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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

NORTHEAST GEORGIA HEALTH SYSTEM INC

Doing business as

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

743 SPRING STREET

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

GAINESVILLE, GA 305013899

F Name and address of principal officer

Carol Burrell

743 SPRING STREET

GAINESVILLE, GA 305013899

D Employer identification number

58-1694090

E Telephone number

(770) 219-6646

G Gross receipts \$ 73,491,957

I Tax-exempt status

☒ 501(c)(3) ☐ 501(c) () ◀(insert no) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ WWW NGHS COM

K Form of organization

☒ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation 1986

M State of legal domicile GA

Part I Summary			
Activities & Governance	1 Briefly describe the organization's mission or most significant activities TO IMPROVE THE HEALTH AND QUALITY OF LIFE OF THE PEOPLE OF NORTHEAST GEORGIA		
	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	16
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	13
	5 Total number of individuals employed in calendar year 2015 (Part V, line 2a)	5	8,826
Revenue	6 Total number of volunteers (estimate if necessary)	6	0
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	34,554
	b Net unrelated business taxable income from Form 990-T, line 34	7b	0
	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	0	0
Expenses	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	57,116,360	67,310,332
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	6,754,450	2,486,459
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	2,017,611	1,148,998
	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)	65,888,421	70,945,789
	14 Benefits paid to or for members (Part IX, column (A), line 4)	90,870	13,795
Net Assets or Fund Balances	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	0	0
	16a Professional fundraising fees (Part IX, column (A), line 11e)	37,285,509	46,747,875
	b Total fundraising expenses (Part IX, column (D), line 25) ▶0	0	0
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	28,382,431	34,800,690
	18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	65,758,810	81,562,360
	19 Revenue less expenses Subtract line 18 from line 12	129,611	-10,616,571
	20 Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	21 Total liabilities (Part X, line 26)	234,269,768	240,487,627
	22 Net assets or fund balances Subtract line 21 from line 20	81,932,069	101,406,840
		152,337,699	139,080,787

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

Brian D Steines CFO

Type or print name and title

2017-08-09

Date

Paid Preparer Use Only

Prnt/Type preparer's name

Deborah O Emsberger

Firm's name ▶ Pershing Yoakley & Associates P C

Firm's address ▶ 2220 Sutherland Ave

Knoxville, TN 37919

Preparer's signature

Deborah O Emsberger

Firm's EIN ▶ 62-1517792

Phone no (865) 673-0844

Date

Check ☐ if self-employed

PTIN P00364912

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

☒ Yes ☐ No

For Paperwork Reduction Act Notice, see the separate instructions.

Cat No 11282Y

Form 990(2015)

Part III

Statement of Program Service Accomplishments

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

☐Yes☒No

1

Briefly describe the organization's mission

NORTHEAST GEORGIA HEALTH SYSTEM (NGHS) WAS FORMED TO SERVE AS THE PARENT COMPANY FOR THE CONTROLLED NOT-FOR-PROFIT AFFILIATES - NORTHEAST GEORGIA MEDICAL CENTER, INC - THE MEDICAL CENTER FOUNDATION, INC - NORTHEAST GEORGIA PHYSICIANS GROUP, INC NGHS DIRECTS THESE AFFILIATES IN THEIR PROGRAM SERVICES BY ENGAGING IN STRATEGIC PLANNING, FINANCIAL MANAGEMENT, MARKETING, RESOURCE ALLOCATION, AND GENERAL MANAGEMENT OVERSIGHT

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 \$ 50,573,906 including grants of \$ 13,795) (Revenue \$ 67,310,332)

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 ▶ 50,573,906

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	1 Yes	
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> (see instructions)?	2	No
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>	3	No
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>	4 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		No
22	Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	22		No
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a	24a		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I			No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I	25b		No
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? If "Yes," complete Schedule L, Part II	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part III	27		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28b		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV	28c		No
29	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I . .	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I	33	Yes	
34	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1	34	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	Yes	
b	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	35b	Yes	
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	36		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O	38	Yes	

Part V

Statements Regarding Other IRS Filings and Tax Compliance

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

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable.	1a	0
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	1b	0
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return.	2a	8,826
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).	2b	Yes
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a	Yes
b	If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O.	3b	Yes
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	No
b	If "Yes," enter the name of the foreign country: _____ See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	No
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c	
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a	No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b	
7 Organizations that may receive deductible contributions under section 170(c).			
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a	No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c	No
d	If "Yes," indicate the number of Forms 8282 filed during the year.	7d	
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e	No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f	No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g	
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h	
8 Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?			
		8	
9a	Did the sponsoring organization make any taxable distributions under section 4966?	9a	
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?	9b	
10 Section 501(c)(7) organizations. Enter			
a	Initiation fees and capital contributions included on Part VIII, line 12.	10a	
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.	10b	
11 Section 501(c)(12) organizations. Enter			
a	Gross income from members or shareholders.	11a	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them).	11b	
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year.	12b	
13 Section 501(c)(29) qualified nonprofit health insurance issuers.			
a	Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O.	13a	
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans.	13b	
c	Enter the amount of reserves on hand.	13c	
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a	No
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O.	14b	

Part VI

Governance, Management, and Disclosure

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

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

Section A. Governing Body and Management

			Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	1a	16	
	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	13	
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2		No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3		No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4		No
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5		No
6	Did the organization have members or stockholders?	6		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	Yes	
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b	Yes	

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed	GA
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 LINDA D NICHOLSON VP FinanceCONTROLLER 743 SPRING STREET gainesville, GA 30501 (770) 219-6646	

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]

Part VII

1b	Sub-Total			
c	Total from continuation sheets to Part VII, Section A			
d	Total (add lines 1b and 1c)	13,355,089	240,320	2,239,011

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization ► 73

		Yes	No
3	Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <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

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A)	(B)	(C)
Name and business address	Description of services	Compensation
Joan Wellman & Associates Inc 1200 Fifth Ave 9th Floor Seattle, WA 98101	Lean Consulting	1,501,385
Draffin & Tucker 2617 Gillionville Road Albany, GA 31702	Cost Report and Consulting	1,389,253
McKesson Technologies 22423 Network Place Chicago, IL 60673	Consulting	776,099
Blue Sky Solutions Group LLC PO Box 823461 Philadelphia, PA 19182	Consulting and Contract Outsourcing	707,068
Willis Investment Council 710 Green Street Gainesville, GA 30501	Investment Services	673,701

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 ▶ 46

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					
	g	Noncash contributions included in lines 1a-1f \$						
	h	Total. Add lines 1a-1f						
Program Service Revenue	2a	MANAGEMENT FEES	Business Code 541610	40,197,665	40,163,111	34,554		
	b	Operating Revenue	621400	22,208,372	22,208,372			
	c	PS Rent from Affiliate	531120	3,749,447	3,749,447			
	d	Other Revenue	900099	1,154,848	1,154,848			
	e							
	f	All other program service revenue						
	g	Total. Add lines 2a-2f		67,310,332				
	Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		4,774,378			4,774,378
4		Income from investment of tax-exempt bond proceeds . .						
5		Royalties						
6a		(i) Real		(ii) Personal				
		1,264,820						
		b Less rental expenses		115,822				
		c Rental income or (loss)		1,148,998				
d		Net rental income or (loss)		1,148,998			1,148,998	
7a		(i) Securities		(ii) Other				
				142,427				
		b Less cost or other basis and sales expenses		2,301,714	128,632			
		c Gain or (loss)		-2,301,714	13,795			
d		Net gain or (loss)		-2,287,919			-2,287,919	
8a		Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18						
b		Less direct expenses						
c		Net income or (loss) from fundraising events . .						
9a		Gross income from gaming activities See Part IV, line 19						
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			70,945,789	67,275,778	34,554	3,635,457	

