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A For the 2015 calendar year, or tax year beginning 10-01-2015 , and ending 09-30-2016

B Check if applicable

☐ Address change

☐ Name change

☐ Initial return

☐ Final return/terminated

☐ Amended return

☐ Application pending

C Name of organization
University Health Systems of Eastern Carolina Inc

Doing business as
Vidant Health

Number and street (or P O box if mail is not delivered to street address) Room/suite
2100 Stantonsburg Road

City or town, state or province, country, and ZIP or foreign postal code
Greenville, NC 27835

F Name and address of principal officer
Michael Waldrum
2100 Stantonsburg Road
Greenville, NC 27835

D Employer identification number
56-2141073

E Telephone number
(252) 847-5129

G Gross receipts \$ 192,903,875

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

J Website: ▶ www.vidanthhealth.com

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

L Year of formation 1998

M State of legal domicile NC

Part I Summary			
Activities & Governance	1 Briefly describe the organization's mission or most significant activities To advance and support the healthcare needs of the communities of Eastern North Carolina		
	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	11
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	9
	5 Total number of individuals employed in calendar year 2015 (Part V, line 2a)	5	0
	6 Total number of volunteers (estimate if necessary)	6	9
Revenue	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	0
	b Net unrelated business taxable income from Form 990-T, line 34	7b	0
Expenses	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	234,071	148,048
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7 d)	175,711,477	193,529,896
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	-5,998,164	-774,069
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	0	0
		169,947,384	192,903,875
Net Assets or Fund Balances	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)	1,209,009	757,995
	14 Benefits paid to or for members (Part IX, column (A), line 4)	0	0
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	92,340,223	97,909,175
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	b Total fundraising expenses (Part IX, column (D), line 25) ▶0		
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	114,355,825	135,738,458
	18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	207,905,057	234,405,628
	19 Revenue less expenses Subtract line 18 from line 12	-37,957,673	-41,501,753
		Beginning of Current Year	End of Year
	20 Total assets (Part X, line 16)	438,702,615	386,225,358
	21 Total liabilities (Part X, line 26)	802,810,894	791,123,566
	22 Net assets or fund balances Subtract line 21 from line 20	-364,108,279	-404,898,208

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

David Hughes Chief Financial Officer

2017-06-13

Date

Paid Preparer Use Only

Pnnt/Type preparer's name
Wayne Harder

Preparer's signature
Wayne Harder

Date

Check ☐ if self-employed

PTIN
P00294296

Firm's name ▶ RSM US LLP

Firm's EIN ▶ 42-0714325

Firm's address ▶ 1 S WACKER DRIVE STE 800

Phone no (312) 634-3400

CHICAGO, IL 60606

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

Form990(2015)

Part III

Statement of Program Service Accomplishments

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

☐ Yes ☒ No

1 Briefly describe the organization's mission

To improve the health and well-being of eastern North Carolina

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 \$ 218,502,215 including grants of \$ 757,995) (Revenue \$ 193,529,896)

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 ▶ 218,502,215

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 Yes	
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 Yes	
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <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 Yes	
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	No
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	

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	Yes	
b	A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28b		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV	28c		No
29	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I	33		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.		
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	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.		
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).		
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?		No
b	If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O.		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		No
b	If "Yes," enter the name of the foreign country: _____ See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		No
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?		No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	Organizations that may receive deductible contributions under section 170(c).		
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?		No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		No
d	If "Yes," indicate the number of Forms 8282 filed during the year.		
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
8	Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?		
9a	Did the sponsoring organization make any taxable distributions under section 4966?		
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter		
a	Initiation fees and capital contributions included on Part VIII, line 12.		
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.		
11	Section 501(c)(12) organizations. Enter		
a	Gross income from members or shareholders.		
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them).		
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year.		
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
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.		
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.		
c	Enter the amount of reserves on hand.		
14a	Did the organization receive any payments for indoor tanning services during the tax year?		No
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O.		

Part VI

Governance, Management, and Disclosure

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

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

Section A. Governing Body and Management

			Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	1a	11	
	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	9	
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	Yes	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3		No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4		No
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5		No
6	Did the organization have members or stockholders?	6		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		No
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	Yes	
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990			
12a	Did the organization have a written conflict of interest policy? If "No," go to line 13	12a	Yes	
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	12c	Yes	
13	Did the organization have a written whistleblower policy?	13	Yes	
14	Did the organization have a written document retention and destruction policy?	14	Yes	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official	15a	Yes	
b	Other officers or key employees of the organization	15b	Yes	
	If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		No
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b		

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed	
18	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply. ☒ Own website ☐ Another's website ☒ Upon request ☐ Other (explain in Schedule O)	
19	Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year	
20	State the name, address, and telephone number of the person who possesses the organization's books and records Brian Dunn 2100 Stantonsburg Road Greenville, NC 27835 (252) 847-7479	

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

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

[illegible]

[illegible]

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 ► 158

		Yes	No
3	Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	3 Yes	
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	4 Yes	
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>	5	No

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.

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 ▶ 77

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					
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	148,048				
	g	Noncash contributions included in lines 1a-1f \$						
	h	Total. Add lines 1a-1f			148,048			
Program Service Revenue	2a	Admin Support for Supported Orgs	Business Code 900099	193,529,896	193,529,896			
	b							
	c							
	d							
	e							
	f	All other program service revenue						
	g	Total. Add lines 2a-2f			193,529,896			
	Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		-774,069			-774,069
4		Income from investment of tax-exempt bond proceeds . .						
5		Royalties						
6a		(i) Real		(ii) Personal				
b		Less rental expenses						
c		Rental income or (loss)						
d		Net rental income or (loss)						
7a		(i) Securities		(ii) Other				
b		Less cost or other basis and sales expenses						
c		Gain or (loss)						
d		Net gain or (loss)						
8a		Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18 . . .						
		a						
		b	Less direct expenses					
c		Net income or (loss) from fundraising events . .						
9a		Gross income from gaming activities See Part IV, line 19						
	a							
	b	Less direct expenses						
c	Net income or (loss) from gaming activities . . .							
10a	Gross sales of inventory, less returns and allowances . .							
	a							
	b	Less cost of goods sold						
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			192,903,875	193,529,896	0	-774,069	

