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Form 990

Return of Organization Exempt From Income Tax

OMB No 1545-0047

2016

Open to Public Inspection

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

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

Information about Form 990 and its instructions is at [www.irs.gov/form990](#)

Department of the Treasury
Internal Revenue Service

2016

Open to Public Inspection

A For the 2016 calendar year, or tax year beginning 06-01-2016 , and ending 05-31-2017

B Check if applicable

☐ Address change

☐ Name change

☐ Initial return

☐ Final

☐ Return/terminated

☐ Amended return

☐ Application pending

C Name of organization

Owensboro Health Inc

% JOHN HACKBARTH

Doing business as

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

Room/suite

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

Owensboro, KY 42303

F Name and address of principal officer

GREG STRAHAN

1201 PLEASANT VALLEY ROAD

OWENSBORO, KY 42303

H(a) Is this a group return for subordinates?

☐ Yes ☒ No

H(b) Are all subordinates included?

☐ Yes ☐ No

If "No," attach a list (see instructions)

H(c) Group exemption number ▶

I Tax-exempt status

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

J Website: ▶ www.owensborohealth.org

K Form of organization

☒ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation 1995

M State of legal domicile KY

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities

OWENSBORO HEALTH, INC EXISTS TO HEAL THE SICK AND IMPROVE THE HEALTH OF THE COMMUNITIES WE SERVE

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)

4 Number of independent voting members of the governing body (Part VI, line 1b)

5 Total number of individuals employed in calendar year 2016 (Part V, line 2a)

6 Total number of volunteers (estimate if necessary)

7a Total unrelated business revenue from Part VIII, column (C), line 12

7b Net unrelated business taxable income from Form 990-T, line 34

Revenue

8 Contributions and grants (Part VIII, line 1h)

9 Program service revenue (Part VIII, line 2g)

10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)

11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)

12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)

Expenses

13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)

14 Benefits paid to or for members (Part IX, column (A), line 4)

15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)

16a Professional fundraising fees (Part IX, column (A), line 11e)

b Total fundraising expenses (Part IX, column (D), line 25) ▶0

17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)

18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)

19 Revenue less expenses Subtract line 18 from line 12

Net Assets or Fund Balances

20 Total assets (Part X, line 16)

21 Total liabilities (Part X, line 26)

22 Net assets or fund balances Subtract line 21 from line 20

Prior Year

Current Year

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

JOHN HACKBARTH SVP/CFO

Type or print name and title

2017-10-16

Date

Paid Preparer Use Only

Print/Type preparer's name

JENNIFER D RHODERICK

Preparer's signature

JENNIFER D RHODERICK

Date

2017-10-16

Check ☐ if self-employed

PTIN

P00395735

Firm's name

▶ ERNST & YOUNG US LLP

Firm's EIN ▶

Firm's address

▶ 111 MONUMENT CIRCLE SUITE 400

Indianapolis, IN 46204

Phone no (317) 681-7000

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 (2016)

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response or note to any line in this Part III ☒**1** Briefly describe the organization's mission

OWENSBORO HEALTH, INC EXISTS TO HEAL THE SICK AND IMPROVE THE HEALTH OF THE COMMUNITIES WE SERVE

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 \$ 443,072,665	including grants of \$ 2,359,905	(Revenue \$ 564,096,539)
See Additional Data				

4b	(Code)	(Expenses \$	including grants of \$	(Revenue \$)
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4c	(Code)	(Expenses \$	including grants of \$	(Revenue \$)
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4d	Other program services (Describe in Schedule O)	(Expenses \$	including grants of \$	(Revenue \$)
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4e	Total program service expenses ►	443,072,665
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Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i> 	1 Yes	
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> (see instructions)? 	2 Yes	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i> 	3	No
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i> 	4 Yes	
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i> 	5	No
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i> 	6	No
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i> 	7	No
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i> 	8	No
9 Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i> 	9	No
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i> 	10	No
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i> 	11a Yes	
b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i> 	11b	No
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i> 	11c	No
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i> 	11d Yes	
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i> 	11e Yes	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i> 	11f Yes	
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i> 	12a	No
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i> 	12b Yes	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>	13	No
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	No
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>	14b	No
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i>	15	No
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i>	16	No
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i> (see instructions)	17	No
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>	18	No
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>	19	No