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	13,795	13,795		
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	6,015,288	3,729,479	2,285,809	
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	32,745,639	20,302,296	12,443,343	
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	2,051,574	1,271,976	779,598	
9	Other employee benefits	4,203,383	2,606,097	1,597,286	
10	Payroll taxes	1,731,991	1,073,834	658,157	
11	Fees for services (non-employees)				
a	Management				
b	Legal	841,948	522,008	319,940	
c	Accounting	93,841	58,181	35,660	
d	Lobbying				
e	Professional fundraising services. See Part IV, line 17				
f	Investment management fees	280,129	173,680	106,449	
g	Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	8,022,324	4,973,841	3,048,483	
12	Advertising and promotion	1,933,814	1,198,965	734,849	
13	Office expenses				
14	Information technology				
15	Royalties				
16	Occupancy	3,306,746	2,050,183	1,256,563	
17	Travel	129,420	80,240	49,180	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	233,994	145,076	88,918	
20	Interest	5,276	3,271	2,005	
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	6,641,377	4,117,654	2,523,723	
23	Insurance	163,873	101,601	62,272	
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	Administrative Overhead	9,529,080	5,908,030	3,621,050	
b	DUES & SUBSCRIPTIONS	1,079,743	669,441	410,302	
c	Supplies	750,509	465,316	285,193	
d	Telephone	396,490	245,824	150,666	
e	All other expenses	1,392,126	863,118	529,008	
25	Total functional expenses. Add lines 1 through 24e	81,562,360	50,573,906	30,988,454	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		-632	1	-54,777	
	2	Savings and temporary cash investments			2		
	3	Pledges and grants receivable, net			3		
	4	Accounts receivable, net		1,900,268	4	1,831,280	
	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			8	132	
	9	Prepaid expenses and deferred charges		89,146	9		
	10a	Land, buildings, and equipment—cost or other basis. Complete Part VI of Schedule D	10a	147,600,066			
	b	Less—accumulated depreciation	10b	40,669,695	110,639,446	10c	106,930,371
	11	Investments—publicly traded securities			11		
	12	Investments—other securities. See Part IV, line 11		1,647,794	12	2,164,749	
	13	Investments—program-related. See Part IV, line 11			13		
	14	Intangible assets		5,245,744	14	4,766,599	
	15	Other assets. See Part IV, line 11		114,748,002	15	124,849,273	
16	Total assets. Add lines 1 through 15 (must equal line 34)		234,269,768	16	240,487,627		
Liabilities	17	Accounts payable and accrued expenses		10,137,236	17	13,662,495	
	18	Grants payable			18		
	19	Deferred revenue			19		
	20	Tax-exempt bond liabilities			20		
	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		71,794,833	25	87,744,345	
	26	Total liabilities. Add lines 17 through 25		81,932,069	26	101,406,840	
	Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here ☒ and complete lines 27 through 29, and lines 33 and 34.					
27		Unrestricted net assets		152,337,699	27	139,080,787	
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		152,337,699	33	139,080,787	
34		Total liabilities and net assets/fund balances		234,269,768	34	240,487,627	

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	70,945,789
2	Total expenses (must equal Part IX, column (A), line 25)	2	81,562,360
3	Revenue less expenses Subtract line 2 from line 1	3	-10,616,571
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	152,337,699
5	Net unrealized gains (losses) on investments	5	8,074,507
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	-10,714,848
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	139,080,787

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: 58-1694090

Name: NORTHEAST GEORGIA HEALTH SYSTEM INC

Form 990, Part III, Line 4a

4a (Code) (Expenses \$ 50,573,906 including grants of \$ 13,795) (Revenue \$ 67,310,332)

Northeast Georgia Health System, Inc. is the tax-exempt parent of a multi-entity healthcare system serving Gainesville, Georgia, Hall County, and surrounding communities. NGHS is responsible for strategic planning, financial management, marketing, resource allocation and general management oversight to Northeast Georgia Medical Center, Inc. and affiliated entities. **See Schedule O for Program Service Accomplishments Continuation**

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			
Ben Hawkins MEMBER	1 00	X						0	0	0
BENNY BAGWELL Vice Chairperson	1 00	X						0	0	0
DAVID HUGHS MEMBER	1 00	X						0	0	0
Denise Deal MEMBER	1 00	X						0	0	0
Jane Smoot MEMBER	1 00	X						0	0	0
Jim Moore MemBER	1 00	X						0	0	0
John Clifton Hastings MD Member, NGPG Physician	1 00 40 00	X						891,418	0	40,392
John Nix Member	1 00 1 00	X						0	0	0
MARTHA NESBITT MEMBER	1 00	X						0	0	0
MARY LYNN COYLE Member at Large	1 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			
Mohak Dave MD Member, NGMC Medical Director	1 00 25 00	X						0	199,975	0
PAUL MANEY MEMBER	1 00	X						0	0	0
Pncilla Strom MD MEMBER, NGMC Medical Dir/Chief of Staff	1 00 15 00	X						0	40,345	119,226
RK WHITEHEAD Chair	1 00	X						0	0	0
Spence Price Member	1 00	X						0	0	0
STEPHEN MOORE MD MEMBER	1 00	X						0	0	0
ANTHONY M HERDENER VP & CFO - NGHS	40 00 1 00			X				2,352,277	0	149,745
Brenda Simpson Chief Nursing Officer - NGMC	1 00 40 00			X				0	0	0
CAROL H BURRELL President & CEO	40 00 1 00			X				1,119,294	0	933,280
Chnstopher Paravate Chief Information Officer - NGHS	40 00 1 00			X				296,006	0	51,251

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			
Deborah Weber CHRO & VP Human Resources - NGHS	40 00 1 00			X				298,876	0	56,978
Elyse Gates VP Revenue Cycle - NGHS	40 00 1 00			X				183,437	0	8,354
Howard T Walpole VP Clinical Transformation - NGMC	1 00 40 00			X				417,846	0	55,586
John A Williamson President - NGMC Braselton	1 00 40 00			X				413,421	0	93,479
John Turner VP Post Acute Care - NGMC	1 00 40 00			X				0	0	0
LINDA NICHOLSON VP Finance/Controller - NGHS	40 00 1 00			X				279,913	0	111,329
Louis Smith Jr President - NGMC Gainesville	1 00 40 00			X				501,907	0	63,541
Mary M Strand VP Revenue Cycle - NGHS	40 00 1 00			X				301,280	0	54,059
Penny Vigneau VP Heart & Vascular Services - NGMC	1 00 40 00			X				0	0	0
Randy Smith Assoc Chief Nursing Officer - NGMC	1 00 40 00			X				167,935	0	6,035