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	757,995	757,995		
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	12,577,701	12,577,701		
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7	Other salaries and wages	67,900,107	67,900,107		
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9	Other employee benefits	12,273,676	12,273,676		
10	Payroll taxes	5,157,691	5,157,691		
11	Fees for services (non-employees)				
a	Management				
b	Legal	721,488		721,488	
c	Accounting	143,102		143,102	
d	Lobbying	154,659		154,659	
e	Professional fundraising services. See Part IV, line 17				
f	Investment management fees	1,224,304	1,224,304		
g	Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	23,421,700	11,402,161	12,019,539	
12	Advertising and promotion	5,098,085	5,098,085		
13	Office expenses	7,161,562	4,296,937	2,864,625	
14	Information technology	22,159,462	22,159,462		
15	Royalties				
16	Occupancy	3,286,813	3,286,813		
17	Travel	1,368,259	1,368,259		
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings				
20	Interest	31,624,486	31,624,486		
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	16,169,054	16,169,054		
23	Insurance	7,929,849	7,929,849		
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	13,831,248	13,831,248		
b	Membership Dues	915,139	915,139		
c					
d					
e	All other expenses	529,248	529,248		
25	Total functional expenses. Add lines 1 through 24e	234,405,628	218,502,215	15,903,413	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		16,789,048	2	7,051,494	
	3	Pledges and grants receivable, net			3		
	4	Accounts receivable, net			4		
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L			5		
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L			6		
	7	Notes and loans receivable, net			7		
	8	Inventories for sale or use		1,220,114	8	1,234,712	
	9	Prepaid expenses and deferred charges		7,087,167	9	12,094,840	
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a	107,047,391			
	b	Less: accumulated depreciation	10b	59,903,039	38,952,711	10c	47,144,352
	11	Investments—publicly traded securities			11		
	12	Investments—other securities. See Part IV, line 11			12		
	13	Investments—program-related. See Part IV, line 11			13		
	14	Intangible assets		305,374	14	305,374	
	15	Other assets. See Part IV, line 11		374,348,201	15	318,394,586	
16	Total assets. Add lines 1 through 15 (must equal line 34)		438,702,615	16	386,225,358		
Liabilities	17	Accounts payable and accrued expenses		34,959,528	17	37,168,600	
	18	Grants payable			18		
	19	Deferred revenue			19		
	20	Tax-exempt bond liabilities		738,423,366	20	723,801,466	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D			21		
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L			22		
	23	Secured mortgages and notes payable to unrelated third parties			23		
	24	Unsecured notes and loans payable to unrelated third parties			24		
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17–24). Complete Part X of Schedule D		29,428,000	25	30,153,500	
	26	Total liabilities. Add lines 17 through 25		802,810,894	26	791,123,566	
	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		-364,108,279	27	-404,898,208	
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		-364,108,279	33	-404,898,208	
34		Total liabilities and net assets/fund balances		438,702,615	34	386,225,358	

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	192,903,875
2	Total expenses (must equal Part IX, column (A), line 25)	2	234,405,628
3	Revenue less expenses Subtract line 2 from line 1	3	-41,501,753
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	-364,108,279
5	Net unrealized gains (losses) on investments	5	30,881,860
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	-30,170,036
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	-404,898,208

Part XII

Financial Statements and Reporting

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

☐

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

Additional Data

Software ID:
Software Version:
EIN: 56-2141073
Name: University Health Systems of Eastern
Carolina Inc

Form 990, Part III, Line 4a

4a	(Code	) (Expenses \$	218,502,215	including grants of \$	757,995) (Revenue \$	193,529,896)
	See Schedule O					

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
Dr Marcus Albemaz MD Chairman	2 00 4 00	X						0	0	0
S Lawrence Davenport Vice Chairman	2 00 0 00	X						0	0	0
J Bryant Kittrell III Treasurer	2 00 2 00	X						0	0	0
Cassius S Williams Secretary	2 00 4 00	X						0	0	0
David Womack Asstistant Secretary	2 00 2 00	X						0	0	0
JoAnne K Burgdorff Board Director	2 00 2 00	X						0	0	0
Ernest L Evans Board Director/Past Treasurer	2 00 0 00	X						0	0	0
Phillip K Flowers Board Director	2 00 4 00	X						0	0	0
Arthur H Keeney III Board Director	2 00 6 00	X						0	0	0
Thomasine Kennedy Board Director	2 00 4 00	X						0	0	0

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
Dr Walter E Pofahl II MD Board Director	2 00	X						0	0	0
Dr Michael Waldrum MD Chief Executive Officer	40 00 12 00			X				483,826	0	74,071
David Hughes Chief Financial Officer	40 00 12 00			X				497,452	0	169,107
Roger Robertson Chief of Corporate Services	40 00 8 00			X				455,525	0	295,990
Janet Mullaney Chief Administrative Officer	40 00 0 00			X				611,851	0	188,086
William Floyd EVP/President of VMC	2 00 42 00			X				0	497,092	127,667
Joan Wynn Chief Quality & Patient Safety	40 00 2 00			X				309,594	0	205,348
John Falcetano Past Chief Audit and Compliance	40 00 0 00			X				754,208	0	99,575
Laura Land Past Chief Human Resouces Officer	40 00 0 00			X				114,266	0	22,518
Dr Mark Rumans MD Chief Medical Officer	40 00 0 00			X				586,414	0	95,942

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors										
(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
Kathy Barger Chief Sys Growth & Devlp Officer	40 00 0 00				X			362,536	0	201,480
Anissa Davenport Chief Strategic Devlp & Marketing	40 00 0 00				X			196,300	0	81,890
Joel Butler Chief External Affairs Officer	40 00 0 00				X			313,193	0	227,043
Timothy McDonnell Chief Facilities Officer	40 00 2 00				X			231,709	0	142,236
Jeffery Wiggins Chief Audit and Compliance	40 00 0 00				X			199,406	0	61,180
Donnette Herring Chief Information Officer	40 00 0 00				X			417,394	0	77,561
Preston Comeaux III VP, Fin Svcs - Supply Chain	40 00 0 00				X			255,241	0	83,165
Lynn Lanier VP, ECH Financial Services	2 00 42 00				X			246,849	0	183,967
Jerry Townsend VP, Fin Svcs - Operations	40 00 0 00				X			175,349	0	77,296
David Michael Chief Medical Information	40 00 0 00				X			265,865	0	69,888