Part IV Checklist of Required Schedules (continued)

	Yes	No
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>	20a Yes	
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b Yes	
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? <i>If "Yes," complete Schedule I, Parts I and II</i>	21 Yes	
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	22 Yes	
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? <i>If "Yes," complete Schedule J</i>	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? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>	24a Yes	
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	No
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c	No
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d	No
25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>	25a	No
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</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? <i>If "Yes," complete Schedule L, Part II</i>	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? <i>If "Yes," complete Schedule L, Part III</i>	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? <i>If "Yes," complete Schedule L, Part IV</i>	28a	No
b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28b Yes	
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? <i>If "Yes," complete Schedule L, Part IV</i>	28c	No
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29	No
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30	No
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31	No
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	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? <i>If "Yes," complete Schedule R, Part I</i>	33 Yes	
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	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)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35b Yes	
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	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? <i>If "Yes," complete Schedule R, Part VI</i>	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 ComplianceCheck 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.	144	
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	0	
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	Yes	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return.	3,939	
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).	Yes	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	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.	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)?		No
b	If "Yes," enter the name of the foreign country: _____ See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		No
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?		No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		No
d	If "Yes," indicate the number of Forms 8282 filed during the year.	7d	
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
8	Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?		
9a	Did the sponsoring organization make any taxable distributions under section 4966?		
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter		
a	Initiation fees and capital contributions included on Part VIII, line 12.	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.		
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?		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 instructionsCheck 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 14		
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 10		
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	Yes	
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3		No
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4		No
5 Did the organization become aware during the year of a significant diversion of the organization's assets?	5		No
6 Did the organization have members or stockholders?	6		No
7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a	Yes	
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b	Yes	
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
a The governing body?	8a	Yes	
b Each committee with authority to act on behalf of the governing body?	8b	Yes	
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9		No

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

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

Section C. Disclosure

17 List the States with which a copy of this Form 990 is required to be filed	KY
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 ▶ JOHN HACKBARTH 1201 PLEASANT VALLEY ROAD OWENSBORO, KY 42303 (270) 417-2000	

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

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

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

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

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

[illegible]

[illegible]

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization ▶ 200

Section B. Independent Contractors

(A) Name and business address	(B) Description of services	(C) Compensation
CROTHALL LAUNDRY SERVICES, 13028 COLLECTION CENTER DRIVE CHICAGO, IL 60693	LAUNDRY SVC & HK SVC	2,524,558
OBHG KENTUCKY PSC, 10 CENTIMETERS DRIVE MAULDIN, SC 29662	OB SERVICES	1,440,849
MAYO COLLABORATIVE SVCS INC, PO BOX 9146 MINNEAPOLIS, MN 554809146	LABORATORY SERVICES	1,440,418
GE HEALTHCARE, PO BOX 96483 CHICAGO, IL 60693	RADIOLOGY SERVICES	1,276,139
RENAL TREATMENT CTR, PO BOX 781607 PHILADELPHIA, PA 191781607	RENAL SERVICES	1,043,798

Form **990** (2016)