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			
Roy Griffin Jr VP Fin Plan/Decision Supp - NGHS	40 00 1 00			X				0	0	0
SAMUEL O JOHNSON MD VP Medical Affairs & CMO - NGHS	40 00 1 00			X				517,932	0	80,695
Sonja F McLendon VP Chief of Oper Excellence - NGHS	40 00 1 00			X				317,243	0	68,481
Stephen Kelly Chief Compliance Officer - NGHS	40 00 1 00			X				0	0	0
Tina Walden VP Operations - NGPG	1 00 40 00			X				207,401	0	42,998
TRACY M VARDEMAN VP Chief Strategy Executive - NGHS	40 00 1 00			X				349,031	0	105,925
Gary Minikiewicz THC Physician	40 00					X		785,486	0	32,554
Heather Westmoreland THC Physician	40 00					X		778,295	0	40,684
Jay Joseph THC Physician	40 00					X		777,796	0	32,380
Mark Matthews THC Physician	40 00					X		778,971	0	29,023

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			
Mehrdad Toosi THC Physician	40 00					X		781,803	0	21,985
James Bailey Former VP-CMIO/CQO, Curr NGPG Phys	0 00 40 00						X	639,017	0	35,825
Sherry Dorsey Former VP Senior Phys Svcs - NGHS	0 00						X	198,504	0	5,206

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
NORTHEAST GEORGIA HEALTH SYSTEM INC

Employer identification number
58-1694090

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

1

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		
(A) Northeast Georgia Medical Center	581694098		Yes		0	0
Total1					0	

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?	Yes	
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>	Yes	

Section E. Type III Functionally-Integrated Supporting Organizations

	Yes	No
1 Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions)		
a ☐ The organization satisfied the Activities Test. Complete line 2 below.		
b ☒ The organization is the parent of each of its supported organizations. Complete line 3 below.		
c ☐ The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions).		
2 Activities Test. Answer (a) and (b) below.		
a Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? <i>If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.</i>		
b Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? <i>If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.</i>		
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 d, Line 3	Northeast Georgia Health System, Inc exercises a substantial degree of direction over the policies, programs, and activities, to include the investments of Northeast Georgia Medical Center, Inc by appointing the members of its board of trustees

990 Schedule A, Supplemental Information

Return Reference	Explanation
Part IV, Section E, Line 3a	Northeast Georgia Health System, Inc has the power to regularly appoint the members of the board of trustees of Northeast Georgia Medical Center, Inc

990 Schedule A, Supplemental Information

Return Reference	Explanation
Part IV, Section E, Line 3 b	Northeast Georgia Health System, Inc exercises a substantial degree of direction over the policies, programs, and activities of Northeast Georgia Medical Center, Inc by appointin g the members of its board of trustees

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 NORTHEAST GEORGIA HEALTH SYSTEM INC	Employer identification number 58-1694090
---	--

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?														

☐ **Y e s** ☐ **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	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?		No	
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?	Yes		
c	Media advertisements?		No	
d	Mailings to members, legislators, or the public?		No	
e	Publications, or published or broadcast statements?		No	
f	Grants to other organizations for lobbying purposes?		No	
g	Direct contact with legislators, their staffs, government officials, or a legislative body?	Yes		75,891
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?	Yes		133,325
i	Other activities?	Yes		61,444
j	Total. Add lines 1c through 1i.			270,660
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b	If "Yes," enter the amount of any tax incurred under section 4912.			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912.			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

	Yes	No
1		
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	Dues, assessments and similar amounts from members	1	
2	Section 162(e) nondeductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).		
a	Current year	2a	
b	Carryover from last year	2b	
c	Total	2c	
3	Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	
4	If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4	
5	Taxable amount of lobbying and political expenditures (see instructions)	5	

Part IV Supplemental Information

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

Return Reference	Explanation
Part II-B, Line 1	Northeast Georgia Health System, Inc. pays membership dues to several professional and trade associations such as -American College of Healthcare -American College of Physicians -American Medical Association -American Society for Healthcare Human Resources Administration -Georgia Alliance of Community Hospitals -Georgia Hospital Association -Georgia Chamber of Commerce - Greater Hall Chamber of Commerce -Hall County Medical Society -Medical Association of Georgia - Society for Cardiovascular Angiography and Intervention -Society for Human Resource Management A portion of these dues is designated for lobbying activities by these organizations

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

OMB No 1545-0047

2015

Open to Public Inspection

Name of the organization
NORTHEAST GEORGIA HEALTH SYSTEM INC

Employer identification number
58-1694090

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

Held at the End of the Year

2a

2b

2c

2d

3

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

4

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

5

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

☐ Yes

☐ No

6

Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year
►

7

Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year
► \$

8

Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4) (B)(i) and section 170(h)(4)(B)(ii)?

☐ Yes

☐ No

9

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

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

1a

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

b

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

(i)

Revenue included on Form 990, Part VIII, line 1

► \$

(ii)

Assets included in Form 990, Part X

► \$

2

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

a

Revenue included on Form 990, Part VIII, line 1

► \$

b

Assets included in Form 990, Part X

► \$

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets

(continued)

3

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

a

☐ Public exhibition

b

☐ Scholarly research

c

☐ Preservation for future generations

d

☐ Loan or exchange programs

e

☐ Other

4

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

5

During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?

☐ Yes

☐ No

Part IV Escrow and Custodial Arrangements.

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

1a

Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?

☐ Yes

☐ No

b

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

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance

	Amount
1c	
1d	
1e	
1f	

2a

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

☐ Yes

☐ No

b

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

☐

Part V Endowment Funds.

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

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

2

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

a

Board designated or quasi-endowment

b

Permanent endowment

c

Temporarily restricted endowment

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

3a

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

(i) unrelated organizations

(ii) related organizations

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		45,259,128		45,259,128
b Buildings		78,644,245	26,726,766	51,917,479
c Leasehold improvements		2,223,645	1,588,683	634,962
d Equipment		21,457,141	12,352,762	9,104,379
e Other		15,907	1,484	14,423
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c))				106,930,371

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: 58-1694090
Name: NORTHEAST GEORGIA HEALTH SYSTEM INC

Supplemental Information

Return Reference	Explanation
Part X, Line 2	Northeast Georgia Health System, Inc (NGHS), Northeast Georgia Medical Center, Inc , The Medical Center Foundation, Inc , and Northeast Georgia Physicians Group, Inc are classified as organizations exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code The income for The Heart Center passes through to NGHS, which is tax exempt As such, no provision for income taxes has been made in the accompanying consolidated financial statements Northeast Georgia Health Partners, LLC is a taxable entity and accounts for income taxes in accordance with Financial Accounting Standards Board's (FASB) Accounting Standards Codification (ASC) 740, Income Taxes (ASC 740) At September 30, 2016, management does not believe the System holds any uncertain tax positions that would require financial statement recognition or disclosure under ASC 740 It is the System's policy to recognize interest and/or penalties related to income tax matters as an operating expense

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
NORTHEAST GEORGIA HEALTH SYSTEM INC

Employer identification number
58-1694090

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 idemnification and gross-up payments ☐ Health or social club dues or initiation fees ☐ Discretionary spending account ☐ Personal services (e g , maid, chauffeur, chef)		
b If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	1b	
2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, officers, including the CEO/Executive Director, regarding the items checked in line 1a?	2	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?	4a	Yes
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	Yes
c Participate in, or receive payment from, an equity-based compensation arrangement? If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III	4c	No
Only 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.		
5 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of a The organization?	5a	No
b Any related organization? If "Yes," on line 5a or 5b, describe in Part III	5b	No
6 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of a The organization?	6a	No
b Any related organization? If "Yes," on line 6a or 6b, describe in Part III	6b	No
7 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7	No
8 Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III	8	No
9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	9	