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors										
(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
William Case President, Beaufort	40 00 0 00					X		257,922	0	139,535
Jeffery Sackison President, Chowan & Bertie	40 00 0 00					X		354,010	0	145,001
Vicki Haddock VP, Office of General Counsel	40 00 0 00					X		190,862	0	150,760
Jennifer Thomas VP, Financial Services	40 00 0 00					X		194,023	0	63,410
Jay Briley President, Duplin	40 00 0 00					X		217,104	0	86,100
Dr David Herman MD Former Chief Executive Officer	0 00 0 00						X	270,651	0	31,973
Stephen Lawler Past CPAO/President Ementus - VMC	40 00 2 00						X	3,110,034	0	157,833

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
University Health Systems of Eastern Carolina Inc

Employer identification number
56-2141073

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

5

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		
See Additional Data Table						
Total	5				19,175,807	

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>	Yes	
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>		No
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>		No
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>		No
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>		No
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>		No
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>		No
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>		No
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>		No
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>		No
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>		No
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>		No
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?		No
b A family member of a person described in (a) above?		No
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>		No

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?		No
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>	Yes	
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>		No

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.	Yes	No
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>		
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>	Yes	
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>	Yes	

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

990 Schedule A, Supplemental Information

Return Reference	Explanation
Part IV, Section E, Line 3a	Vidant Health maintains control over the management and policies of the other supported or ganizations through restrictive provisions in their Articles of Incorporation and Bylaws a nd through the direct or indirect right to appoint and remove without cause a majority of the Board of Directors for each The Chief Executive Officer of Vidant Health also serves as the Chairman of the Board of Directors for each of the supported organizations, other t han Vidant Medical Center

990 Schedule A, Supplemental Information

Return Reference	Explanation
Part IV, Section E, Line 3b	Pursuant to Vidant Medical Center's Articles of Incorporation, (i) Vidant Health must approve any amendments to Vidant Medical Center's Articles of Incorporation or Bylaws, and (ii) the Chief Executive Officer of Vidant Health has general charge of the business affairs and property of Vidant Medical Center. Vidant Health maintains control over the management and policies of the other supported organizations through restrictive provisions in their Articles of Incorporation and Bylaws and through the direct or indirect right to appoint and remove without cause a majority of the Board of Directors for each. The Chief Executive Officer of Vidant Health also serves as the Chairman of the Board of Directors for each of the supported organizations, other than Vidant Medical Center.

Schedule A (Form 990 or 990-EZ) 2015

Additional Data

Software ID:

Software Version:

EIN: 56-2141073

Name: University Health Systems of Eastern
Carolina Inc

Form 990, Sch A, Part I, Line 11g - Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii)EIN	(iii) Type of organization (described on lines 1- 9 above or IRC section (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	Amount of other support (see (vi) instructions)
			Yes	No		
(A) Pitt County Memorial Hospital Inc	560585243		Yes		19,110,244	0
(A) East Carolina Health Inc	911997979		Yes		0	0
(B) East Carolina Health Inc (RCH)	562003393		Yes		0	0
(C) PCMH Management	561690740		Yes		65,563	0
(D) HealthAccess Inc	561396133		Yes		0	0

SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

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

OMB No 1545-0047

2015

Open to Public Inspection

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

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

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

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

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

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

Name of the organization University Health Systems of Eastern Carolina Inc	Employer identification number 56-2141073
--	--

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

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

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

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

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

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

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

Part II-A

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

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

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

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals												
1a	Total lobbying expenditures to influence public opinion (grass roots lobbying)														
b	Total lobbying expenditures to influence a legislative body (direct lobbying)														
c	Total lobbying expenditures (add lines 1a and 1b)														
d	Other exempt purpose expenditures														
e	Total exempt purpose expenditures (add lines 1c and 1d)														
f	Lobbying nontaxable amount Enter the amount from the following table in both columns														
<table><tr><th>If the amount on line 1e, column (a) or (b) is:</th><th>The lobbying nontaxable amount is:</th></tr><tr><td>Not over \$500,000</td><td>20% of the amount on line 1e</td></tr><tr><td>Over \$500,000 but not over \$1,000,000</td><td>\$100,000 plus 15% of the excess over \$500,000</td></tr><tr><td>Over \$1,000,000 but not over \$1,500,000</td><td>\$175,000 plus 10% of the excess over \$1,000,000</td></tr><tr><td>Over \$1,500,000 but not over \$17,000,000</td><td>\$225,000 plus 5% of the excess over \$1,500,000</td></tr><tr><td>Over \$17,000,000</td><td>\$1,000,000</td></tr></table>		If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000	Over \$17,000,000	\$1,000,000		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:														
Not over \$500,000	20% of the amount on line 1e														
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000														
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000														
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000														
Over \$17,000,000	\$1,000,000														
g	Grassroots nontaxable amount (enter 25% of line 1f)														
h	Subtract line 1g from line 1a If zero or less, enter -0-														
i	Subtract line 1f from line 1c If zero or less, enter -0-														
j	If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?														
		☐ Yes	☐ No												

4-Year Averaging Period Under section 501(h)

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

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a)2012	(b)2013	(c)2014	(d)2015	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Part II-B

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

For each "Yes" response on lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity		(a)		(b)	
		Yes	No	Amount	
1					
a			No		
b		Yes			
c			No		
d			No		
e			No		
f			No		
g		Yes		60,000	
h			No		
i		Yes		94,659	
j				154,659	
2a			No		
b					
c					
d					

Part III-A

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

	Yes	No
1		
2		
3		

Part III-B

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

1	1	
2		
a	2a	
b	2b	
c	2c	
3	3	
4	4	
5	5	

Part IV

Supplemental Information

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

Return Reference	Explanation
Part II-B, Line 1	22 12% of dues to AHA are allocated to lobbying Daniel Van Liere was paid \$94,659 to perform lobbying activity

SCHEDULE D

(Form 990)

Supplemental Financial Statements

OMB No 1545-0047

2015

Open to Public Inspection

Department of the Treasury

Internal Revenue Service

▶ 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.

Name of the organization

University Health Systems of Eastern Carolina Inc

Employer identification number

56-2141073

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.

Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

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

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

1	Purpose(s) of conservation easements held by the organization (check all that apply)	
	☐ Preservation of land for public use (e g , recreation or education) ☐ 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

1c

Beginning balance

1d

Additions during the year

1e

Distributions during the year

1f

Ending balance

Amount

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

3a(i)

3a(ii)

Yes

No

b

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

3b

Yes

No

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		1,916,332		1,916,332
b Buildings		1,978,371	655,132	1,323,239
c Leasehold improvements				
d Equipment		103,152,688	59,247,907	43,904,781
e Other				
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c))				47,144,352

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

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

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

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

Part XIII Supplemental Information

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

Return Reference	Explanation
See Additional Data Table	

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

Return Reference	Explanation

Additional Data

Software ID:
Software Version:
EIN: 56-2141073
Name: University Health Systems of Eastern
Carolina Inc

Supplemental Information

Return Reference	Explanation
Part X, Line 2	Vidant Health has been determined to qualify as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. Vidant Health has reviewed its tax positions for all open years and has concluded that no material liabilities exist as of September 30, 2016 and 2015. Vidant Health files tax returns with the U.S. federal and State of North Carolina jurisdictions. With few exceptions, Vidant Health is no longer subject to U.S. federal examinations by tax authorities for years before 2013.

