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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

Otero County Hospital Association

Doing business as

Gerald Champion Regional Medical Center

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

Room/suite

2669 North Scenic Drive

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

Alamogordo, NM 883110597

F Name and address of principal officer

Robert James Heckert

2669 North Scenic Drive

Alamogordo, NM 883110597

D Employer identification number

85-0138775

E Telephone number

(575) 439-6100

G Gross receipts \$ 163,275,775

I Tax-exempt status

☒ 501(c)(3)

☐ 501(c) () ◀ (insert no)

☐ 4947(a)(1) or

☐ 527

J Website: ▶ www.gcrmc.org

K Form of organization

☒ Corporation

☐ Trust

☐ Association

☐ Other ▶

L Year of formation 1947

M State of legal domicile NM

Part I Summary			
Activities & Governance	1 Briefly describe the organization's mission or most significant activities Provision of health care services		
	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	12
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	8
Revenue	5 Total number of individuals employed in calendar year 2015 (Part V, line 2a)	5	818
	6 Total number of volunteers (estimate if necessary)	6	144
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	-15,650
	b Net unrelated business taxable income from Form 990-T, line 34	7b	-15,650
Expenses	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	274,839	148,883
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7 d)	134,815,955	162,037,774
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	56,421	174,913
Net Assets or Fund Balances	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	24,576	269,996
	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)	135,171,791	162,631,566
	14 Benefits paid to or for members (Part IX, column (A), line 4)	749,793	579,464
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	0	0
	16a Professional fundraising fees (Part IX, column (A), line 11e)	42,083,053	48,621,322
	b Total fundraising expenses (Part IX, column (D), line 25) ▶ 0	0	0
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	77,162,054	79,046,534
	18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	119,994,900	128,247,320
	19 Revenue less expenses Subtract line 18 from line 12	15,176,891	34,384,246
	20 Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	21 Total liabilities (Part X, line 26)	153,340,242	185,079,319
	22 Net assets or fund balances Subtract line 21 from line 20	89,064,319	85,511,693
		64,275,923	99,567,626

Part II Signature Block

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

Sign Here

Signature of officer

2017-08-22

Date

Bashar Naser CFO

Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name

LISA CHAFFEE CPA

Preparer's signature

LISA CHAFFEE CPA

Date

2017-08-22

Check ☐ if self-employed

PTIN

P00193453

Firm's name ▶ EIDE BAILLY LLP

Firm's EIN ▶ 45-0250958

Firm's address ▶ 4310 17TH AVE S PO BOX 2545

FARGO, ND 581082545

Phone no (701) 239-8500

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

☒ Yes

☐ No

For Paperwork Reduction Act Notice, see the separate instructions.

Cat No 11282Y

Form 990 (2015)

Part III

Statement of Program Service Accomplishments

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

☒

1

Briefly describe the organization's mission

To be the Organization where patients choose to come, physicians want to practice, and people want to work

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 \$ 99,470,365 including grants of \$ 579,464) (Revenue \$ 162,037,774)

See Additional Data

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 ▶ 99,470,365

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)? <i>If "Yes," complete Schedule A</i> 	1 Yes	
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> (see instructions)?	2	No
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</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? <i>If "Yes," complete Schedule C, Part II</i>	4	No
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>	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? <i>If "Yes," complete Schedule D, Part I</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? <i>If "Yes," complete Schedule D, Part II</i> 	7	No
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i> 	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? <i>If "Yes," complete Schedule D, Part IV</i> 	9	No
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i> 	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? <i>If "Yes," complete Schedule D, Part VI</i> 	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? <i>If "Yes," complete Schedule D, Part VII</i> 	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? <i>If "Yes," complete Schedule D, Part VIII</i> 	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? <i>If "Yes," complete Schedule D, Part IX</i> 	11d	No
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i> 	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)? <i>If "Yes," complete Schedule D, Part X</i> 	11f Yes	
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i> 	12a	No
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i> 	12b Yes	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>	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? <i>If "Yes," complete Schedule F, Parts I and IV</i>	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? <i>If "Yes," complete Schedule F, Parts II and IV</i>	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? <i>If "Yes," complete Schedule F, Parts III and IV</i>	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? <i>If "Yes," complete Schedule G, Part I</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? <i>If "Yes," complete Schedule G, Part II</i>	18	No
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>	19	No
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i> 	20a Yes	
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return? 	20b Yes	

Part IV Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	21	Yes	
22	Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	22		No
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a	24a	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		No
25a	Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations.			
	Did the organization engage in an excess benefit transaction with a disqualified person during the year? 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	Yes	
29	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I	33		No
34	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1	34	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	Yes	
b	If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	35b	Yes	
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	36		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O	38	Yes	

Part V

Statements Regarding Other IRS Filings and Tax Compliance

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

			Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable.	1a	99	
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	1b	0	
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	Yes	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return.	2a	818	
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	12	
	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	8	
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	Yes	
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		No
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	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		No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
a	The governing body?	8a	Yes	
b	Each committee with authority to act on behalf of the governing body?	8b	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9		No

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

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

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed	NM
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 Bashar Naser 2669 North Scenic Drive Alamogordo, NM 88311 (575) 443-7848	

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

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) Norm Arnold Chairman of the Board	10.00	X		X				24,000	0	0
(2) Bill Mershon Vice President	5.00	X		X				0	0	0
(3) Bill Mayton Secretary	5.00	X		X				0	0	0
(4) Fred Baker Director	5.00	X						0	0	0
(5) James Harris Director	3.00	X						0	0	0
(6) Greg Richardson MD Director	40.00	X						357,232	0	32,800
(7) Robin French Director	3.00	X						0	0	0
(8) Lisa Thomassie Director	3.00	X						0	0	0
(9) Gary Jackson DO Director	3.00	X						0	0	0
(10) Andrew Lancaster MD Director/Physician	40.00	X						213,811	0	30,073
(11) Kathy Fuller Director	3.00	X						0	0	0
(12) Robert Martinez Director	3.00	X						0	0	0
(13) Robert James Heckert CEO	40.00			X				357,931	0	20,020
(14) Bashar Naser CFO	40.00			X				367,517	0	26,642

Part VII

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(15) Robert Middleton VP of Patient Care/CNO	40 00			X				105,790	0	11,204
(16) Arthur Austin MD Director/VP of Medical Affairs	40 00				X			293,147	0	27,760
(17) Albert Esparsen VP of Physician Practice	40 00				X			173,760	0	14,457
(18) Peter Seaman VP of Finance	40 00				X			186,985	0	21,303
(19) Dennis Worthington Physician	40 00					X		421,870	0	28,683
(20) Charles Race Physician	40 00					X		809,805	0	30,668
(21) Donald Schuwarger Physician	40 00					X		405,743	0	45,103
(22) William Pollard Physician	40 00					X		549,147	0	35,871
(23) George Massoud Physician	40 00					X		410,181	0	28,377
1b Sub-Total										
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)								4,676,919	0	352,961

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 ► 66

		Yes	No
3	Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		No
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	Yes	
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		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
Jack Wayte Construction Co PO Box 648 Alamogordo, NM 88310	Construction Contractor	1,987,327
Complete Rx 3100 South Gessner Ste 640 Houston, TX 77063	Pharmacy Management Services	1,757,437
Emcare-Inpatient Services 7032 Collection Center Drive Chicago, IL 60693	Inpatient MD Management	1,650,000
Diamond Healthcare Corporation PO Box 85050 Richmond, VA 232855050	Behavioral Health Management	1,014,320
Emcare-Anesthesiacare 7032 Collection Center Drive Chicago, IL 60693	Anesthesia Management Services	750,000
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 ► 60		