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

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

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

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

Part III Supplemental Information

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

Return Reference	Explanation																																
Part I, Lines 4a-b	Sherry Dorsey was employed by Northeast Georgia Health System, Inc. from October 2013 until August 2015. Ms. Dorsey was hired to serve as Vice President of Senior Physician Services. During 2015, Ms. Dorsey was paid severance of \$160,623 based on the terms of her employment contract. Anthony Herdener is the Chief Financial Officer of Northeast Georgia Health System and has served the system since August 1995. During 2015, Mr. Herdener received a distribution from the 457(f) executive retirement plan consistent with the vesting terms of the plan. The distribution of \$1,878,616 is reflected on Schedule J, Part II, Column (B)(ii) and Column (F). The 2015 distribution includes all contributions to the plan as well as associated earnings on contributions that occurred over the last twenty years. Annual contributions to the 457(f) executive retirement plan were computed based on Mr. Herdener's age, length of employment, and current position with Northeast Georgia Health System. The distribution was pursuant to Mr. Herdener's elections and in compliance with the plan document and provisions under Section 409A. The 457(f) plan for all applicable executives is consistent with market requirements, fair market evaluations and, due to the at risk nature of the plan, promotes retention of key executives which is the case with Mr. Herdener's twenty-two year tenure with Northeast Georgia Health System. Part I, Line 4b - Employer Contribution to 457(f) executive retirement benefit plan: <table><tr><td>Anthony M. Herdener</td><td>\$ 52,097</td></tr><tr><td>Tracy M. Vardeman</td><td>\$ 32,161</td></tr><tr><td>Linda Nicholson</td><td>\$ 24,002</td></tr><tr><td>Carol H. Burrell</td><td>\$ 851,311</td></tr><tr><td>Samuel O. Johnson</td><td>\$ 48,170</td></tr><tr><td>John A. Williamson</td><td>\$ 37,802</td></tr><tr><td>Mary M. Strand</td><td>\$ 29,281</td></tr><tr><td>Sonja McLendon</td><td>\$ 33,002</td></tr><tr><td>Christopher Paravate</td><td>\$ 19,251</td></tr><tr><td>Deborah Weber</td><td>\$ 30,147</td></tr><tr><td>Howard T. Walpole</td><td>\$ 35,201</td></tr><tr><td>Louis Smith, Jr.</td><td>\$ 33,249</td></tr></table> Carol H. Burrell, President and CEO of Northeast Georgia Health System, Inc., began her career at Northeast Georgia Health System in 1999. She was promoted to President and CEO in July 2011. Her first full year as CEO was completed in 2012 which is reflected in her pay and deferred compensation. The contribution to the 457(f) executive retirement plan on her behalf for 2015 (\$851,311) was computed based on her age, length of employment, and current position with Northeast Georgia Health System, Inc. Employer Payment from 457(f) Plan (Including vested earnings on previously reported compensation): <table><tr><td>Tracy M. Vardeman</td><td>\$ 24,234</td></tr><tr><td>John A. Williamson</td><td>\$ 29,629</td></tr><tr><td>Linda Nicholson</td><td>\$ 20,115</td></tr><tr><td>Samuel O. Johnson</td><td>\$ 41,831</td></tr></table>	Anthony M. Herdener	\$ 52,097	Tracy M. Vardeman	\$ 32,161	Linda Nicholson	\$ 24,002	Carol H. Burrell	\$ 851,311	Samuel O. Johnson	\$ 48,170	John A. Williamson	\$ 37,802	Mary M. Strand	\$ 29,281	Sonja McLendon	\$ 33,002	Christopher Paravate	\$ 19,251	Deborah Weber	\$ 30,147	Howard T. Walpole	\$ 35,201	Louis Smith, Jr.	\$ 33,249	Tracy M. Vardeman	\$ 24,234	John A. Williamson	\$ 29,629	Linda Nicholson	\$ 20,115	Samuel O. Johnson	\$ 41,831
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Additional Data

Software ID:

Software Version:

EIN: 58-1694090

Name: NORTHEAST GEORGIA HEALTH SYSTEM 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				
1John Clifton Hastings MD Member, NGPG Physician	(i)	869,016	0	22,402	9,275	31,117	931,810	0
	(ii)	0	0	0	0	- 0	- 0	0
1Mohak Dave MD Member, NGMC Medical Director	(i)	0	0	0	0	0	0	0
	(ii)	0	0	199,975	0	- 0	- 199,975	0
2Pnscilla Strom MD MEMBER, NGMC Medical Dir/Chief of St	(i)	0	0	0	0	0	0	0
	(ii)	0	0	40,345	119,226	- 0	- 159,571	0
3ANTHONY M HERDENER VP & CFO - NGHS	(i)	421,336	1,878,616	52,325	130,178	19,567	2,502,022	1,878,616
	(ii)	0	0	0	0	- 0	- 0	0
4CAROL H BURRELL President & CEO	(i)	835,604	246,628	37,062	914,904	18,376	2,052,574	0
	(ii)	0	0	0	0	- 0	- 0	0
5Chnstopher Paravate Chief Information Officer - NGHS	(i)	265,225	29,639	1,142	24,718	26,533	347,257	0
	(ii)	0	0	0	0	- 0	- 0	0
6Deborah Weber CHRO & VP Human Resources - NGHS	(i)	236,838	40,434	21,604	39,086	17,892	355,854	0
	(ii)	0	0	0	0	- 0	- 0	0
7Elyse Gates VP Revenue Cycle - NGHS	(i)	160,034	23,103	300	6,410	1,944	191,791	0
	(ii)	0	0	0	0	- 0	- 0	0
8Howard T Walpole VP Clinical Transformation - NGMC	(i)	310,806	81,881	25,159	44,476	11,110	473,432	0
	(ii)	0	0	0	0	- 0	- 0	0
9John A Williamson President - NGMC Braselton	(i)	301,420	91,577	20,424	70,174	23,305	506,900	28,402
	(ii)	0	0	0	0	- 0	- 0	0
10LINDA NICHOLSON VP Finance/Controller - NGHS	(i)	199,914	57,977	22,022	87,735	23,594	391,242	19,282
	(ii)	0	0	0	0	- 0	- 0	0
11Louis Smith Jr President - NGMC Gainesville	(i)	382,087	101,948	17,872	42,524	21,017	565,448	0
	(ii)	0	0	0	0	- 0	- 0	0
12Mary M Strand VP Revenue Cycle - NGHS	(i)	247,051	50,033	4,196	36,706	17,353	355,339	0
	(ii)	0	0	0	0	- 0	- 0	0
13Randy Smith Assoc Chief Nursing Officer - NGMC	(i)	155,207	11,034	1,694	3,116	2,919	173,970	0
	(ii)	0	0	0	0	- 0	- 0	0
14SAMUEL O JOHNSON MD VP Medical Affairs & CMO - NGHS	(i)	391,963	103,067	22,902	57,445	23,250	598,627	40,098
	(ii)	0	0	0	0	- 0	- 0	0
15Sonya F McLendon VP Chief of Oper Excellence - NGHS	(i)	264,449	51,483	1,311	42,277	26,204	385,724	0
	(ii)	0	0	0	0	- 0	- 0	0
16Tina Walden VP Operations - NGPG	(i)	177,101	23,409	6,891	27,615	15,383	250,399	0
	(ii)	0	0	0	0	- 0	- 0	0
17TRACY M VARDEMAN VP Chief Strategy Executive - NGHS	(i)	269,861	58,938	20,232	82,254	23,671	454,956	23,230
	(ii)	0	0	0	0	- 0	- 0	0
18Gary Minikiewicz THC Physician	(i)	741,770	30,000	13,716	9,275	23,279	818,040	0
	(ii)	0	0	0	0	- 0	- 0	0
19Heather Westmoreland THC Physician	(i)	729,269	30,000	19,026	9,275	31,409	818,979	0
	(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				
21Jay JosephTHC Physician	(i)	727,174	30,000	20,622	9,275	23,105	810,176	0
	(ii)	0	0	0	0	0	0	0
1Mark Matthews THC Physician	(i)	747,831	30,000	1,140	9,275	19,748	807,994	0
	(ii)	0	0	0	0	0	0	0
2Mehrdad Toosi THC Physician	(i)	732,093	30,000	19,710	9,275	12,710	803,788	0
	(ii)	0	0	0	0	0	0	0
3James Bailey Former VP-CMIO/CQO, Curr NGPG Phys	(i)	561,699	100	77,218	9,275	26,550	674,842	0
	(ii)	0	0	0	0	0	0	0
4Sherry Dorsey Former VP Senior Phys Svcs - NGHS	(i)	22,456	0	176,048	820	4,386	203,710	0
	(ii)	0	0	0	0	0	0	0

