection

Name of the organization
BUTLER HEALTHCARE PROVIDERS

Employer identification number
25-0965274

Part I Bond Issues

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased Yes	(g) Defeased No	(h) On behalf of issuer Yes	(h) On behalf of issuer No	(i) Pool financing Yes	(i) Pool financing No
A	Butler County Hospital Authority	25-1458912	123592DR5	03-18-2015	100,481,533	Refund prior issue 4/29/09		X		X		X
B	Butler County Hospital Authority	25-1458912	1235926QB	04-29-2009	50,000,000	Construction of addition to hospital	X			X		X

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired	1,831,777	10,665,000		
2	Amount of bonds legally defeased		9,000,000		
3	Total proceeds of issue	100,481,533	50,000,000		
4	Gross proceeds in reserve funds				
5	Capitalized interest from proceeds				
6	Proceeds in refunding escrows				
7	Issuance costs from proceeds	1,411,658	833,495		
8	Credit enhancement from proceeds				
9	Working capital expenditures from proceeds				
10	Capital expenditures from proceeds		49,166,505		
11	Other spent proceeds				
12	Other unspent proceeds				
13	Year of substantial completion	2015	2010		

		A Yes	A No	B Yes	B No	C Yes	C No	D Yes	D No
14	Were the bonds issued as part of a current refunding issue?		X		X				
15	Were the bonds issued as part of an advance refunding issue?	X			X				
16	Has the final allocation of proceeds been made?	X			X				
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X					

Part III Private Business Use

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

Part III Private Business Use *(Continued)*

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

Part IV Arbitrage

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

Part IV Arbitrage *(Continued)*

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

Part V Procedures To Undertake Corrective Action

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

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

Return Reference	Explanation
Date Rebate Computation Performed	Issuer Name Butler County Hospital Authority Date the Rebate Computation was Performed 08/11/2015

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

2015

Open to Public Inspection

Name of the organization
BUTLER HEALTHCARE PROVIDERS

Employer identification number
25-0965274

Return Reference	Explanation
Form 990, Part VI, Section A, line 6	Per the By-Law s of the organization, the organization shall have one corporate member, Butler Health System, Inc There shall be no other members

Return Reference	Explanation
Form 990, Part VI, Section A, line 7a	Butler Health System, Inc , the corporate member of the organization, appoints the members of the Board of Trustees

Return Reference	Explanation
Form 990, Part VI, Section A, line 7b	As per the By-Laws of the organization, the subject matters of the powers reserved to the Member are as follows a The number of Trustees that will comprise the Board b The election of Trustees c The removal of any Trustee for cause from the Corporation's Board of Trustees and approval of the replacement of any such removed Trustee for the unexpired portion of the term d The election, re-election, appointment and reappointment of all Officers of the Board e The amendment, revision, or restatement of the Corporation's Articles of Incorporation and/or By-Laws f The adoption or change in the mission, purpose, philosophy or objectives of the Corporation g The change in the general structure of the Corporation as a voluntary, nonprofit corporation h The dissolution, division, conversion or liquidation of the Corporation, the consolidation or merger of the Corporation with another corporation or entity, or the acquisition of substantially all of the assets of another corporation or entity, subject to the provision of the Articles of Incorporation i The Corporation's borrowing of money, issuance of indebtedness and/or incurrence of guarantees, whether in a single transaction or a series of related transactions, whether or not such borrowings or guarantees are to be secured by a mortgage, pledge or other lien on the Corporation's current or future real property, personal property or endowment funds j Approval of the annual capital and operating budgets of the Corporation and any amendments thereto k Approval of any charitable donation by the Corporation, other than to the Member or any nonprofit entity in which the Member is a sole member, in an amount exceeding $15,000 or in an amount exceeding $150,000 in the aggregate during any one fiscal year l Approval of any transfer other than charitable donations of the Corporation's assets unless specifically authorized in the Corporation's approved budgets m Approval of change of membership or voting rights of the Member

Return Reference	Explanation
Form 990, Part VI, Section B, line 11	The completed 990 w as review ed by the Chief Financial Officer and an outside independent public accounting firm Relevant sections w ere review ed by the Vice President and General Counsel Highlights of the Form 990 w ere review ed w ith the Finance Committee and the Board of Trustees After these review s, but prior to filing, the full Board of Trustees and the Finance Committee w as notified that the completed Form 990 w as available for review on the Board's secure w ebsite

Return Reference	Explanation
Form 990, Part VI, Section B, line 12c	The responses to the Conflict of Interest Disclosure form are collected and reviewed annually by General Counsel, who then reviews the same with the Audit and Compliance Committee of the Board of Trustees Conflict of Interest Disclosure forms are completed by all Trustees, Officers, Committee Members as well as the Executive Team In the event a relationship results in a potential conflict for an issue being discussed by the Board, the Trustee recuses himself/herself from the discussion and vote The recusal is documented in the minutes The Vice President and General Counsel attends all Board meetings and ensures that any needed recusals occur