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					
	e	Government grants (contributions)	1e	132,760				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	16,123				
	g	Noncash contributions included in lines 1a-1f \$						
	h	Total. Add lines 1a-1f		148,883				
Program Service Revenue	2a	Net Patient Service Revenue	Business Code 900099	156,996,750	156,996,750			
	b	Other Revenue	900099	3,041,009	3,041,009			
	c	Cafeteria/Catering	722320	921,898	915,647	6,251		
	d	Alamogordo Surgery Venture, LLC	621400	582,658	582,658			
	e	Cardiac Cath Lab LLC	621400	347,993	347,993			
	f	All other program service revenue		147,466	147,466			
	g	Total. Add lines 2a-2f		162,037,774				
	Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		202,409			202,409
4		Income from investment of tax-exempt bond proceeds . .						
5		Royalties						
6a		Gross rents	(i) Real 886,709	(ii) Personal				
		b	Less rental expenses	616,713				
		c	Rental income or (loss)	269,996				
		d	Net rental income or (loss)		269,996		-21,901	291,897
7a		Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
		b	Less cost or other basis and sales expenses	12,016	15,480			
		c	Gain or (loss)	-12,016	-15,480			
		d	Net gain or (loss)		-27,496			-27,496
8a		Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18	a					
b		Less direct expenses	b					
c		Net income or (loss) from fundraising events . .						
9a		Gross income from gaming activities See Part IV, line 19	a					
b		Less direct expenses	b					
c		Net income or (loss) from gaming activities . . .						
10a		Gross sales of inventory, less returns and allowances . .	a					
		b	Less cost of goods sold . . .	b				
		c	Net income or (loss) from sales of inventory . .					
		Miscellaneous Revenue		Business Code				
11a								
b								
c								
d	All other revenue							
e	Total. Add lines 11a-11d							
12	Total revenue. See Instructions			162,631,566	162,031,523	-15,650	466,810	

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	579,464	579,464		
2	Grants and other assistance to domestic individuals. See Part IV, line 22				
3	Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	2,317,877	645,255	1,672,622	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	78,668	78,668		
7	Other salaries and wages	39,075,532	27,485,878	11,589,654	
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	748,656	627,349	121,307	
9	Other employee benefits	3,689,057	3,083,552	605,505	
10	Payroll taxes	2,711,532	1,880,762	830,770	
11	Fees for services (non-employees)				
a	Management				
b	Legal	350,866		350,866	
c	Accounting	266,280		266,280	
d	Lobbying				
e	Professional fundraising services. See Part IV, line 17				
f	Investment management fees	62,352		62,352	
g	Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	30,578,491	23,221,987	7,356,504	
12	Advertising and promotion	236,013	30	235,983	
13	Office expenses	8,969,913	5,597,506	3,372,407	
14	Information technology	274,120	63,934	210,186	
15	Royalties				
16	Occupancy	1,964,297	481,378	1,482,919	
17	Travel	253,493	103,253	150,240	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	353,152	177,622	175,530	
20	Interest	3,759,314	3,759,314		
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	10,101,879	10,101,879		
23	Insurance	2,641,217	2,641,217		
24	Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a	Medical Supplies	12,761,736	12,761,736		
b	Provision for Bad Debts	5,660,918	5,660,918		
c	Taxes	187,676	187,676		
d	Reorganization Costs	125,578	125,578		
e	All other expenses	499,239	205,409	293,830	
25	Total functional expenses. Add lines 1 through 24e	128,247,320	99,470,365	28,776,955	0
26	Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here ☐ if following SOP 98-2 (ASC 958-720)				

Part X

Balance Sheet

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

				(A)		(B)
				Beginning of year		End of year
Assets	1	Cash—non-interest-bearing			1	
	2	Savings and temporary cash investments		32,133,927	2	24,490,670
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		13,227,056	4	14,609,024
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L			5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L			6	
	7	Notes and loans receivable, net			7	
	8	Inventories for sale or use		3,872,092	8	4,543,515
	9	Prepaid expenses and deferred charges		1,322,894	9	2,020,419
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a	191,797,884		
	b	Less: accumulated depreciation	10b	108,916,205	81,899,647	10c 82,881,679
	11	Investments—publicly traded securities		15,283,184	11	50,569,117
	12	Investments—other securities. See Part IV, line 11		2,597,264	12	3,636,059
	13	Investments—program-related. See Part IV, line 11			13	
	14	Intangible assets		931,198	14	857,241
	15	Other assets. See Part IV, line 11		2,072,980	15	1,471,595
16	Total assets. Add lines 1 through 15 (must equal line 34)		153,340,242	16	185,079,319	
Liabilities	17	Accounts payable and accrued expenses		17,344,983	17	14,292,319
	18	Grants payable			18	
	19	Deferred revenue		1,226,018	19	1,063,094
	20	Tax-exempt bond liabilities		68,319,032	20	67,095,142
	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		1,051,579	23	111,231
	24	Unsecured notes and loans payable to unrelated third parties		416,667	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		706,040	25	2,949,907
	26	Total liabilities. Add lines 17 through 25		89,064,319	26	85,511,693
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		64,275,923	27	99,567,626
	28	Temporarily restricted net assets			28	
	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		64,275,923	33	99,567,626
	34	Total liabilities and net assets/fund balances		153,340,242	34	185,079,319

Part XI

Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	162,631,566
2	Total expenses (must equal Part IX, column (A), line 25)	2	128,247,320
3	Revenue less expenses Subtract line 2 from line 1	3	34,384,246
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	64,275,923
5	Net unrealized gains (losses) on investments	5	907,457
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	0
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	99,567,626

Part XII

Financial Statements and Reporting

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

	Yes	No
1 Accounting method used to prepare the Form 990 ☐ Cash ☒ Accrual ☐ Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis		No
b Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both ☐ Separate basis ☒ Consolidated basis ☐ Both consolidated and separate basis	Yes	
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? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	Yes	
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		No
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		

Additional Data

Software ID:

Software Version:

EIN: 85-0138775

Name: Otero County Hospital Association

Form 990, Part III, Line 4a

4a	(Code	) (Expenses \$	99,470,365	including grants of \$	579,464) (Revenue \$	162,037,774)
	Otero County Hospital Association d/b/a Gerald Champion Regional Medical Center (GCRMC) provides comprehensive healthcare services through its 100-bed hospital (effective January 1, 2017), outpatient ambulatory care facilities, and a multi-specialty physician group. GCRMC receives 80% of its admissions from Otero County. The GCRMC's primary markets are the cities of Alamogordo and Tularosa with secondary markets expanding to more remote areas of Otero County, Lincoln County, Chavez County and beyond. The original facility opened in August 1949 and the current medical center is a state of the art, acute care facility that opened in December 1999. The original hospital opened in 1949 with 26 beds. Today GCRMC is proud to be a 100-bed acute care facility accredited by DNV, including two distinct PPS units: Life Transitions (aka Behavioral Medicine - total 19 beds) and Inpatient Rehabilitation (12 beds starting July 1, 2011). GCRMC shares a unique relationship with Holloman Air Force Base as the first hospital in the United States where active duty military physicians practice in a civilian hospital. This special arrangement allows one facility to meet the combined community and military needs, while serving as a model for the Department of Defense in conserving resources. The delivery mechanisms of care at the hospital include both inpatient and outpatient services: acute care inpatient through medical/surgical, telemetry, maternal child and 12-bed intensive care units, surgery department supported by pre-admit, outpatient care unit and post-anesthesia care unit, outpatient surgery center, provider-based physician practices in the areas of family practice, women's services including obstetrics, medical and radiation oncology, medical cardiology, gastroenterology and endocrinology, internal medicine, orthopedics and general surgery, inpatient and outpatient behavioral health services, inpatient rehabilitation services, including physical and occupational rehab services, inpatient and outpatient CAP certified laboratory services with the capability to perform over 225 different profiles and tests in-house, inpatient and outpatient diagnostic imaging services, including x-ray, 128-slice CT scan, MRI, ultrasound, interventional radiology, radiofrequency ablation and nuclear medicine, inpatient and outpatient comprehensive cardiopulmonary services including behavior sleep medicine, Holter monitoring, event monitoring and impedance cardiography. In July 2015, a successful joint venture with the Hospitals of Providence was launched with the opening of the Cardiac Cath Lab. In the first 12 months of operation ended June 2016, a total of 280 interventional cases were done. By the end of 2016, GCRMC employed approximately 724 people. In addition to those employees, GCRMC contracts for services in various departments such as Food Services, Environmental Services, Pharmacy, Anesthesia, Emergency Department and Hospitalist Providers. The medical staff of GCRMC has 221 medical members consisting of 90 active members of whom 38 are employed providers. GCRMC continues to seek opportunities to expand services and improve quality, with the philosophy of not limiting its potential by the designation of "rural hospital," but rather identifying its scope of service based on community needs as a regional medical center. Continued progress and expansion has enhanced GCRMC's commitment to strive for outstanding service and quality, acknowledging that its future is not in its buildings or technology, but rather its people. To this end we support the people of Otero County and outlying service areas with our expanded services and our financial contributions.					

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
Otero County Hospital Association

Employer identification number
85-0138775

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 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See**section 509(a)(2).** (Complete Part III)

10

☐

An organization organized and operated exclusively to test for public safety See **section 509(a)(4).**

11

☐

An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **section 509(a)(3).** Check the box in lines 11a through 11d that describes the type of supporting organization and complete lines 11e, 11f, and 11g

a

☐

Type I. A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization **You must complete Part IV, Sections A and B.**

b

☐

Type II. A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s) **You must complete Part IV, Sections A and C.**

c

☐

Type III functionally integrated. A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions) **You must complete Part IV, Sections A, D, and E.**

d

☐

Type III non-functionally integrated. A supporting organization operated in connection with its supported organization(s) that is not functionally integrated The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions) **You must complete Part IV, Sections A and D, and Part V.**

e

☐

Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization

f

Enter the number of supported organizations _____

g

Provide the following information about the supported organization(s)

(i) Name of supported organization	(ii)EIN	(iii) Type of organization (described on lines 1- 9 above (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
Total						

Part II

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

Section A. Public Support						
Calendar year (or fiscal year beginning in) ►	(a)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? <i>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.</i>		
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? <i>If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).</i>		
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? <i>If "Yes," answer (b) and (c) below.</i>		
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)? <i>If "Yes," describe in Part VI when and how the organization made the determination.</i>		
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? <i>If "Yes," explain in Part VI what controls the organization put in place to ensure such use.</i>		
4a Was any supported organization not organized in the United States ("foreign supported organization")? <i>If "Yes" and if you checked 11a or 11b in Part I, answer (b) and (c) below.</i>		
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? <i>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.</i>		
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)? <i>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.</i>		
5a Did the organization add, substitute, or remove any supported organizations during the tax year? <i>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).</i>		
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?		
c Substitutions only. Was the substitution the result of an event beyond the organization's control?		
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? <i>If "Yes," provide detail in Part VI.</i>		
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? <i>If "Yes," complete Part I of Schedule L (Form 990).</i>		
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? <i>If "Yes," complete Part II of Schedule L (Form 990).</i>		
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))? <i>If "Yes," provide detail in Part VI.</i>		
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? <i>If "Yes," provide detail in Part VI.</i>		
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? <i>If "Yes," provide detail in Part VI.</i>		
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)? <i>If "Yes," answer b below.</i>		
b Did the organization have any excess business holdings in the tax year? <i>(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)</i>		
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?		
b A family member of a person described in (a) above?		
c A 35% controlled entity of a person described in (a) or (b) above? <i>If "Yes" to a, b, or c, provide detail in Part VI.</i>		

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? <i>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.</i>		
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? <i>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.</i>		

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)? <i>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).</i>		

Section D. All Type III Supporting Organizations

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

Section E. Type III Functionally-Integrated Supporting Organizations

1 Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions) a ☐ The organization satisfied the Activities Test. Complete line 2 below. b ☐ The organization is the parent of each of its supported organizations. Complete line 3 below. c ☐ The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions).		
2 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? <i>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.</i> 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? <i>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.</i>	Yes	No
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? <i>Provide details in Part VI.</i> b Did the organization exercise a substantial degree of direction over the policies, programs and activities of each of its supported organizations? <i>If "Yes," describe in Part VI the role played by the organization in this regard.</i>		

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

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.

OMB No 1545-0047

2015

Open to Public Inspection

Name of the organization
Otero County Hospital Association

Employer identification number
85-0138775

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.

1

Total number at end of year

(a) Donor advised funds

(b) Funds and other accounts

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)
☐ Protection of natural habitat
☐ Preservation of open space
☐ Preservation of an historically important land area
☐ Preservation of a certified historic structure

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

a

Total number of conservation easements

b

Total acreage restricted by conservation easements

c

Number of conservation easements on a certified historic structure included in (a)

d

Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register

3

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

4

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

5

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

☐ Yes

☐ No

6

Staff and volunteer hours devoted to monitoring, inspecting, 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

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance

	Amount
1c	
1d	
1e	
1f	

2a

Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability?

☐ Yes

☐ No

b

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

☐

Part V

Endowment Funds.

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

	(a)Current year	(b)Prior year	b (c)Two years back	(d)Three years back	(e)Four years back
1a Beginning of year balance					
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

(i) unrelated organizations

(ii) related organizations

	Yes	No
3a(i)		
3a(ii)		
3b		

b

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

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)	Accumulated (c)depreciation	(d)Book value
1a Land		3,237,050		3,237,050
b Buildings		106,727,007	47,815,443	58,911,564
c Leasehold improvements				
d Equipment		73,213,418	58,218,849	14,994,569
e Other		8,620,409	2,881,913	5,738,496
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c)) ▶				82,881,679

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	158,369,240
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains (losses) on investments	2a	907,457
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII)	2d	-5,786,496
e	Add lines 2a through 2d	2e	-4,879,039
3	Subtract line 2e from line 1	3	163,248,279
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	-616,713
c	Add lines 4a and 4b	4c	-616,713
5	Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12)	5	162,631,566

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	123,077,537
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	616,713
e	Add lines 2a through 2d	2e	616,713
3	Subtract line 2e from line 1	3	122,460,824
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	5,786,496
c	Add lines 4a and 4b	4c	5,786,496
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18)	5	128,247,320