**SCHEDULE O
(Form 990 or
990-EZ)**

Department of the
Treasury
Internal Revenue
Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

► Attach to Form 990 or 990-EZ.

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

OMB No 1545-0047

2015**Open to Public
Inspection**

Name of the organization
NORTHEAST GEORGIA HEALTH SYSTEM INC

Employer identification number

58-1694090

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part III, Line 4a, Program Service Accomplishments	Northeast Georgia Medical Center (NGMC) provides a comprehensive range of acute care and specialty services through two campuses a 100-bed hospital in Braselton and a 557-bed regional referral hospital in Gainesville NGMC serves the area's low -income, uninsured, underinsured and other vulnerable populations NGMC Gainesville serves as the regional safety net hospital, with approximately half of its patients coming from outside of Hall County As a not-for-profit hospital, NGMC reinvests all funds in excess of operating expenses into healthcare services for the community The Medical Center receives no tax revenue from Hall or other counties served, and services are funded by revenue generated from operations Located in Georgia's fastest growing region, the 66-year-old hospital has expanded considerably in recent years to meet demand, investing a quarter of a billion dollars to update its aging plant in Gainesville and another \$200 million-plus to build the new NGMC Braselton campus and expanding its services to include obstetrics and radiation therapy NGMC Gainesville is rated as the #1 hospital in Georgia and #2 in the Nation for Overall Hospital Care (according to the 2015 study by CareChex) and among only twenty large community hospitals named to Truven Healthcare's list of the nation's 100 Top Hospitals NGMC provided charity care to Hall County residents at a cost of \$17.2 million in 2016 with another \$13.8 million provided to regional residents outside Hall County NGMC receives no local tax revenue from Hall County (or any counties served in Region 2) to support operations or care provided to indigent residents, unlike a number of not-for-profit hospitals The Medical Center's charity care policy provides financial assistance up to 300% of the poverty level, double the amount generally provided by other hospitals across the State The hospital is a key participant and fiscal sponsor in programs aimed at treating low -income and uninsured patients, including the Good News Clinics, the largest free health care clinic in Georgia, and Health Access Initiative (HAI), a local service that matches financially eligible patients to specialty physicians and provides access to care, among other services Additionally - Since 2000, NGMC has provided nearly three times the amount of indigent and charity care set forth in requirements by the Georgia Department of Community Health for successful passage of a certificate of need for new services, and, unlike many Georgia not-for-profit hospitals held to the same requirements, NGMC does not receive tax funding from its local county to help fund indigent care to area residents - NGMC is the primary hospital for low -income patients in Gainesville-Hall County and throughout the region in counties such as Banks, Dawson, and White, where many key medical specialties are not available

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Return Reference	Explanation
Form 990, Part III, Line 4a	NGMC is number 11 in top hospitals for net uncompensated care (\$42.3 M) provided in Georgia based on State Fiscal Year (SFY) 2016 Indigent Care Trust Fund (ICTF) Total Hospital Specific Disproportionate Share Hospital (DSH) Limits, many of the hospitals on the list received local tax dollars, while NGMC did not. NGMC serves as a financial engine for the local economy. In 2015 (latest numbers available), the hospital surpassed the \$1 billion mark in local and state economic impact for the sixth consecutive year, according to a report by the Georgia Hospital Association, which applied an economic multiplier to the hospital's direct expenditures to account for the "ripple" effect the hospital's spending has on other sectors of the local and state economies. The report found that through its economic impact, the hospital sustained nearly 12,000 full-time jobs throughout the region and the state in 2015. Under the Internal Revenue Code, a tax-exempt organization, classified as a 501(c)(3) charity, is required to have a mission that will benefit its community, reinvest all surplus funds in the organization in a way that benefits the community, compensate executives, contractors and other employees in accordance to fair market value, remain accountable to the community, refrain from participating in political campaigns for or against candidates and/or lobby as a substantial part of its activities, and, remain financially accountable to the community by not allowing any portion of its net earnings to benefit any private shareholder or individual. As a not-for-profit hospital, NGMC carries additional responsibilities, as established by the IRS in 1965: - Operate a full-time emergency room that is available to all people, regardless of their ability to pay, - NGMC operates the 2nd busiest ER in Georgia (according to the 2015 Annual Hospital Questionnaire Survey). In FY16, more than 20% of all NGMC's emergency room visits were made by self-pay patients. - Provide non-emergency services to anyone able to pay, - Northeast Georgia Health System, Inc. (NGHS) provides high quality, advanced specialty and primary healthcare services to the Northeast Georgia community, serving almost 900,000 people in more than 15 counties. In FY16, NGMC's payor mix was 58% Medicare/Medicaid, 33% commercial insurance and 9% self-pay. - Participate in Medicaid and Medicare programs, - 58% of patients served by NGMC in FY16 were Medicaid and Medicare patients. - Create a governing board that is representative of the community it serves, - More than 80 community members are actively involved in governance through NGHS, NGMC and other subsidiary boards and committees. - Allow medical staff privileges to any professional who is qualified and applies, - NGMC has a medical staff of more than 700 physicians representing numerous advanced specialties such as gynecologic oncology, electrophysiology, cardiac surgery, critical care medicine, surgical trauma, neonatology and perinatology. - R