2015

**Open to Public
Inspection**

Carolina Inc

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	Primary oversight responsibility for all grants received by Vidant Health organizations rests with the entity receiving the funds. Each entity is responsible for documenting the receipt of funds, assigning a cost center to track expenses and/or creating a restricted liability for deposit of the funds, documenting expenditures and completing all grantor required reporting. Their compliance with the terms of the agreement related to project implementation and management, fund expenditures and reporting is monitored by the granting agency's designated contact person with assistance from the Vidant Health Grants office. Note: The majority of the grant funds received for programs at PCMH (D/B/A Vidant Medical Center) are acquired through the VMC Foundation which has a compliance audit completed each year. Grant funds for Vidant Health are sent to the Vidant Health Foundation and have the same audit procedures. All grant funds are recorded/monitored by the corporate accountant and the Assistant Vice President of Financial Services.

Additional Data

Software ID:
Software Version:
EIN: 56-2141073
Name: University Health Systems of Eastern
Carolina Inc

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
Pitt Memorial Hospital Foundation Inc 2800 Stantonsburg Road Greenville,NC 27835	58-1399266	501(c)(3)	700,000				General Support
Public Radio East Foundation 800 College Court New Bern,NC 28562	56-1802728	501(c)(3)	20,000				General Support
NC Physicians Health Program 551 Horizon Drive Suite 201 Raleigh,NC 27615	56-1846599	501(c)(3)	15,000				General Support

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
Foundation of Nursing PO Box 2129 Raleigh, NC 27602	56-0340470	501(c)(3)	10,000				General Support

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
University Health Systems of Eastern Carolina Inc

Employer identification number
56-2141073

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.	Yes	
2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, officers, including the CEO/Executive Director, regarding the items checked in line 1a?	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?		No
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?		No
c Participate in, or receive payment from, an equity-based compensation arrangement?		No
If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.		
Only 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.		
5 For persons listed 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?		No
b Any related organization?		No
If "Yes," on line 5a or 5b, describe in Part III.		
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?		No
b Any related organization?		No
If "Yes," on line 6a or 6b, describe in Part III.		
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.		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.		No
9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?		

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	One Board member's spouse accompanied the Board member on a business trip that was taken on behalf of the organization in FY16. The spousal travel was treated as a taxable benefit.
Part I, Line 4	As of January 1, 2013, the supplemental nonqualified retirement plan was frozen and no further amounts have accrued to its benefit. In lieu of the SERP, the comprehensive defined benefit pension plan will provide an equivalent benefit. The increase in the value of such plans is reflected in the sum of Part II, Column (C). Compensation of John Falcetano. Of the compensation reported in Column (B) (iii) of Part II, \$559,039 is attributable to a distribution from a Supplemental Executive Retirement Plan. Of the total amount, \$251,568 was paid to Federal and State government as withheld taxes. The remainder is held by a trustee with actuarially determined monthly payments, consisting of principal and earnings, being made to Falcetano over a specified number of years. This retirement compensation was earned by the recipient over 20 years of service. Compensation of Joel Butler. Of the compensation reported in Column (B) (iii) of Part II, \$40,959 is attributable to a distribution from a Supplemental Executive Retirement Plan. Compensation of Preston Corneaux. Of the compensation reported in Column (B) (iii) of Part II, \$12,177 is attributable to a distribution from a Supplemental Executive Retirement Plan. Compensation of Jeffrey Sackrison. Of the compensation reported in Column (B) (iii) of Part II, \$15,716 is attributable to a distribution from a Supplemental Executive Retirement Plan. Compensation of Stephen Lawler. Of the compensation reported in Column (B) (iii) of Part II, \$2,108,866 is attributable to a distribution from a Supplemental Executive Retirement Plan. Of the total amount, \$948,990 was paid to Federal and State government as withheld taxes. The remainder is held by a trustee with actuarially determined monthly payments, consisting of principal and earnings, being made to Lawler over a specified number of years. This retirement compensation was earned by the recipient over 20 years of service.

Additional Data

Software ID:
Software Version:
EIN: 56-2141073
Name: University Health Systems of Eastern
Carolina Inc

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1Dr Michael Waldrum MD Chief Executive Officer	(i)	483,826	0	0	48,600	25,471	557,897	0
	(ii)	0	0	0	0	0	0	0
1David Hughes Chief Financial Officer	(i)	422,256	73,638	1,558	126,996	42,111	666,559	0
	(ii)	0	0	0	0	0	0	0
2Roger Robertson Chief of Corporate Services	(i)	382,182	70,778	2,565	258,060	37,930	751,515	0
	(ii)	0	0	0	0	0	0	0
3Janet Mullaney Chief Administrative Officer	(i)	510,216	99,000	2,635	160,468	27,618	799,937	0
	(ii)	0	0	0	0	0	0	0
4William Floyd EVP/President of VMC	(i)	0	0	0	0	0	0	0
	(ii)	429,632	66,828	632	89,498	0	0	0
5Joan Wynn Chief Quality & Patient Safety	(i)	259,907	48,853	834	160,675	44,673	514,942	0
	(ii)	0	0	0	0	0	0	0
6John Falcetano Past Chief Audit and Compliance	(i)	185,490	0	568,718	68,457	31,118	853,783	568,718
	(ii)	0	0	0	0	0	0	0
7Dr Mark Rumans MD Chief Medical Officer	(i)	496,450	89,964	0	58,900	37,042	682,356	0
	(ii)	0	0	0	0	0	0	0
8Kathy Barger Chief Sys Growth & Devlp Officer	(i)	308,965	52,217	1,354	158,640	42,840	564,016	0
	(ii)	0	0	0	0	0	0	0
9Anissa Davenport Chief Strategic Devlp & Marketing	(i)	155,456	40,453	391	54,446	27,444	278,190	0
	(ii)	0	0	0	0	0	0	0
10Joel Butler Chief External Affairs Officer	(i)	231,096	41,138	40,959	187,430	39,613	540,236	40,959
	(ii)	0	0	0	0	0	0	0
11Timothy McDonnell Chief Facilities Officer	(i)	211,582	19,406	721	100,176	42,060	373,945	0
	(ii)	0	0	0	0	0	0	0
12Jeffery Wiggins Chief Audit and Compliance	(i)	186,314	13,092	0	20,900	40,280	260,586	0
	(ii)	0	0	0	0	0	0	0
13Donnette Hernng Chief Information Officer	(i)	352,216	65,178	0	42,600	34,961	494,955	0
	(ii)	0	0	0	0	0	0	0
14Preston Comeaux III VP, Fin Svcs - Supply Chain	(i)	223,468	19,596	12,177	63,987	19,178	338,406	12,177
	(ii)	0	0	0	0	0	0	0
15Lynn Lanier VP, ECH Financial Services	(i)	227,409	18,415	1,025	150,176	33,791	430,816	0
	(ii)	0	0	0	0	0	0	0
16Jerry Townsend VP, Fin Svcs - Operations	(i)	160,547	14,802	0	50,941	26,355	252,645	0
	(ii)	0	0	0	0	0	0	0
17David Michael Chief Medical Information	(i)	243,585	22,280	0	27,700	42,188	335,753	0
	(ii)	0	0	0	0	0	0	0
18William Case President, Beaufort	(i)	219,688	37,586	648	96,275	43,260	397,457	0
	(ii)	0	0	0	0	0	0	0
19Jeffery Sacknson President, Chowan & Bertie	(i)	291,558	46,736	15,716	126,790	18,211	499,011	15,716
	(ii)	0	0	0	0	0	0	0