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
See Additional Data Table	

Part XIII **Supplemental Information** *(continued)*

Return Reference	Explanation

Additional Data

Software ID:
Software Version:
EIN: 85-0138775
Name: Otero County Hospital Association

Supplemental Information

Return Reference	Explanation
Part X, Line 2	The Medical Center is organized as a New Mexico nonprofit corporation and has been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes under Internal Revenue Code Section 501(c)(3) The Medical Center is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS In addition, the Medical Center is subject to income tax on net income that is derived from business activities that are unrelated to its exempt purpose The Medical Center files an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS to report its unrelated business taxable income The Medical Center believes it has appropriate support for any tax positions taken affecting its annual filing requirement, and, as such, does not have any uncertain tax positions that are material to the consolidated financial statements The Medical Center would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense, if such interest and penalties are incurred The Medical Center's federal Form 990-T filings are no longer subject to federal tax examinations by tax authorities for years before 2013

Supplemental Information

Return Reference	Explanation
Part XI, Line 2d - Other Adjustments	Provision for Bad Debts Recorded as Income for F/S -5,660,918 Reorganization Costs Recorded as Income for F/S -125,578

Supplemental Information

Return Reference	Explanation
Part XI, Line 4 b - Other Adjustments	Rental Expenses Recorded as Expense for F/S -616,713

Supplemental Information

Return Reference	Explanation
Part XII, Line 2d - Other Adjustments	Rental Expenses Recorded as Expense for F/S 6 16,7 13

Supplemental Information

Return Reference	Explanation
Part XII, Line 4b - Other Adjustments	Provision for Bad Debts Recorded as Income for F/S 5,660,918 Reorganization Costs Recorded as Income for F/S 125,578

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
Otero County Hospital Association

Employer identification number
85-0138775

Part I

Financial Assistance and Certain Other Community Benefits at Cost

		Yes	No	
1a	Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	1a	Yes	
b	If "Yes," was it a written policy?	1b	Yes	
2	If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year ☒ Applied uniformly to all hospital facilities ☐ Applied uniformly to most hospital facilities ☐ Generally tailored to individual hospital facilities			
3	Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year			
a	Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing <i>free</i> care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for <i>free</i> care ☐ 100% ☐ 150% ☐ 200% ☒ Other <u>30000 0000000000 %</u>	3a	Yes	
b	Did the organization use FPG as a factor in determining eligibility for providing <i>discounted</i> care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care ☐ 200% ☐ 250% ☐ 300% ☐ 350% ☐ 400% ☐ Other _____ %	3b		No
c	If the organization used factors other than FPG in determining eligibility, describe in Part VI the criteria used for determining eligibility for free or discounted care. Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care			
4	Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	4	Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a	Yes	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	5b	Yes	
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?	5c		No
6a	Did the organization prepare a community benefit report during the tax year?	6a	Yes	
b	If "Yes," did the organization make it available to the public?	6b		No
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)			492,000		492,000	0 400 %
b Medicaid (from Worksheet 3, column a)			26,551,887	19,319,016	7,232,871	5 900 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d Total Financial Assistance and Means-Tested Government Programs			27,043,887	19,319,016	7,724,871	6 300 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)						
f Health professions education (from Worksheet 5)			81,723		81,723	0 070 %
g Subsidized health services (from Worksheet 6)			34,211,063	13,159,523	21,051,540	17 170 %
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)						
j Total. Other Benefits			34,292,786	13,159,523	21,133,263	17 240 %
k Total. Add lines 7d and 7j			61,336,673	32,478,539	28,858,134	23 540 %

Part IICommunity Building Activities

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

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1	Physical improvements and housing					
2	Economic development		17,500		17,500	0.010 %
3	Community support		838,617		838,617	0.680 %
4	Environmental improvements					
5	Leadership development and training for community members					
6	Coalition building					
7	Community health improvement advocacy		211,833		211,833	0.170 %
8	Workforce development		851,694		851,694	0.690 %
9	Other					
10	Total		1,919,644		1,919,644	1.550 %

Part IIIBad 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		No
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	5,660,918	
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	23,567	
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	29,938,338	
6	Enter Medicare allowable costs of care relating to payments on line 5.	6	30,695,831	
7	Subtract line 6 from line 5. This is the surplus (or shortfall).	7	-757,493	
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 IVManagement Companies and Joint Ventures

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

(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %
1 1 Alamogordo Surgery Ventures	Outpatient Surgery Center	40.500 %	8.000 %	51.500 %
2 2 Alamogordo Imaging Center	Outpatient Radiology Center	29.790 %	0 %	70.210 %
3 3 White Sands Health Care Systems LLC	Physician Hospital Organization	50.000 %	0 %	50.000 %
4 4 Gerald Champion-Sierra Providence Cardiac Cath Lab LLC	Cardiac Cath Lab	51.000 %	0 %	0 %
5				
6				
7				
8				
9				
10				
11				
12				
13				

Section A. Hospital Facilities

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)

[illegible]

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)
Gerald Champion Regional Medical Center

Name of hospital facility or letter of facility reporting group

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

	Yes	No
Community Health Needs Assessment		
1 Was the hospital facility first licensed, registered, or similarly recognized by a state as a hospital facility in the current tax year or the immediately preceding tax year?	1	No
2 Was the hospital facility acquired or placed into service as a tax-exempt hospital in the current tax year or the immediately preceding tax year? If "Yes," provide details of the acquisition in Section C	2	No
3 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 12	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	Yes
5 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	5	Yes
6a Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C	6a	No
b Was the hospital facility's CHNA conducted with one or more organizations other than hospital facilities? If "Yes," list the other organizations in Section C	6b	Yes
7 Did the hospital facility make its CHNA report widely available to the public?	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.gcrmc.org/upload/docs/Community%20Needs%20Assessment%202015.pdf		
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
http://www.gcrmc.org/upload/docs/Community%20Needs%20Assessment%202015.pdf		
a If "Yes" (list url) 202015.pdf		
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)

Gerald Champion Regional Medical Center

Name of hospital facility or letter of facility reporting group

		Yes	No	
13	Did the hospital facility have in place during the tax year a written financial assistance policy that explained eligibility criteria for financial assistance, and whether such assistance included free or discounted care? If "Yes," indicate the eligibility criteria explained in the FAP a ☒ Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of 300 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)	13	Yes	
14	Explained the basis for calculating amounts charged to patients?	14	Yes	
15	Explained the method for applying for financial assistance? 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)	15	Yes	
16	Included measures to publicize the policy within the community served by the hospital facility? 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) <u>http //www gcrmc org/News/CharityCare</u> b ☒ The FAP application form was widely available on a website (list url) <u>http //www gcrmc org/News/CharityCare</u> c ☐ A plain language summary of the FAP was widely available on a website (list url) <u>http //www gcrmc org/News/CharityCare</u> 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)	16	Yes	
Billing and Collections				
17	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained all of the actions the hospital facility or other authorized party may take upon non-payment?	17	Yes	
18	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP a ☐ Reporting to credit agency(ies) b ☐ Selling an individual's debt to another party c ☐ Actions that require a legal or judicial process d ☐ Other similar actions (describe in Section C) e ☒ None of these actions or other similar actions were permitted			

Part V Facility Information (continued)