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part III, Line 4a	invest surplus funds in operations - As not-for-profit organizations, the revenue generated by NGMC and its parent organization, NGHS, above operating expenses is reinvested into the community. Examples include construction of new medical facilities, such as the new hospital in Braselton offering 24/7 emergency room services not previously available to local residents, investments in advanced medical technology such as robotic surgical systems and state of the art radiation therapy equipment, and development of the only Level 2 Trauma Center in northeast Georgia - NGMC participates in the Indigent Care Trust Fund (ICTF), a 20-year-old program that expands Medicaid eligibility and services, supports rural health care facilities that serve the medically indigent and funds primary health care programs for medically indigent Georgians. Georgia's Disproportionate Share Hospital (DSH) program is funded through the ICTF, and assists hospitals and other health providers that care for high proportions of Medicaid, uninsured and/or low-income patients. In 2016, NGMC received \$4.8 million in net funds allocated through the Medicaid DSH ICTF program to partially offset a financial loss of \$42.3 million in costs the Medical Center incurred treating uninsured and Medicaid patients. In addition, NGMC received \$3.9 million in net funds allocated through the Medicaid Upper Payment Limit (UPL) program to adjust Medicaid payments upward to match Medicare payment levels. NGMC values cooperative efforts with community organizations and other healthcare providers to improve the health status of area residents. NGMC demonstrates this through many partnerships ranging from serving as lead agency of the Safe Kids Coalition of Gainesville-Hall County, to partnering with other organizations such as Good News Clinics and the Public Health Department to reach at-risk populations in need of healthcare. In FY 16, over \$6 million was provided in community benefit programs/outreach. Community education was provided through free community lectures, various support groups and the semi-annual health magazine, Communicare. NGMC also offered several community education seminars in 2016 on topics ranging from health and nutrition to women's health education and more. What Drives NGMC's Community Health Improvement Activities? NGMC, with input from the community, completed a Community Health Needs Assessment (CHNA) in 2016. The assessment focused mainly on the needs of the community's most vulnerable populations, particularly those with low-incomes who are uninsured. Input from the community was gathered through focus groups and interviews. Focus group participants and interviewees included community leaders, public health experts, and those representing the needs of minority, underserved, and indigent populations. Input was also received from an internal NGMC board level workgroup and senior leadership who validated, refined, and expanded the list of health needs NGMC will address.

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Return Reference	Explanation
Form 990, Part III, Line 4a	The study culminated in the identification of the following 5 priority health needs across the region: Septicemia, Access to Care, Diabetes, Cancer, and Injury. Go to www.nghs.com/community-benefit-library#chna for more information and full reports.

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Return Reference	Explanation
Form 990, Part III, Line 4a	The following contains highlights of community benefit activities provided by NGMC in FY 16, often partnering with other organizations and individuals in the community. Partnering to Reach the Uninsured: NGMC works cooperatively with other area healthcare providers to care for all area residents, particularly the indigent population. Partners include, but are not limited to, NGMC, the Northeast Georgia Physicians Group (NGPG) Primary Care Clinic at the Hall County Health Department, the Northeast Georgia Diagnostic Clinic, The Longstreet Clinic, Good News Clinics (indigent clinic), Medlink (federally qualified health center), as well as physicians. Good News Clinics (GNC): NGMC provides funding to GNC that helps provide medications, medical supplies and other support for GNC - the largest free clinic in Georgia. Founded in 1992, GNC is a Christian ministry that provides medical and dental care to the indigent and uninsured population at no charge. Forty-six physicians, 12 mid-level providers and 44 dentists volunteer to treat patients at GNC. In addition, 340 specialist physicians volunteer to treat patients in their offices through referrals from GNC, NGPG Primary Care Clinic at the Hall County Health Department and physicians in Hall County. In FY 16, over \$500,000 was donated to help GNC provide care to indigent patients who were at or below 150% of the federal poverty guidelines and did not qualify for other programs. Clinical professionals from NGMC staff a Congestive Heart Failure (CHF) Clinic at GNC, as well as a cardiology clinic. This project has been extremely successful, holding a 30-day hospital readmissions rate of zero in 2016. Additional health screenings are provided to vulnerable populations at GNC such as prostate screenings. Other services provided include a seizure clinic and diabetes education and management, and there is a registered dietitian on staff who helps patients with lifestyle modifications required for management of Heart Failure, Diabetes and weight loss. NGPG Primary Care Clinic at the Hall County Health Department: NGMC funds and staffs a primary care clinic at the Hall County Health Department to improve access to primary healthcare services for low-income people in our community. In FY 16, NGMC contributed over \$1,000,000 to fund this clinic. Prenatal Care Program at the Health Department: NGMC partners with The Longstreet Clinic to improve birth outcomes by increasing early prenatal care for low-income, uninsured and under-insured pregnant women via the Health Department's primary care clinic. Yearly cost to NGMC is approximately \$200,000. Indigent Patient Fund: At NGMC, financial assistance is provided for indigent patients to obtain urgently needed discharge medications and transportation. Individuals eligible for these funds are patients whose needs cannot be met through primary insurance, their own personal funds, government programs or other charitable services. This helps to ensure medication compliance and maintain

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Return Reference	Explanation
Form 990, Part III, Line 4a	ximize conditions for recovery and recuperation The Medical Center Foundation provides fu nding for this Charity Care NGMC's charity care policy removes barriers for low -income p opulations w ithin our service area beginning with free, medically necessary care for patie nts w hose gross family income is 0 to 150% of the Federal Poverty Level (FPL) adjusted for family size Further, patients from our service area, w hose FPL is from 151 to 300%, may qualify for an adjustment equivalent to the hospital's Medicare reimbursement rate plus an additional 40% discount to the Medicare reimbursement rate Total Charity Care Cost for F Y 16 \$31 million - \$17 2 million for Hall County, \$13 8 million for regional residents NGM C Volunteers In FY16, 722 NGMC volunteers contributed 70,690 volunteer hours, equivalent to 42 full time employees and a value of \$1 6 million to the organization While these fig ures are not included in the quantitative portion of the community benefit report, they sh ow the depth of support the community gives NGMC 138 teens participated in the Teen Volun teer Program in 2016 The teens represented 28 different schools w ithin the area Encourag ing Medical Volunteering NGMC provides information at physician orientation to encourage physicians to step up to volunteer opportunities through local free clinics (GNC in Gaines ville and Helping Hand Clinic in Cleveland) as well as Health Access NGPG also encourages physicians to give their time volunteering at these locations Through various physician leadership councils, NGMC's Cancer Services Program encourages its physicians to actively participate in community outreach, including educational seminars, screenings, cancer prev ention opportunities and other outreach w ith the purpose of improving patient care, qual it y, access and programmatic excellence of cancer services w ithin the community Financial N avigators NGMC has financial assistance counselors w ho help patients become insured, be i t through Medicaid, PeachCare or other programs This team focuses on being advocates for uninsured and under-insured patients, aiding them in finding viable means to access care They find the best solutions for helping patients apply for Medicaid or disability, access ing healthcare exchanges or processing charity applications w hen appropriate Patient Navi gators NGMC also has a cancer patient navigation program This program provides cancer pa tients w ith guidance throughout their cancer journey, and they are seen as a "living resou rce directory" for patients Partnering in the Community NGMC is actively involved in Visi on 2030 (w w w Vision2030 org) This community- w ide program is sponsored by the Greater Hall Chamber of Commerce and participation is open to everyone in the community An NGMC emplo yee currently chairs on the board of Vision 2030 w hich focuses on the creation of a cultur e of community wellness, the support and maintenance of lifelong learning, the building of an economy around emerging li