Return Reference	Explanation
Form 990, Part VI, Section B, line 15	The Board of Trustees recognizes the great challenges and difficulties that healthcare executives face, particularly in the current era of national and state healthcare reform In addition, the Pittsburgh regional market is highly competitive and changing rapidly The Board competes for and seeks executive talent on a national basis It engages expert compensation consultants, utilizing national comparative data to guide the determination of competitive, appropriate levels of compensation The total compensation program for executives consists of cash compensation and benefits Factors taken into consideration in determining compensation for executives include market demand and competition for similar positions, experience and tenure,and actual performance and effectiveness Based on these and other pertinent criteria, BHS targets total compensation to fall within a range of the 25th to 75th percentile of the market BHS executive compensation generally will not exceed the 75th percentile of the market Exceptions to this may be subject to review and recommendation by the Compensation Committee, which in-turn is subject to review and approval by the Board of Trustees Exception must be supported by organizational and /or individual performance, or a retention/recruitment circumstance that warrants such compensation The Compensation Committee consists exclusively of independent individuals with no real or perceived conflicts of interest in recommending executive compensation guidelines and levels While benefits are accounted for in Schedule J, actual "take home" pay to the executive typically consists only of base salary and any incentive award earned Applicable taxes and other withholding are deducted Annual increases in base pay, if any, are based on competitive market trends from the comparison group Supplemental retirement benefits are used as a vehicle for executive recruitment and retention with appropriate vesting periods The Board of Trustees reviews and approves executive compensation in its entirety, including the use of "tally sheets", which disclose 100% executive compensation The Board of Trustees engages external compensation and legal expertise to assure reasonableness of executive compensation levels

Return Reference	Explanation
Form 990, Part VI, Section C, line 19	Historical financial information is provided to the public at the annual public board meeting Bylaw s, Articles of Incorporation and the Conflict of Interest Policy are posted on the w ebsite

Return Reference	Explanation
Form 990, Part XI, line 9	Transfers (to) from affiliates -22,900,000 Accumulated liability for pension benefits -4,364,898 Decrease in interest in net assests of Butler Health System Foundation -53,307 Distribution to Butler Urgent Care Associates -129,226

Return Reference	Explanation
Part XII Line 2c explanation	The organization has not changed its process for reviewing the audited financials or the selection of an independent auditor during the year

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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

2015

Open to Public Inspection

Name of the organization
BUTLER HEALTHCARE PROVIDERS

Employer identification number
25-0965274

Part I Identification of Disregarded Entities Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) Butler Health System Provider Hospital Organization One Hospital Way Butler, PA 16001 47-4212217	Provider Hospital Organization	PA	234,120	446,144	Butler Healthcare Providers

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	No
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) Butler Ambulatory Surgery Center 102 Technology Drive Butler, PA 16001 06-1728190	Surgery	PA	N/A									
(2) BHS FasterCare One Hospital Way Butler, PA 16001 27-1961562	Urgent Care	PA	Butler Healthcare Providers	Related	19,080	1,362,202		No		Yes		51 000 %

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512 (b)(13) controlled entity? Yes	(i) No
(1)PCA of Butler Pc 480 East Jefferson Street Butler, PA 16001 25-1351445	Physician Office Practice	PA		C					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		No
g Sale of assets to related organization(s)	1g		No
h Purchase of assets from related organization(s)	1h		No
i Exchange of assets with related organization(s)	1i		No
j Lease of facilities, equipment, or other assets to related organization(s)	1j	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	Yes	
m Performance of services or membership or fundraising solicitations by related organization(s)	1m	Yes	
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		No
s Other transfer of cash or property from related organization(s)	1s		No

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

(a) Name of related organization	**(b)** Transaction type (a-s)	**(c)** Amount involved	**(d)** Method of determining amount involved
(1) BHS FasterCare	J	309,857	
(2) BHS FasterCare	Q	3,900,347	

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: 25-0965274
Name: BUTLER HEALTHCARE PROVIDERS

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
Butler Health System One Hospital Way Butler, PA 16001 25-1441855	Healthcare Delivery System	PA	501(c)(3)	Line 3			No
Butler Medical Providers One Hospital Way Butler, PA 16001 25-1441855	Physician Practices	PA	501(c)(3)	Line 3	Butler Health System		No
Butler Health System Foundation One Hospital Way Butler, PA 16001 26-1543883	Fundraising on behalf of Butler Health System	PA	501(c)(3)	Line 11a, I	Butler Health System		No
Nixsar Corporation One Hospital Way Butler, PA 16001 25-1441960	Own and Operate real estate	PA	501(c)(3)	Line 3	Butler Health System		No
BHS Nallathambi Medical Associates One Hospital Way Butler, PA 16001 26-4746949	Physician Practice	PA	501(c)(3)	Line 3	Butler Medical Providers		No
Butler Imaging and Interventional Associates One Hospital Way Butler, PA 16001 26-4263364	Physician Practice	PA	501(c)(3)	Line 3	Butler Medical Providers		No
BHS Seneca Medical Center LLC One Hospital Way Butler, PA 16001 46-4444529	Physician Practice	PA	501(c)(3)	Line 3	Butler Medical Providers		No
BHS Dermatology Associates LLC One Hospital Way Butler, PA 16001 80-0929620	Physician Practice	PA	501(c)(3)	Line 3	Butler Medical Providers		No