Gerald Champion Regional Medical Center

Name of hospital facility or letter of facility reporting group			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? 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)	19		No
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? 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)	21	Yes	
Charges to Individuals Eligible for Assistance Under the FAP (FAP-Eligible Individuals)				
22	Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care a ☐ The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged b ☐ The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged c ☐ The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged d ☒ Other (describe in Section C)			
23	During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care? If "Yes," explain in Section C	23		No
24	During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual? If "Yes," explain in Section C	24		No

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? **3**

Name and address	Type of Facility (describe)
1 1 - ASV dba Scenic View Outpatient Surg Cr 2351 25th Street Alamogordo, NM 88311	Outpatient Surgery
2 2 - Alamogordo Imaging Center 2539 Medical Dr Ste 1010 Alamogordo, NM 883108720	Outpatient Radiology
3 3 - Gerald Champ-Sierra Provid Cardiac Cath 2669 North Scenic Drive Alamogordo, NM 88310	Cardiac Cath Lab
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 3c	The organization uses the Federal Poverty Guidelines when determining free care. Patients who have household income at or below 300% of the FPG are eligible to receive free care. The organizationn also offers a 25% discount to self-pay patients. In addition, the facility will work with patients on settlements on a case-by-case basis based on specific circumstances, such as catastrophic illness or medical indigence, at the discretion of GCRMC. Determining family need is also based on an application process which takes into account the patient's available assets and all other financial resources available to the patient.

Form and Line Reference	Explanation
Part I, Line 7	The organization used the following to determine the costs for Part I, Line 7 Row a Charity Care was converted to cost using a cost to charge ratio from the cost accounting system The cost accounting system addresses all patient segments Row b Amounts were calculated from internal records Row g Amounts reported are based on the Medicare Cost Report figures Row i Amount reported is based on the actual dollars spent in the activities reported

Form and Line Reference	Explanation
Part I, Line 7g	Part I, Line 7g includes \$27,213,573 of costs attributable to a Physician Clinic

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), but subtracted for purposes of calculating the percentage in this column is \$5,660,918

Form and Line Reference	Explanation
Part III, Line 2	Discounts and payments are taken into account when determining bad debt expense

Form and Line Reference	Explanation
Part III, Line 3	The Organization estimated the percentage of bad debt that is attributed to charity care by applying the percentage of charity care to total revenues to total bad debt at cost. Therefore the organization estimates that 0.42% of the bad debt expense at cost is attributable to patients eligible under the organization's charity care policy. Care is given to individuals regardless of their ability to pay, and therefore this is a community benefit.

Form and Line Reference	Explanation
Part III, Line 4	Footnote from organization's financial statements The footnote that describes bad debt expense is found on page 8 of the attached audit report

Form and Line Reference	Explanation
Part III, Line 8	Medicare allowable cost is based on the Medicare cost report. The Medicare cost report is completed based on the rules and regulations set forth by Centers for Medicare and Medicaid Services.

Form and Line Reference	Explanation
Part III, Line 9b	GCRMC has implemented a number of different Policy and Procedure statements to govern the details of how its collection practices are implemented and how discounting and collection policies apply to various classes of patients. In general, all patient account guarantors who request financial assistance are asked to provide detailed information regarding their income and assets. For patients who qualify for charity and who are cooperating in good faith to resolve their hospital bills, GCRMC may offer extended payment plans to eligible patients, will not impose wage garnishments or liens on primary residences, will not send unpaid bills to collection agencies, and will cease all collection efforts.

Form and Line Reference	Explanation
Part VI, Line 2	In 2015, Management at GCRMC enlisted the services of MJ Philps to develop a Community Heath Needs Assessment and to provide information from secondary data sources to assist in identifying needs that exist in the community. This includes data from the Center for Disease Control and Prevention to examine trends for stroke, diabetes, heart disease and cancer. It also includes data that identify shortages in healthcare professionals by location.

Form and Line Reference	Explanation
Part VI, Line 3	The hospital has a Charity Care Policy - Gerald Champion Regional Medical Center (GCRMC) will provide understandable, written guidelines to staff and patients relative to how the hospital evaluates and determines 1) a patient's eligibility for charity care, 2) an uninsured patient's eligibility for discounts, and 3) a patient's eligibility for alternate payment plans A Summary of the Charity Care Policy is posted in the emergency room and throughout the entire hospital The patients are also informed through direct communication with financial counselors and these policies are explained in detail to guarantors who advise GCRMC that they are unable to pay their account or need help in structuring an affordable payment plan for their account The hospital provides services to anyone in need of medical care regardless of the patient's ability to pay for such services Charity care and discounts for the uninsured will be available for medically necessary hospital care provided to persons who meet the financial and documentation criteria defined in this policy Determinations hereunder will be based solely on the patient's ability to pay and will not be made on the basis of age, sex, race, creed, disability, sexual orientation or national origin GCRMC provides financial assistance to patients based on their income, assets, and needs Through our financial counseling services we assist patients with obtaining financial coverage or low-cost health insurance, or work with patients to arrange a manageable payment plan Uninsured patients are eligible for a 25% discount A 25% discount is applied to the total charges of a Self Pay Patient at the time of service or the 1st billing Notice will be sent at the time of the 1st billing informing the patient/guarantor that an additional 10% will be deducted if the account is paid within 30 days of the date of service

Form and Line Reference	Explanation
Part VI, Line 4	Otero County Hospital Association d/b/a Gerald Champion Regional Medical Center ("GCRMC") activities are conducted on its 130-acre campus located in Alamogordo, New Mexico. Alamogordo is approximately 89 miles north of El Paso, Texas and 209 miles southeast of Albuquerque, New Mexico. GCRMC owns and operates a 100 bed care hospital (the "Hospital") on the campus. In addition to the main campus, the Hospital has satellite locations including clinics and physician offices throughout the city. The combined operating space of the main campus and these additional offices totals approximately 432,000 square feet. Other facilities that the Hospital owns located on the main campus include two medical office buildings, Complex A and B that have an outpatient surgery center and an imaging center owned and operated by limited liability companies in which GCRMC has an interest. GCRMC also owns six facilities located off the main campus that are either leased to independent primary care/specialty care providers or occupied by employed physicians. GCRMC's primary service area is Northwestern Otero County from which 84% of its admissions originate. GCRMC is the sole community provider in its primary service area with the nearest tertiary care hospital located approximately 70 miles from the Hospital. The delivery mechanisms of care at the Hospital include both inpatient and outpatient services. 24-hour staffed Level III Trauma Emergency Department, acute care inpatient through Medical/Surgical, Intensive Care, Telemetry, Maternal Child, 19-bed behavioral medicine, and 12-bed inpatient rehabilitation, Surgery Department supported by Pre-admit, Outpatient Care Unit and Post-Anesthesia Care Unit, hospital-owned physician practices in the areas of family practice, women's services including obstetrics, orthopedics, nephrology, internal medicine, outpatient behavioral medicine including ECT, pediatrics, gastroenterology and endocrinology, Pathologist, certified laboratory services with the capability to perform over 225 different profiles and tests in-house, inpatient and outpatient diagnostic imaging services, including x-ray, 64-slice and 16-slice CT scan, MRI, ultrasound, interventional radiology, radiofrequency ablation and nuclear medicine, inpatient and outpatient comprehensive cardiopulmonary services including behavior sleep medicine, Holter Monitoring, Event Monitoring and Impedance Cardiography. GCRMC and the Holloman Air Force Base (HAFB) 49th Medical Group, a group of approximately 15 military providers and support staff from the HAFB, have enjoyed a close working relationship, and have had shared coverage arrangements. Such arrangements included laboratory and x-ray services in a disaster, obstetrical coverage, and coverage for the HAFB 49th Medical Group when they were deployed for Desert Storm in 1991. Following Desert Storm and the return of the HAFB 49th Medical Group, the DoD made the decision to leave all the obstetrical services with GCRMC and the local obstetricians. As of 2016, Holliman employed 1,621 civilians. There are 3,720 active military and 4,826 dependents located at the base. GCRMC's primary service area (the "PSA") is in Northwestern Otero County from which most of GCRMC's admissions originate. Located in southeastern New Mexico, Otero County encompasses 6,627 square miles and includes the cities of Alamogordo and Tularosa. According to U.S. Census, the population of Otero County has grown by 2.5% since 2010 with 65,410 estimated in 2016. The Hospital is the only acute care hospital within the PSA and is a Sole Community Provider. The acute care hospitals that GCRMC considers its main competitors that draw from the PSA are Mountain View Regional Medical Center and Memorial Medical Center both located approximately 75 miles west of Alamogordo in Las Cruces, New Mexico. Management of GCRMC estimates that the market share of admissions to the Mountain View Regional Medical Center and Memorial Medical Center from the PSA average 10% and 5%, respectively. The secondary service area covers a substantial portion of the remainder of Otero County, as well as the south central portion of Lincoln County. The secondary service area includes Ruidoso, the population of which was estimated to be 8,029 in 2010 according to the U.S. Census Bureau. The tertiary service area covers a small portion of Otero County and Chaves County. There are no other major medical centers within Otero County.