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Return Reference	Explanation
Form 990, Part III, Line 4a	fe sciences, the encouragement of innovative grow th/infrastructure development, and the pr omotion of cultural integration NGMC is also an active partner on other chamber committee s such as the Healthcare Committee and the Health Initiative Consortium NGMC is also a pa rtner in HALLmark, wh ich is a community investment plan that addresses economic developmen t, education, government and community development through partnership Members of NGMC's bariatric service line also serve on Hall County School System's Wellness Council A NGMC representative serves on Hall County Family Connection (HCFC) HCFC adopted Teen Pregnancy Prevention and community-w ide resource mapping in partnership w ith United Way as its tw o focus areas for the next tw o years HCFC is a collaborative w hich serves as the local deci sion-making body, bringing community partners together to develop, implement and evaluate plans that address the serious challenges facing the children and families in our county Its vision is that every child has the opportunity to reach his or her full potential for good health, be secure from abuse and neglect and become a literate, productive, economica lly self-sufficient member of our community The mission of HCFC is to identify and monito r areas of community concern and to mobilize the community and its resources in a common e ffort to develop solutions

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Return Reference	Explanation
Form 990, Part III, Line 4a	The Medical Center Foundation (MCF) Raises Funds to Benefit the Community The MCF is the fundraising arm of NGMC and raises funds to improve the health of the community The Found ation's operating expenses are supported by NGMC so that donated funds can be used to supp ort NGMC projects and community health improvement initiatives Following are items of inter est to note - Since 1997, approximately \$3 5 million has been raised for community heal th improvement projects through The Medical Center Open - The 2015 Medical Center Open Go lf Tournament raised \$281,881 for the Medical Association of Georgia Foundation's 'Think A bout It' Campaign, and 100% of proceeds will benefit the campaign's Project DAN (Deaths Av oided by Naloxone), w hich is designed to reduce w idespread drug abuse and specifically red uce deaths from opioid overdose - Through the employee giving club know n as W A T C H (W e Are Targeting Community Healthcare), members have donated more than \$7 8 million to supp ort the Healthy Journey Campaign since the program's inception in 1999 Investing in Our Y outh Safe Kids Coalition Works to Keep Kids Safe The Gainesville-Hall County Safe Kids Co alition, led by NGMC, is part of Safe Kids Worldw ide, the first and only national organiza tion dedicated solely to the prevention of unintentional childhood injury, w hich is the na tion's number one killer of children ages 14 and under This program provides affordable s afety equipment such as car seats, bike helmets, and life jackets to area children in need Working w ith a coalition made up of law enforcement, area schools, community volunteers and others, Safe Kids provides educational materials and programs that teach children and their parents how to avoid accidents and injuries Safe Kids continued the work of injury prevention for families in the Hall County community in 2016 thanks to the support of MCF and the Healthy Journey Campaign In FY 16, members of the Gainesville-Hall County Safe Kid s Coalition provided over 300 programs and events that reached an estimated 50,000 childre n and their family members, teachers and caregivers Through these programs, over 5,000 sa fety devices w ere distributed to families w ho w ere in need of them Education and Support for Seniors Getting Older and Better Workshop Over 300 people participated in the Getting Older and Better Workshop held in September at both Gainesville and Braselton locations This event w as sponsored by The Medical Center Auxiliary, provided by NGMC and featured th e topic, "Joint Health and Falls Prevention " Featured speakers w ere Gregory Woods, M D , from NGPG, Jeffery Garrett, M D from The Longstreet Clinic, and Donna Lee, Outreach Coord inator from NGMC Trauma Services NGMC has provided a significant donation for a non-profi t, volunteer run transportation program serving Hall County senior adults, called iTNLAnie r, w hich is being spearheaded by the Wisdom Project The service provides personal, cost e ffective transport services to

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Form 990, Part III, Line 4a	the elderly iTNLanier is a pre-affiliate of iTNAmerica, a national organization with 27 chapters providing thousands of rides daily to senior citizens Support of Community Effor ts to Improve Health NGMC employees are very active in the community, volunteering at GNC, in their churches on mission trips and for community agencies such as the Humane Society and Habitat for Humanity When it comes to supporting MCF's employee giving club, W A T C H , over 3,400 employees donated about \$550,000 in 2016 Relay for Life, American Heart Wa lk, and March for Babies NGMC employees turned out in full force for community events suc h as the American Heart Walk, March of Dimes' WalkAmerica and American Cancer Society's Re lay for Life, averaging participation of 200 employees per event Blood Drives In FY 16, N GMC hosted 25 drives, resulting in 437 donors and over 359 pints of blood Employees Lead the Way, United Way Pacesetter & More NGHS employees contributed over \$100,000 to United Way as a Pacesetter Company Two NGMC employees serve on the United Way Board Training an d Education for Healthcare Professionals NGMC continues to serve as a "pipeline" to help get more qualified people interested in healthcare positions and help provide training and education to students This training and education is done through a variety of avenues f rom job shadow ing to the nurse extern program and pharmacy residency program as well as si gnificant support to Foothills Area Health Education Centers

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Return Reference	Explanation
Form 990, Part III, Line 4a	NGMC Provides Health Information & Support The Fraser Resource Center and Health Sciences Library at NGMC serves the health information needs of the community The library is located on the Medical Center campus in Gainesville Consumers, patients and their family members have access to credible resources relating to medical symptoms, conditions and treatments both at the library and also via links on NGMC's website (www nghs com/library) The Resource Center encourages visitors to make healthy choices and become active, informed partners in their healthcare In keeping with guidelines for community benefit reporting, NGMC did not include quantitative data on the following programs/projects, but it does meet health needs in the community identified via the 2016 (the most recent) CHNA and warrant inclusion in this summary Patient-Centered Medical Neighborhood NGHS has been selected as one of 15 communities in the nation to establish a patient-centered medical neighborhood (PCMN) as part of a Centers for Medicare & Medicaid (CMS) Innovation Challenge Grant The PCMN builds on the concept of a patient-centered medical home (PCMH) by connecting acute-care hospitals, specialty and sub-specialty practices and other community health resources with primary care providers in order to drive higher quality, provide more affordable care and ensure a positive patient experience The first step in this three-year project was to build strong medical home practices Partnering with NGPG and other community practices, this project is designed to provide more individualized care to patients A medical home is a concept of care - not a building, a house or a hospital The goal of the medical home model is to better coordinate care through primary care practices with hospitals, medical specialties and other community health services to support a more fully-integrated approach to care Being cared for in a Patient Centered Medical Home means NGPG's healthcare providers will work with patients to help understand their total healthcare needs and connect them with community and other resources to help meet their individualized needs A partnership is developed between the patient, the personal primary care physician and other members of the healthcare team, and there is a key focus on encouraging patients to participate in their care SANE program NGMC provides a SANE (Sexual Assault Nurse Examiner) program which provides nurses special training in rape crisis, trial time with a District Attorney and training with law enforcement and a pediatrician's office NGMC employs nurses who have specialized training to complete the Sexual Assault Nurse Exam and provide specialized care for patients who are victims of sexual assault This program is not a requirement of hospitals and is also not provided at all hospitals throughout the state