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
21Vicki Haddock VP, Office of General Counsel	(i)	183,267	7,595	0	117,469	33,291	341,622	0
	(ii)	0	0	0	0	- 0	- 0	0
1Jennifer Thomas VP, Financial Services	(i)	183,249	10,774	0	46,277	17,133	257,433	0
	(ii)	0	0	0	0	- 0	- 0	0
2Jay BrileyPresident, Duplin	(i)	182,664	34,440	0	47,730	38,370	303,204	0
	(ii)	0	0	0	0	- 0	- 0	0
3Dr David Herman MD Former Chief Executive Officer	(i)	270,651	0	0	27,059	4,914	302,624	0
	(ii)	0	0	0	0	- 0	- 0	0
4Stephen Lawler Past CPAO/President Emeritus - VMC	(i)	859,732	115,947	2,134,355	122,425	35,408	3,267,867	2,125,261
	(ii)	0	0	0	0	- 0	- 0	0

Schedule K
(Form 990)

Department of the Treasury

Internal Revenue Service

Name of the organization

University Health Systems of Eastern Carolina Inc

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

56-2141073

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 North Carolina Medical Care Commission	52-1309402	NONEAVAIL	06-23-2011	50,000,000	To purchase capital equipment		X		X		X
B North Carolina Medical Care Commission	52-1309402	65821DKH3	05-03-2012	159,226,894	Proceeds used to partially refund		X		X		X
C North Carolina Medical Care Commission	52-1309402	NoneAVAIL	08-22-2013	213,605,000	Proceeds used to refund 2008		X		X		X
D North Carolina Medical Care Commission	52-1309402	65821DSP7	04-01-2015	323,487,711	Proceeds used to refund 2008 and fund Cancer Center construction		X		X		X

Part II

Proceeds

		A		B		C		D	
1	Amount of bonds retired								
2	Amount of bonds legally defeased								
3	Total proceeds of issue	50,000,000		159,226,894		213,612,056		323,487,711	
4	Gross proceeds in reserve funds								
5	Capitalized interest from proceeds								
6	Proceeds in refunding escrows					213,072,056			
7	Issuance costs from proceeds			1,577,921		540,000		2,579,709	
8	Credit enhancement from proceeds								
9	Working capital expenditures from proceeds								
10	Capital expenditures from proceeds	50,000,000						188,897,946	
11	Other spent proceeds			157,648,973				132,010,056	
12	Other unspent proceeds								
13	Year of substantial completion	2011		2012		2013		2015	
		Yes	No	Yes	No	Yes	No	Yes	No
14	Were the bonds issued as part of a current refunding issue?		X	X		X			X
15	Were the bonds issued as part of an advance refunding issue?		X	X		X		X	
16	Has the final allocation of proceeds been made?	X		X		X			X
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X		X			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		X		X		X
2	Are there any lease arrangements that may result in private business use of bond-financed property?			X		X		X		X

Part III Private Business Use (Continued)

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts that may result in private business use of bond-financed property?		X		X		X		X
b	If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?								
c	Are there any research agreements that may result in private business use of bond-financed property?		X		X		X		X
d	If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶	0 %		0 %		0 %		0 %	
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 %		0 %		0 %		0 %	
6	Total of lines 4 and 5	0 %		0 %		0 %		0 %	
7	Does the bond issue meet the private security or payment test?		X		X		X		X
8a	Has there been a sale or disposition of any of the bond-financed property to a nongovernmental person other than a 501(c)(3) organization since the bonds were issued?.		X		X		X		X
b	If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of								
c	If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2?.								
9	Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2?.	X		X		X		X	

Part IV Arbitrage

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

Part IV

Arbitrage (Continued)

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

Part VI

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

Return Reference	Explanation
Schedule K, Part IV, Line 2c	The Series 2011 Bond underwent an arbitrage rebate calculation in June of 2016

OMB No 1545-0047

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

Open to Public Inspection

56-2141073

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

2 Enter the amount of tax incurred by organization managers or disqualified persons during the year under section 4958 ► \$ _____

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization ► \$ _____

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

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

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ. Cat No 50056A Schedule L (Form 990 or 990-EZ) 2015

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

Part V Supplemental Information

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

Return Reference	Explanation
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Additional Data

Software ID:
Software Version:
EIN: 56-2141073
Name: University Health Systems of Eastern
Carolina Inc

Form 990, Schedule L, Part IV - Business Transactions Involving Interested Persons

(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) Jockey ClubRock Springs	Phillip Flowers (Board Director) owns/has material interest in Rock Springs	499,706	Occasional catering services for Vidant Health entities		No
Anissa Davenport Chief Strategic (1) Development & Marketing Officer	S Lawrence Davenport (Vice Chairman) has a family relationship with Anissa	196,300	Employee of Vidant Health		No
(2) Curtis Construction	Phillip Flowers (Board Director) is an officer of Curtis Construction	124,097	Construction services provided for various Vidant entities		No