Form and Line Reference	Explanation
Part VI, Line 5	The business and affairs of GCRMC are subject to the overall governance and direction of its Board of Directors. The Board of Directors currently includes 12 Directors. Each Director is appointed by the Board serves a three-year term in a self-perpetuating board. The Board of Directors fills vacancies that may occur. Officers of the Board of Directors include a Chairman, Vice Chairman, and Secretary/Treasurer. The Board of Directors are business people of the primary service area, with no other connection. GCRMC's medical staff is organized into Divisions of Medicine, Medical Subspecialties, Surgery and Outpatient Services. In addition to specialized medical/surgical services provided by both employed and contracted physicians and medical groups, GCRMC also offers emergency medical services, including a helicopter service which is not owned by GCMRC but is on-site 24 hours a day. GCRMC employs around-the-clock hospitalists, (i.e., physicians who devote their professional time to the care of hospitalized patients). The hospital extends medical staff privileges to all qualified physicians in the community. Surplus funds are re-invested into the purchase of capital equipment, electronic medical record software, continuing education for clinical staff including physicians, and a professionally managed diversified portfolio of marketable securities. GCRMC views the position of sole provider as a significant commitment to the overall health and well-being of the community. In addition to its focus on providing quality healthcare, the organization strives to facilitate and share opportunities to educate and motivate a philosophy of wellness in the community. The primary target is the disease process that we know can be eliminated or improved by changing or modifying human behavior. As with any community, the population served has a variety of educational background. The drive is to develop programs that target the needs and understanding of the community. Physicians/Providers are utilized to provide open forums that present health related issues, i.e., arthritis, nephrology, neurology, orthopedic issues, etc., followed by questions and time for individual discussion. This type of program is offered with a free lunch, educational materials, and if appropriate, free screenings, such as glucose or blood pressure. There is an average of 90 participants in each of these seminars. The organization is very community-minded in its efforts to promote health. Staff participates in Health Fairs in the public schools, and hosts an annual free sports physical clinic for school-age children. At GCRMC, we feel it is important to embrace community needs that promote good citizenship. As an organization we support employee involvement in outside activities through contributions, dedicated time and sponsorship. Administration and staff members serve on community boards, dedicating many hours of support to those organizations. The following classes are provided for the community in our conference room center: Diabetic Education, Narcotics Anonymous, Childbirth Classes, New Baby Class and CPR/Basic Life Support to name a few. GCRMC has been a top supporter of the United Way which provides money for many of the local community organizations. An annual Health Fair is held at the hospital each year. We augment the annual health fair with onsite mini health screenings throughout the year. This is offered to businesses, civic organizations and churches with minimal to no charge. We offer free blood pressure screenings on a walk-in basis with educational materials in both Spanish and English. This allows us to address the high rate of hypertension in our community, its significant effect on other diseases, and an overall wellness picture. GCRMC partners with the American Cancer Society to offer the Look Good Feel Good Program and the Gift Closet. The program is housed off campus in a hospital provided space, free of charge and has brought a highly valued service to our community. The Gift Closet provides free wigs, prosthesis, supplies, education and support to cancer patients and their families. Added a social media program including web access to Fast Health which provides health related information to patients. The opportunity to utilize our speaker's bureau is available to any organization in the community. A presentation regarding health related topics can be prepared with limited notice to meet the needs of the organization. The wealth of knowledge in our organization allows us to create an appropriate fit for the requested need.

Form and Line Reference	Explanation
Part VI, Line 6	n/a

Form and Line Reference	Explanation
Part VI, Line 7, Reports Filed With States	NM

Schedule H (Form 990) 2015

Additional Data

Software ID:
Software Version:
EIN: 85-0138775
Name: Otero County Hospital Association

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	Gerald Champion Regional Medical Center 2669 North Scenic Drive Alamogordo, NM 88311 www.gcrmc.org 6016	X	X				X		18 Provider Clinics	

2015

85-0138775

Schedule I (Form 990) 2015

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 only gave grants to government organizations and tax exempt organizations

Additional Data

Software ID:
Software Version:
EIN: 85-0138775
Name: Otero County Hospital Association

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(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
American Cancer Society 2120 First Avenue Alamogordo, NM 88310	84-1316555	501(c)(3)	15,566				Public Health
Otero County Economic Development Council 1301 N White Sands Boulevard Alamogordo, NM 88310	85-0304073	501(c)(3)	10,000				Public Health
PMS Alamogordo 1501 Tenth Street Alamogordo, NM 88310	85-0206810	501(c)(3)	120,000				Public Health

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(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
PMS Chaparral NM Clinic 204 Angelina Chaparral, NM 88081	85-0206810	501(c)(3)	200,006				Public Health
PMS Sacramento Mountain Center PO Box 686 Cloudcroft, NM 88317	85-0206810	501(c)(3)	133,333				Public Health
United Way 1501 E Tenth Street Suite B Alamogordo, NM 88310	85-0197559	501(c)(3)	27,458				Public Health

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(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
Zia Therapy-Ztrans 900 First Street Alamogordo, NM 88310	85-0199165	501(c)(3)	30,375				Public Health
Otero County Fair Association 401 Fairgrounds Road Alamogordo, NM 88310	85-6011829	501(c)(3)	27,319				Public Health
Flickinger Center 1110 N New York Avenue Alamogordo, NM 88310	85-0326369	501(c)(3)	7,500				Public Health

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
Otero County Hospital Association