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Return Reference	Explanation
Form 990, Part III, Line 4a	Organization Overview NGHS is a not-for-profit community health system dedicated to improving the health and quality of life of the people of Northeast Georgia Through the services of a medical staff of more than 600 physicians, the residents of northeast Georgia enjoy access to the state's finest and most comprehensive medical services The Health System offers a full range of healthcare services through NGMC with two hospital campuses, one in Braselton and one in Gainesville NGMC is rated among the top 10% in the nation, by CareChex CareChex also recognizes NGMC as Georgia's #1 hospital for heart care, women's care and pulmonary care NGMC also provides long term care through two centers in Gainesville and mental health and substance abuse treatment through a freestanding inpatient center The Health System's services extend throughout the Northeast Georgia region through urgent care centers, outpatient rehabilitation centers offering physical, speech and occupational therapy, a satellite cancer treatment center and several multi-specialty medical office buildings Through NGPG, residents in Northeast Georgia have close access to primary care as well as a host of medical specialties through more than 250 providers at more than 50 locations Led by volunteer boards made up of community leaders, the Health System serves almost 800,000 people in more than 13 counties across Northeast Georgia As a not-for-profit health system, all revenue generated above operating expenses is returned to the community through improved services and innovative programs NGMC's Charity Care Policy supports the provision of care for indigent patients, regardless of their ability to pay Special Notes NGMC uses the precepts outlined in "A Guide for Planning and Reporting Community Benefit," provided by the Catholic Health Association of The United States and VHA, Inc The guide's purpose is to help not-for-profit mission-driven healthcare organizations develop, enhance and report on their community benefit programs Community Benefit Definition Program or activity must address a demonstrated community need, and seek to address at least one of the following community benefit objectives - improve access - enhance population health - advance generalizable knowledge - relieve government burden to improve health The program or activity must - primarily benefit the community rather than the organization - result in measurable expense to the organization If the program or activity is provided primarily for marketing purposes, standard practice expected of all hospitals (such as activities required for accreditation, licensure, or to participate in Medicare) or is primarily for employees (not including interns, residents and fellows) and/or affiliated physicians, it is not community benefit For more information, contact Christy Moore, Manager, Community Health Improvement, at (770) 219-8097 or go to www.nghs.com

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section B, line 11	Information for the Form 990 was provided to an independent certified public accountant for preparation of the return. After the return was prepared, it was reviewed by senior financial management. The 990 is made available to members of the board prior to filing.

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section B, line 12c	Board members are required to complete a conflict of interest questionnaire annually. Employees attest to their understanding and reporting/disclosure requirements at hire and annually. Compliance is monitored continuously throughout the year by the board.

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Return Reference	Explanation
Form 990, Part VI, Section B, line 15	The compensation committee of the Northeast Georgia Health System Board (NGHS Board) has developed and installed compensation policies and procedures that seek to further the purpose of NGHS and affiliates and the importance of these policies to attract and retain key employees. The compensation committee is composed of voting directors who are not employees of NGHS. All decisions of the compensation committee are reviewed and ratified by the NGHS Board. The committee's methodology and approach incorporates both qualitative and quantitative considerations, which are reflected in the committee's determinations concerning key employee compensation and the specific components thereof. The compensation decisions of the committee are described below as to each of the three categories. Base Salary Annual base salaries are set at market competitive levels with healthcare systems of a similar size and complexity from throughout the country. Specifically, the committee considers peer group comparisons from survey data for other health systems, recommendations from an independent compensation consultant, recommendations on ranges and placement from the CEO, and individual performance assessments for each position. In each instance the committee members reach a consensus based on the combination of available information, and the committee sets a base salary level for each key employee. Performance Based Variable Compensation Numerous performance goals are quantitative in nature, resulting in a performance based variable compensation component that is weighted toward attaining NGHS Board-approved goals and objectives. Annual goals and objectives are established through a formal planning process involving board and community members. The board approves these goals and objectives at the beginning of each year. Officers and key employees receive cash awards as a formula driven percentage of base salary levels based on achievement and predetermined individual objectives. Benefits and Retention Programs Benefit categories and amounts are determined by a comparison process similar to determining base salaries with positions and organizations similar to NGHS. Included in benefits are retirement programs to enhance retention and progress toward long-term goals within NGHS' mission.

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Return Reference	Explanation
Form 990, Part VI, Section C, line 19	Financial statements and statistics are filed quarterly with Digital Assurance Certification, LLC (DAC Bond) DAC Bond serves as a disclosure dissemination agent for issuers of municipal bonds electronically posting and transmitting information to repositories and investors All other items are available upon request

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part XI, line 9	Intercompany Forgiveness 7,336,001 Minimum Pension Liability Adjustment -17,796,150 Partnership Income Not on Books - 254,699

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization
NORTHEAST GEORGIA HEALTH SYSTEM 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

Employer identification number

58-1694090

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) River Place Medical Office Plaza I LLC 743 Sprng Street Gainesville, GA 30501 58-1694090	Rental	GA	2,924,491	14,602,350	Northeast Georgia Health System Inc
(2) The Heart Center LLC 743 Sprng Street gainesville, GA 30501 46-4354068	healthcare Clinics	GA	24,980,018	7,607,284	Northeast Georgia Health System Inc
(3) HealtheConnections 743 Sprng Street Gainesville, GA 30501 58-1694098	healthcare Clinics	GA	0	0	Northeast Georgia Medical Center Inc

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
(1)Northeast Georgia Medical Center Inc 743 Sprng Street Gainesville, GA 30501 58-1694098	Healthcare - Hospital	GA	501(c)(3)	Line 3	Northeast Georgia Health System Inc	Yes	
(2)Northeast Georgia Physicians Group Inc 743 Sprng Street Gainesville, GA 30501 58-2078064	Healthcare	GA	501(c)(3)	Line 11b, II	Northeast Georgia Health System Inc	Yes	
(3)The Medical Center Foundation Inc 743 Sprng Street Gainesville, GA 30501 58-1694820	Fundraising	GA	501(c)(3)	Line 7	Northeast Georgia Health System Inc	Yes	
(4)The Medical Center Auxiliary Inc 743 Sprng Street Gainesville, GA 30501 58-1550576	Fundraising and Support	GA	501(c)(3)	Line 9	Northeast Georgia Health System Inc	Yes	

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	

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
(1) Northeast GA Health Partners LLC 743 Spring Street Gainesville, GA 30501 58-2131807	PPO Development	GA	N/A	C	423,866	113,380	100.000 %	Yes	

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

Yes

1d

Yes

1e

Yes

1f

No

1g

No

1h

No

1i

No

1j

No

1k

No

1l

Yes

1m

No

1n

Yes

1o

Yes

1p

Yes

1q

Yes

1r

No

1s

No

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds			
(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
See Additional Data Table			

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

[illegible]

Part VII **Supplemental Information**

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

Return Reference	Explanation
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Additional Data

Software ID:
Software Version:
EIN: 58-1694090
Name: NORTHEAST GEORGIA HEALTH SYSTEM INC

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)	Northeast Georgia Medical Center Inc	B	50,837,872	Cost
(1)	Northeast Georgia Health System Inc	C	7,336,005	Cost
(2)	nORTHEAST gEORGIA PHYSICIAN GROUP INC	C	42,647,377	cost
(3)	Northeast Georgia Health Partners LLC	C	854,490	cost
(4)	Northeast Georgia Medical Center Inc	L	40,160,406	cost
(5)	Northeast Georgia Medical Center Inc	P	91,368	Cost
(6)	Northeast Georgia Health Partners LLC	Q	91,368	Cost
(7)	Northeast Georgia Medical Center Inc	B	2,167,660	cost
(8)	The Medical Center Foundation Inc	C	2,167,660	cost
(9)	The Medical Center Auxiliary Inc	B	212,632	Cost
(10)	The Medical Center Foundation Inc	C	212,632	Cost
(11)	Northeast Georgia Medical Center Inc	E	2,067,446	cost
(12)	The Medical Center Foundation Inc	D	2,067,446	cost