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.**2015****Open to Public
Inspection**Name of the organization
University Health Systems of Eastern
Carolina Inc**Employer identification number**

56-2141073

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part III, Line 4a	Overview of University Health Systems of Eastern Carolina, D B A Vidant Health ("VH") At Vidant Health ("VH"), we are committed to improving the health of our communities Eastern North Carolina residents look to our hospitals for quality health care We work hard to uphold the trust that our communities place in us Through a clear vision, disciplined leadership and committed employees, VH serves the needs of the region, including those who are underserved and need us the most Our mission at VH, to enhance the quality of life for the people and communities we serve, touch and support, drives us far beyond caring for patients within the confines of our hospital walls It calls us to help make Eastern North Carolina a better, healthier place to live VH is a North Carolina non-profit corporation with headquarters in Greenville, North Carolina VH and its affiliates operate an integrated health care delivery system that serves a total market of approximately 1.4 million people in 29 contiguous counties in Eastern North Carolina The health system includes hospitals, physician practices, outpatient services, long-term care, home health, hospice, and wellness services The health system's owned hospitals are Vidant Medical Center ("VMC"), which is a tertiary care hospital and an academic medical center, and seven other acute care hospitals, Vidant Roanoke-Chowan Hospital, Vidant Edgecombe Hospital, Vidant Chowan Hospital, Vidant Bertie Hospital, Vidant Duplin Hospital, Vidant Beaufort Hospital, and the Outer Banks Hospital VMC serves as the teaching hospital for the Brody School of Medicine, East Carolina Schools of Nursing and Allied Health and Pitt Community College The system also serves as a regional referral center for Eastern North Carolina The system's seven owned acute care hospitals are licensed to operate 1,439 beds Each hospital is licensed by the division of facility services of the North Carolina Department of Health and Human Services and approved as a provider by the Medicare and Medicaid programs VH and its hospitals and affiliate organizations provide services to patients without regard to their ability to pay In fiscal year 2016 VH combined patient care statistics were inpatient admissions, 63,093, inpatient days of care, 328,937, surgeries, 47,630, births, 5,914, and outpatient visits, 335,004 Our system's workforce included 12,224 employees Each of VH's hospitals operates an emergency room, which is open 24 hours a day VMC also offers a full spectrum of trauma services Emergency and trauma services are provided to patients without regard to their ability to pay In fiscal year 2016 VH provided care to 274,039 emergency room patients VH's Board of Directors consists of 11 voting members, six of whom must be current or former Pitt County, North Carolina appointees of VMC's Board of Trustees and five of whom must be current or former Board of Governors of the University of North Carolina appointees of VMC's Board of Trustees

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part III, Line 4a	stees VMC, in affiliation with the Brody School of Medicine, which is owned by the state of North Carolina, operates 30 resident-training programs with over 400 medical residents. This relationship enables VMC and the Brody School of Medicine to combine their resources for the provision of quality patient care, medical education and research for the residents of Eastern North Carolina. The Brody School of Medicine has three important goals: educating primary care physicians, making medical care more readily available to the people of Eastern North Carolina, and providing opportunities to minority and disadvantaged students. As a non-profit organization, VH reinvests all excess of revenues over expenses in programs, services, and facilities that provide access to patient care and health services to the citizens of Eastern Carolina. Overview of Vidant Health Company Benefit Programs 1 Eastern North Carolina is comprised of 14 million people living in 14,000 square miles. Boundaries are from I-95 east to the coast, and from the Virginia line up to and including Onslow County. The area is largely rural and largely poor, with higher than state or national average rates for poverty and uninsured. Health status indicators show increased incidence of disease in the region, especially cancer, heart disease and stroke. VH determines priorities for target populations by working in concert with medical and community agency partners in ongoing assessment of the most pressing health care needs. Many efforts over the past decade have focused on diabetes, pediatric asthma, school health, injury prevention, access to care, nutrition enhancement, physical activities and chronic disease screenings. Also, special programs to manage the care of Medicaid enrollees, address access to both medical care and medications for the uninsured, and coordination of services for children with obesity have been undertaken. The populations that are served by addressing these issues are largely the poor, the underserved, and minorities. Determination of specific populations to address occurs when partners such as the North Carolina Department of Health and Human Services, local health departments, county Healthy Carolinian task forces, and physicians identify a quantifiable need, and community partners are engaged to work together with the health system. 2 Funding for community health programs is obtained from both the operating funds of VH entities and external grant-awarding organizations. The VH board annually provides financial support for the community benefit initiatives program of its foundation. These funds are then awarded to community agencies that successfully demonstrate both need and a well-designed plan to address one of the foundation's priority categories. In addition, each VH hospital financially supports community health resources within its operating budget. Programs vary according to the hospital's financial ability and community need, but all include collab

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part III, Line 4a	orative efforts with local health departments, including health screenings and education to targeted populations. VH also has a successful track record of obtaining community health program support from external agencies that award grant funding to approve projects. The VH grants office was established in 2008 and serves as the central point for grant mining, acquisition and management of grants awarded to VH hospitals from community-based programs. Grant funds are utilized to demonstrate the effectiveness of a proposed community program, measure the outcomes achieved, and garner long-term sustainability from either the health system, other community agencies or as a collaborative program. Many community health programs are collaborative in nature with local service agencies, and often a portion of the grant funds are used to support resources or services in these agencies. 3 Community health priorities are determined in several ways. In partnership with the local health departments, the results of state-mandated community health assessments are studied by each local Healthy Carolinians task force. Those task force groups then compile a list of the most pressing issues in their communities based on data community input. Both established resources within various agencies and potential opportunities to garner new support are reviewed.