Employer identification number
85-0138775

Part I	Questions Regarding Compensation		Yes	No
1a	Check the appropriate box(es) if the organization provided any of the following to or for a person listed 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 indemnification 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		No
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, officers, including the CEO/Executive Director, regarding the items checked in line 1a?	2	Yes	
3	Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III. ☐ Compensation committee ☒ Written employment contract ☒ Independent compensation consultant ☒ Compensation survey or study ☐ Form 990 of other organizations ☒ Approval by the board or compensation committee			
4	During the year, did any person listed 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? b Participate in, or receive payment from, a supplemental nonqualified retirement plan? 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.	4a		No
		4b	Yes	
		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? b Any related organization? If "Yes," on line 5a or 5b, describe in Part III.	5a		No
		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? b Any related organization? If "Yes," on line 6a or 6b, describe in Part III.	6a	Yes	
		6b	Yes	
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		No
8	Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III.	8		No
9	If "Yes" 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				
See Additional Data Table							

Part III Supplemental Information

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

Return Reference	Explanation
Part I, Line 1a	Residence was provided to persons listed in Part VII until permanent housing was arranged. Benefit was reported as taxable income to recipients.
Part I, Line 4b	The following individuals contributed to the hospital's 457(b) Deferred Compensation Plan in FY 2016. The amounts contributed are listed next to the individual's name. The hospital did not match any employee, officer or director contributions. Robert Heckert-\$18,250. George Massoud-\$18,000. Gregory Richardson-\$18,429. Donald Shuwarger-\$9,979.
Part I, Line 6	The organization's officers listed in Part VII, Section A are evaluated annually based on a set of evidence based goals that determine their eligibility for additional compensation. The select goals are weighted in a hierarchy of core and job specific competencies, which include quality of care, financial performance and patient perception of care measures. One of the criteria designed to enhance alignment of the organization's goal for continued financial stability is improvement of net earnings of both the hospital, and its related organizations.

Additional Data

Software ID:

Software Version:

EIN: 85-0138775

Name: Otero County Hospital Association

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1Greg Richardson MDDirector	(i)	350,970	5,500	762	8,400	24,781	390,413	0
	(ii)	0	0	0	0	-	-	0
1Andrew Lancaster MD Director/Physician	(i)	212,757	1,000	54	6,300	23,800	243,911	0
	(ii)	0	0	0	0	-	-	0
2Robert James HeckertCEO	(i)	356,407	0	1,524	18,000	2,203	378,134	0
	(ii)	0	0	0	0	-	-	0
3Bashar NaserCFO	(i)	358,037	4,800	4,680	6,000	22,659	396,176	0
	(ii)	0	0	0	0	-	-	0
4Arthur Austin MD Director/VP of Medical Affairs	(i)	291,373	250	1,524	9,000	18,943	321,090	0
	(ii)	0	0	0	0	-	-	0
5Albert Esparsen VP of Physician Practice	(i)	148,487	24,800	473	0	14,518	188,278	0
	(ii)	0	0	0	0	-	-	0
6Peter SeamanVP of Finance	(i)	161,132	24,900	953	5,848	16,006	208,839	0
	(ii)	0	0	0	0	-	-	0
7Dennis Worthington Physician	(i)	410,316	10,792	762	10,320	19,125	451,315	0
	(ii)	0	0	0	0	-	-	0
8Charles RacePhysician	(i)	808,409	1,000	396	9,533	21,531	840,869	0
	(ii)	0	0	0	0	-	-	0
9Donald SchuwargerPhysician	(i)	345,526	59,959	258	24,473	20,888	451,104	0
	(ii)	0	0	0	0	-	-	0
10William PollardPhysician	(i)	468,471	53,256	27,420	10,320	25,654	585,121	0
	(ii)	0	0	0	0	-	-	0
11George MassoudPhysician	(i)	408,810	1,000	371	10,320	18,428	438,929	0
	(ii)	0	0	0	0	-	-	0

Schedule K
(Form 990)

Department of the Treasury
Internal Revenue Service
Name of the organization
Otero County Hospital Association

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

Employer identification number

85-0138775

Part I Bond Issues											
(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pool financing	
						Yes	No	Yes	No	Yes	No
A New Mexico Hospital Equipment Loan Council	85-0426875	647370FS9	09-19-2012	70,004,797	Hospital imp including new patient tower, refund bonds issued 11/15/07		X		X		X

Part II		Proceeds									
		A		B		C		D			
1	Amount of bonds retired	1,350,000									
2	Amount of bonds legally defeased										
3	Total proceeds of issue	70,011,320									
4	Gross proceeds in reserve funds	5,283,184									
5	Capitalized interest from proceeds										
6	Proceeds in refunding escrows										
7	Issuance costs from proceeds	1,400,096									
8	Credit enhancement from proceeds										
9	Working capital expenditures from proceeds										
10	Capital expenditures from proceeds	32,310,994									
11	Other spent proceeds	31,075,969									
12	Other unspent proceeds										
13	Year of substantial completion	2012									
		Yes	No	Yes	No	Yes	No	Yes	No		
14	Were the bonds issued as part of a current refunding issue?	X									
15	Were the bonds issued as part of an advance refunding issue?		X								
16	Has the final allocation of proceeds been made?	X									
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X									

Part III Private Business Use									
		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?		X						
2	Are there any lease arrangements that may result in private business use of bond-financed property?	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						
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						
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 ▶	2 560 %							
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶	0 %							
6	Total of lines 4 and 5	2 560 %							
7	Does the bond issue meet the private security or payment test?		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						
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							

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						
2	If "No" to line 1, did the following apply?								
a	Rebate not due yet?		X						
b	Exception to rebate?		X						
c	No rebate due?	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						
4a	Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X						
b	Name of provider								
c	Term of hedge								
d	Was the hedge superintegrated?								
e	Was the hedge terminated?								

Part IV **Arbitrage** *(Continued)*

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
5a	Were gross proceeds invested in a guaranteed investment contract (GIC)?		X						
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						
7	Has the organization established written procedures to monitor the requirements of section 148?	X							

Part V **Procedures To Undertake Corrective Action**

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

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 New Mexico Hospital Equipment Loan Council Date the Rebate Computation was Performed 01/09/2014

Return Reference	Explanation
Schedule K, Part II, Line 11	The other spent proceeds was the amount used to retire the bonds issued in 2007

Return Reference	Explanation
Schedule K, Part I, Column (e) and Part II, Line 3	The difference between the issue price at Part I Column (e) and the total proceeds of the issue at Part II Line 3 is due to investment earnings on the reserve funds

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) Gregory Richardson	Board member Gregory Richardson is the President of the ASV, LLC board	5,988,420	Gerald Champion performs services for ASV, LLC		No
(2) Amy Graham	Daughter-in-law of board member William Mershon	78,668	Compensation		No

Part V Supplemental Information

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

Return Reference	Explanation
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**SCHEDULE O
(Form 990 or
990-EZ)**Department of the
Treasury
Internal Revenue
Service**Supplemental Information to Form 990 or 990-EZ**Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

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

OMB No 1545-0047

2015**Open to Public
Inspection**Name of the organization
Otero County Hospital Association**Employer identification number**

85-0138775

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part III, line 2	Osteo Clinic, April 2016 Wellness Clinic, February 2016 New internal med clinic (Dr Singh) February 2016 Allergy Clinic, January 2016 In July 2015, the Joint Venture operating a C ardiac Cath Lab opened tw o days per week April 2016, the Cardiac Cath Lab w as staffed 24/ 7, and the Cardiology Clinic opened Expansion of Inpatient Behavioral Medicine from 12 be ds to 19 beds

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part III, line 3	Closed the Downtown Pediatrics office, August 2015

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part III, Line 4a, Description of Program Service (continued)	GCRMC has, since its inception in 1949, provided quality medical healthcare regardless of race, creed, sex, national origin, handicap, age, or ability to pay. Although reimbursement for services rendered is critical to the operations and stability of GCRMC, it is recognized that not all individuals possess the ability to purchase essential medical services and, further, that our mission is to serve the community with respect to providing healthcare services and healthcare education. Therefore, in keeping the GCRMC's commitment to serve our community, we provide free care and/or subsidized care - care to persons covered by governmental programs at below cost, and health activities and programs to support the community will be considered where the need and/or an individual's inability to pay coexist. Management expanded the Financial Assistance Program from 200% to 300% of FPL effective July 1, 2015. GCRMC maintains records to identify and monitor the level of charity care it provides. These records include the amount of charges foregone for services and supplies furnished under its charity care policy.

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section A, line 1	The Joint Finance and Executive Committee is chaired by the Vice Chairman of the Board of Directors. In absence of the Vice Chairman, the Chairman of the Board or Secretary of the Board shall chair the committee in that order. The composition of the Joint Finance/Executive Committee shall be determined by the Board of Directors at the annual meeting. The powers and responsibilities of the Committee shall include: Screen Board business and make recommendations for approval in order to enable the full Board to effectively utilize its discussion time, Exercise emergency powers in extraordinary circumstances and make decisions otherwise reserved to the Board of Directors when the Board is not in session, Exercise the power and authority to transact Corporation business which requires immediate action, Serve as audit committee for the Corporation, Serve as ethics committee for the Corporation and be primarily responsible for implementing the conflicts of interest policy of the Corporation, review and make recommendations to the Board of Directors concerning the performance, competence and terms of employment of the Chief Executive Officer, and act in such other situations and capacities as the Board of Directors may designate or specify.

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section A, line 4	At a duly called meeting of the voting members of Otero County Hospital Association, the membership voted to convert the corporation into a non-membership corporation with a self-perpetuating board composed of not less than (7) nor more than (15) members. The Board of Directors ratified this decision of the membership and, by a super majority vote of the directors at a meeting duly called for such purpose, voted to amend the Articles of Incorporation of the Corporation accordingly. Restated Articles of Incorporation were then submitted to the New Mexico Secretary of State who accepted the same and issued a Restated Certificate of Incorporation. Upon the Secretary of State's issuance of the Restated Certificate of Incorporation, the Bylaws of the Corporation were amended to reflect this change in governance.

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section A, line 7a	At their annual meeting, the Board of Directors shall elect persons to fill such vacancies as may exist to a maximum of 15 Directors

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section B, line 11	The return is review ed by the CEO and CFO prior to filing

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section B, line 12c	Each officer, director, and key employee is required to fill out a conflict of interest disclosure annually. The forms are initially reviewed by the CFO. If any conflicts exist, they are reviewed by the Board of Directors. A person with a conflict is restricted from voting on related matters.

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section B, line 15	The CEO reports to GCRMC Board of Directors and his salary is determined by the Board of Directors. The Board used comparative salary data obtained from QHR as well as the Modern Healthcare CEO Salary Survey to assess the reasonableness of the compensation. Compensation was last determined June 2015 for FY 16. Annually GCRMC has a compensation review performed by an independent consulting firm, Coker Group. This review includes compensation of officers as well as physicians. The results of the compensation study are presented to and reviewed by the Board.

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section C, line 19	The governing documents, conflict of interest policy and financial statement are all available upon request

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part IX, line 11g	Consultants Program service expenses 1,225,773 Management and general expenses 755,331 Fundraising expenses 0 Total expenses 1,981,104 Maintenance Contracts Program service expenses 1,238,248 Management and general expenses 1,752,528 Fundraising expenses 0 Total expenses 2,990,776 Physician Fees Program service expenses 3,763,655 Management and general expenses 0 Fundraising expenses 0 Total expenses 3,763,655 Agency Personnel Program service expenses 2,536,636 Management and general expenses 8,352 Fundraising expenses 0 Total expenses 2,544,988 Contract Dept Fees Program service expenses 2,728,746 Management and general expenses 3,397,899 Fundraising expenses 0 Total expenses 6,126,645 Surgery Center Fee Program service expenses 5,988,420 Management and general expenses 0 Fundraising expenses 0 Total expenses 5,988,420 Miscellaneous Fees Program service expenses 2,386,226 Management and general expenses 1,442,394 Fundraising expenses 0 Total expenses 3,828,620 GCSP Cath Lab Fee Program service expenses 3,354,283 Management and general expenses 0 Fundraising expenses 0 Total expenses 3,354,283

SCHEDULE R
(Form 990)

Related Organizations and Unrelated Partnerships

OMB No 1545-0047

2015

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Name of the organization
Otero County Hospital Association

Employer identification number
85-0138775

Part I

Identification of Disregarded Entities

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

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

Part II

Identification of Related Tax-Exempt Organizations

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No

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) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) Alamogordo Surgery Venture LLC 2351 25th Street Alamogordo, NM 88310 06-1791828	Outpatient Surgery Center	NM	N/A	Related	502,695	89,719	Yes				No	40 500 %
Gerald Champion-Sierra Providence (2) Cardiac Cath Lab LLC 2669 N Scenic Drive Alamogordo, NM 88310 61-1753921	Cardiac Cath Lab	NM	N/A	Related	-486,599	3,139,912	Yes				No	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	No

Part V

Transactions With Related Organizations

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

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

1

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

a

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

b

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

c

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

d

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

e

Loans or loan guarantees by related organization(s)

f

Dividends from related organization(s)

g

Sale of assets to related organization(s)

h

Purchase of assets from related organization(s)

i

Exchange of assets with related organization(s)

j

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

k

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

l

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

m

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

n

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

o

Sharing of paid employees with related organization(s)

p

Reimbursement paid to related organization(s) for expenses

q

Reimbursement paid by related organization(s) for expenses

r

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

s

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

Yes

No

1a

Yes

1b

No

1c

No

1d

No

1e

No

1f

Yes

1g

No

1h

No

1i

No

1j

Yes

1k

No

1l

Yes

1m

No

1n

No

1o

No

1p

Yes

1q

Yes

1r

Yes

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
See Additional Data Table			

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.

[illegible]

Part VII **Supplemental Information**

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

Return Reference	Explanation
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Additional Data

Software ID:
Software Version:
EIN: 85-0138775
Name: Otero County Hospital Association

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

(a) Name of related organization		(b) Transaction type(a-s)	(c) Amount Involved	(d) Method of determining amount involved
(1)	Alamogordo Surgery Venture LLC	F	648,000	General Ledger
(1)	Alamogordo Surgery Venture LLC	A	456,680	General Ledger
(2)	Alamogordo Surgery Venture LLC	L	5,988,420	General Ledger
(3)	Alamogordo Surgery Venture LLC	Q	107,471	General Ledger
(4)	Gerald Champion-Sierra Providence Cardiac Cath Lab LLC	F	102,000	General Ledger
(5)	Gerald Champion-Sierra Providence Cardiac Cath Lab LLC	A	157,038	General Ledger
(6)	Gerald Champion-Sierra Providence Cardiac Cath Lab LLC	L	3,354,283	General Ledger
(7)	Gerald Champion-Sierra Providence Cardiac Cath Lab LLC	Q	582,878	General Ledger
(8)	Gerald Champion-Sierra Providence Cardiac Cath Lab LLC	R	909,375	General Ledger