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part III, Line 4a	4 Community priorities are also established in response to a compelling need identified by health practitioners or community groups. Examples include the pediatric asthma program that has been in place for over 10 years in Pitt County, and expanded to other communities in the region. This major community-based program was established following a plea for assistance by pediatricians and pediatric clinical nurse specialists caring for children with asthma in the acute care setting. The Pitt County School system and local parents identified a lack of health care support in the schools, resulting in an award-winning school nurse program that has been replicated in several counties. Most recently, the focused attention on pediatric obesity and associated diseases has resulted in multiple community-based programs directed at improving nutrition, physical activity, and case management for that population. VH is fortunate to have a strong collaborative partnership with East Carolina University, and works closely with the schools within the health sciences division, especially the Brody School of Medicine. BSOM is an active participant in almost every community health initiative, supporting the research and evaluation of these programs, and contributes to programs for the under and uninsured in multiple ways. ECU and other educational institutions whose students matriculate through VH facilities also provide opportunities for collaboration and participation in various community health initiatives. 5 Provided below are a few highlights of the community benefit and education activities: - a Community Health Improvement Services - Community health improvement services are programs and services that meet an identified need and are offered to the community at little or no charge. VH hospitals sponsor programs that improve access to health care for the underserved and enhance the identification and management of chronic diseases, such as cancer, diabetes and heart disease. Here are a few examples of these programs: - Medication assistance programs for uninsured patients - The Pediatric Healthy Weight Program - Support for Healthy Carolinians collaboratives, including Pitt Partners for Health, the Hertford Partnership for Health and Three Rivers Healthy Carolinians - School nurse programs - Support for the Community Care Plan of Eastern Carolina for Medicaid recipients and HealthAssist for the uninsured - Support of local Federally Qualified Health Centers - b Health Professional Education - preparing future health care professionals is important to us. Our hospitals provide clinical settings for students of health professions, such as future physicians, nurses and other allied health professionals. We also support students through deferred forgivable loans and internships including resident training, nursing clinic sites, allied health professionals, and financial support of nursing programs. - c Research - East Carolina University (ECU) conducts research to evaluate

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part III, Line 4a	luate new treatments and protocols. These studies help health professionals everywhere provide quality care to patients. VH supports this through various means including supporting the institutional review board at ECU and providing study sites. Financial and In-Kind Contributions - VH donates money and in-kind services to community groups and activities that share our mission of improving health. They include Meals on Wheels, American Red Cross blood drives, medical supplies to emergency medical services, and free medication to qualifying patients. VH hospitals are key partners in fundraising for organizations such as the United Way, American Heart Association, Juvenile Diabetes Association and the American Cancer Society. VH contributed \$700 million to the Community Benefits Grants Program which awards grants to local non-profits for health related programs. Community Building - Community-building activities include programs that are not directly related to health care but address underlying issues that impact the health of communities. Poverty, crime, homelessness, workforce development and economic development all affect the overall health of communities. VH has provided support for our local Chambers of Commerce, financial support for road improvements, investments in communication infrastructure via information technology connections, support for the teen leadership academy, recruitment of physicians to our rural communities, and programs that encourage students to pursue health careers.

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section A, line 2	Law rence Davenport, Vice Chairman, is related to Anissa Davenport, Chief Strategic Development and Marketing Officer

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section B, line 11	The 990 is made available to Board Members by posting to a Board Member's website. Any Board Member who does not have the ability to access the return in this manner will receive a copy via electronic or regular mail. The return is also reviewed by the Chief Financial Officer, Chief General Counsel and the Chief Audit and Compliance Officer of University Health Systems prior to filing with the Internal Revenue Service.

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section B, line 12c	All Officers, Board Members and Key Employees are required to complete a yearly comprehensive conflict of interest questionnaire. These are reviewed by legal counsel and any potential or actual conflicts are brought to the Board for disposition. Board Members are instructed to report any potential conflicts arising during the year for review. Board Members are required to recuse themselves from voting on issues in which they are deemed to have a conflict.

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section B, line 15	The Top Management Official is the CEO who is an employee of VH. The compensation is determined by the Compensation and Benefits Committee of the VH Board using comparative data from like organizations and input from consultants. This process is performed every two years, the last year being 2015. It will be performed again in fiscal year 2017. Compensation of other officers and key employees is also determined by the Compensation and Benefits Committee of the VH Board using comparative data from like organizations and input from consultants. This process is performed every two years, the last year being 2015. It will be performed again in fiscal year 2017. All compensation discussions and actions are documented and approved in the minutes of the Committee.

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section C, line 19	The Organization makes its governing documents, conflict of interest policy, and financial statements available to the public upon request for the same period of disclosure as set forth in IRC Section 6104(d)

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part XI, line 9	Net Asset Transfer -50,622,704 Unrealized loss on Interest Rate Sw ap -808,572 Intercompany Investment Expense Offset 21,261,240

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization
University Health Systems of Eastern
Carolina Inc

Related Organizations and Unrelated Partnerships

► Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.

► Attach to Form 990. ► Information about Schedule R (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2015

Open to Public Inspection

Name of the organization
University Health Systems of Eastern
Carolina Inc

Employer identification number

56-2141073

Part I

Identification of Disregarded Entities

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

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) Vidant Management Services LLC 2335 Hemby Lane Greenville, NC 27834 56-2141073	Accountable Care Organization	NC	0	0	Vidant Health
(2) Coastal Plains Network LLC 800 WH Smith Boulevard Greenville, NC 27835 46-5731823	Accountable Care Organization	NC	-936,878	3,289,468	Vidant Health

Part II

Identification of Related Tax-Exempt Organizations

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

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

Part III

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512- 514)	(f) Share of total income	(g) Share of end-of-year assets	(h) 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) Surgicenter of Eastern Carolina LLC 2100 Stantonsburg Road Greenville, NC 27835 26-2558314	Ambulatory Surgical Services	NC	VMC	Related				No			No	

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

Yes

1c

No

1d

No

1e

No

1f

No

1g

No

1h

No

1i

No

1j

Yes

1k

Yes

1l

Yes

1m

Yes

1n

Yes

1o

Yes

1p

Yes

1q

Yes

1r

Yes

1s

Yes

2

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

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

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: 56-2141073

Name: University Health Systems of Eastern Carolina Inc

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512 (b)(13) controlled entity?	
						Yes	No
Pitt County Memorial Hospital Inc (DBA Vidant Medical Center) 2100 Stantonsburg Road Greenville, NC 27835 56-0585243	Hospital	NC	501(c)(3)	Line 3	Vidant Health	Yes	
Surgicenter Services of Pitt Inc 102 Bethesda Drive Greenville, NC 27835 56-1690553	Healthcare	NC	501(c)(3)	Line 11b, II	Vidant Medical Center	Yes	
East Carolina Health Inc (DBA Vidant Community Hospitals - Central) 2100 Stantonsburg Road Greenville, NC 27835 56-2003393	Hospital	NC	501(c)(3)	Line 3	Vidant Health	Yes	
PCMH Management Inc (DBA Vidant Properties) 2100 Stantonsburg Road Greenville, NC 27835 56-1690740	Medical Property Management	NC	501(c)(2)		Vidant Health	Yes	
HealthAccess Inc 2100 Stantonsburg Road Greenville, NC 27835 56-1396133	Healthcare	NC	501(c)(3)	Line 11b, II	Vidant Health	Yes	
Vidant Medical Group LLC 2100 Stantonsburg Road Greenville, NC 27835 38-3740839	Healthcare	NC	501(c)(3)	Line 9	Vidant Health	Yes	
The Outer Banks Hospital 2100 Stantonsburg Road Greenville, NC 27835 56-2112733	Hospital	NC	501(c)(3)	Line 3	East Carolina Health	Yes	
East Carolina Health-Bertie (DBA Vidant Bertie Hospital) 2100 Stantonsburg Road Greenville, NC 27835 56-2072002	Hospital	NC	501(c)(3)	Line 3	Vidant Health	Yes	
East Carolina Health-Chowan (DBA Vidant Chowan Hospital) 2100 Stantonsburg Road Greenville, NC 27835 56-2101090	Hospital	NC	501(c)(3)	Line 3	Vidant Health	Yes	
East Carolina Health-Heritage (DBA Vidant Edgecombe Hospital) 2100 Stantonsburg Road Greenville, NC 27835 56-2093700	Hospital	NC	501(c)(3)	Line 3	Vidant Health	Yes	
East Carolina Health-Beaufort (DBA Vidant Beaufort Hospital) 2100 Stantonsburg Road Greenville, NC 27835 45-2436270	Hospital	NC	501(c)(3)	Line 3	Vidant Health	Yes	
Duplin General Hospital (DBA Vidant Duplin Hospital) 2100 Stantonsburg Road Greenville, NC 27835 56-6011594	Hospital	NC	501(c)(3)	Line 3	Vidant Health	Yes	
East Carolina Health Inc (DBA Vidant Roanoke-Chowan Hospital) 2100 Stantonsburg Road Greenville, NC 27835 26-4634725	Hospital	NC	501(c)(3)	Line 3	Vidant Health	Yes	

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

(a) Name of related organization		(b) Transaction type(a-s)	(c) Amount Involved	(d) Method of determining amount involved
(1)	Pitt County Memorial Hospital Inc	A	18,353,028	Actual Cash Payment
(1)	East Carolina Health-Heritage Inc	A	2,330,988	Actual Cash Payment
(2)	East Carolina Health Inc (RCH)	A	214,092	Actual Cash Payment
(3)	East Carolina Health-Chowan Inc	A	138,708	Actual Cash Payment
(4)	East Carolina Health-Beaufort Inc	A	221,700	Actual Cash Payment
(5)	Vidant Medical Group LLC	B	77,341,947	Actual Cash Payment
(6)	Pitt County Memorial Hospital Inc	B	105,773,774	Actual Cash Payment
(7)	HealthAccess Inc	B	11,147,000	Actual Cash Payment
(8)	East Carolina Health Inc	B	102,101,466	Actual Cash Payment
(9)	Duplin General Inc	B	5,539,329	Actual Cash Payment
(10)	East Carolina Health-Beaufort Inc	B	4,000,000	Actual Cash Payment
(11)	East Carolina Health-Bertie	B	2,500,000	Actual Cash Payment
(12)	East Carolina Health-Heritage Inc	B	13,000,000	Actual Cash Payment
(13)	East Carolina Health Inc (RCH)	B	7,000,000	Actual Cash Payment
(14)	East Carolina Health-Chowan Inc	B	11,000,000	Actual Cash Payment
(15)	The Outer Banks Hospital Inc	B	4,560,000	Actual Cash Payment
(16)	East Carolina Health-Pungo Inc	B	193,253	Actual Cash Payment
(17)	Coastal Plains Network LLC	B	1,239,414	Actual Cash Payment
(18)	Duplin General Inc	O	631,456	Actual Cash Payment
(19)	Vidant Medical Group LLC	O	1,293,666	Actual Cash Payment
(20)	Vidant Medical Group LLC	P	232,784	Actual Cash Payment
(21)	Pitt County Memorial Hospital Inc	P	60,928	Actual Cash Payment
(22)	PCMH Management Inc	K	1,707,879	Actual Cash Payment
(23)	HealthAccess Inc	L	1,881,337	Actual Cash Payment
(24)	PCMH Management Inc	L	351,012	Actual Cash Payment

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
(26)	Vidant Medical Group LLC	L	4,268,177	Actual Cash Payment
(1)	East Carolina Health-Bertie	L	2,601,269	Actual Cash Payment
(2)	East Carolina Health-Chowan Inc	L	5,642,347	Actual Cash Payment
(3)	East Carolina Health Inc (RCH)	L	6,925,246	Actual Cash Payment
(4)	East Carolina Health-Heritage Inc	L	8,084,168	Actual Cash Payment
(5)	The Outer Banks Hospital Inc	L	4,914,022	Actual Cash Payment
(6)	Pitt County Memorial Hospital Inc	L	127,921,306	Actual Cash Payment
(7)	Duplin General Inc	L	4,512,406	Actual Cash Payment
(8)	East Carolina Health-Beaufort Inc	L	7,794,001	Actual Cash Payment
(9)	Duplin General Inc	Q	170,398	Actual Cash Payment
(10)	Pitt County Memorial Hospital Inc	Q	89,085,123	Actual Cash Payment
(11)	HealthAccess Inc	Q	461,127	Actual Cash Payment
(12)	East Carolina Health-Bertie	Q	178,635	Actual Cash Payment
(13)	East Carolina Health-Heritage Inc	Q	52,513	Actual Cash Payment
(14)	East Carolina Health Inc (RCH)	Q	270,285	Actual Cash Payment
(15)	East Carolina Health-Chowan Inc	Q	313,398	Actual Cash Payment
(16)	PCMH Management Inc	Q	1,291,478	Actual Cash Payment
(17)	The Outer Banks Hospital Inc	Q	241,586	Actual Cash Payment
(18)	East Carolina Health-Beaufort Inc	Q	269,966	Actual Cash Payment
(19)	Coastal Plains Network LLC	Q	181,205	Actual Cash Payment
(20)	Vidant Medical Group LLC	Q	336,867	Actual Cash Payment
(21)	PCMH Management Inc	R	65,563	Actual Cash Payment
(22)	Pitt County Memorial Hospital Inc	R	19,110,244	Actual Cash Payment
(23)	East Carolina Health Inc	S	101,762,654	Actual Cash Payment