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	0			
	d Related organizations	1d	151,744			
	e Government grants (contributions)	1e	53,353			
	f All other contributions, gifts, grants, and similar amounts not included above	1f	40,229			
	g Noncash contributions included in lines 1a-1f \$ _____		0			
	h Total. Add lines 1a-1f		245,326			
Program Service Revenue		Business Code				
	2a MEDICARE/MEDICAID PAYMENT	622110	298,704,396	298,704,396	0	0
	b PATIENT REVENUE-OTHER INS	622110	263,173,520	263,173,520	0	0
	c REVENUE - OASF	621493	1,246,194	1,246,194	0	0
	d REVENUE - CANCER RESEARCH	622110	-30,964	-30,964	0	0
	e REVENUE - OCHN	622110	-71,540	-71,540	0	0
	f All other program service revenue		-2,345,488	-2,345,488	0	0
	g Total. Add lines 2a-2f		560,676,118			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		4,147,158			4,147,158
	4 Income from investment of tax-exempt bond proceeds		0			
	5 Royalties		0			
	6a Gross rents	(i) Real (ii) Personal				
		2,840,842				
	b Less rental expenses	587,607				
	c Rental income or (loss)	2,253,235 0				
	d Net rental income or (loss)		2,253,235			2,253,235
	7a Gross amount from sales of assets other than inventory	(i) Securities (ii) Other				
		97,387,951				
	b Less cost or other basis and sales expenses	95,923,616				
	c Gain or (loss)	1,464,335				
	d Net gain or (loss)		1,464,335			1,464,335
	8a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18	a 0				
	b Less direct expenses	b 0				
	c Net income or (loss) from fundraising events		0			
	9a Gross income from gaming activities See Part IV, line 19	a 0				
	b Less direct expenses	b 0				
c Net income or (loss) from gaming activities		0				
10a Gross sales of inventory, less returns and allowances . . .	a 651,087					
b Less cost of goods sold . . .	b 437,252					
c Net income or (loss) from sales of inventory		213,835			213,835	
Miscellaneous Revenue		Business Code				
11a CAFETERIA & VENDING REV	722514	3,093,081	0	0	3,093,081	
b PHARMACY 340B	900099	1,055,017	1,055,017	0	0	
c LAUNDRY, CATERING & 990T	812300	193,299	0	193,299	0	
d All other revenue		2,370,100	2,365,404	4,696		
e Total. Add lines 11a-11d		6,711,497				
12 Total revenue. See Instructions		575,711,504	564,096,539	197,995	11,171,644	

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.	2,117,918	2,117,918		
2 Grants and other assistance to domestic individuals. See Part IV, line 22.	241,987	241,987		
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, line 15 and 16.	0	0		
4 Benefits paid to or for members.	0	0		
5 Compensation of current officers, directors, trustees, and key employees.	6,820,087	0	6,820,087	0
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B).	1,490,658	301,384	1,189,274	0
7 Other salaries and wages.	163,140,405	133,075,637	30,064,768	0
8 Pension plan accruals and contributions (include section 401 (k) and 403(b) employer contributions).	19,431,431	14,583,374	4,848,057	0
9 Other employee benefits.	16,604,722	11,230,332	5,374,390	0
10 Payroll taxes.	12,197,535	9,682,651	2,514,884	0
11 Fees for services (non-employees):				
a Management.	10,714,582	6,586,561	4,128,021	0
b Legal.	1,396,944	60,500	1,336,444	0
c Accounting.	317,170	30,000	287,170	0
d Lobbying.	102,828	0	102,828	0
e Professional fundraising services. See Part IV, line 17.	0			0
f Investment management fees.	408,099	0	408,099	0
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O).	40,103,904	31,130,478	8,973,426	0
12 Advertising and promotion.	1,516,328	179,256	1,337,072	0
13 Office expenses.	8,840,879	4,021,638	4,819,241	0
14 Information technology.	10,031,826	2,091,838	7,939,988	0
15 Royalties.	293,847	85,983	207,864	0
16 Occupancy.	7,586,384	5,161,934	2,424,450	0
17 Travel.	948,031	477,991	470,040	0
18 Payments of travel or entertainment expenses for any federal, state, or local public officials.	0	0	0	0
19 Conferences, conventions, and meetings.	208,779	90,424	118,355	0
20 Interest.	31,346,018		31,346,018	0
21 Payments to affiliates.	0	0	0	0
22 Depreciation, depletion, and amortization.	37,353,439	782,759	36,570,680	0
23 Insurance.	5,136,836	72,952	5,063,884	0
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O):				
a MEDICAL SUPPLIES	97,530,542	97,413,437	117,105	
b BOND DEFEASANCE	83,433,348	83,433,348		
c BAD DEBT	32,261,822	32,261,822		
d PROVIDER TAX	4,868,012	4,868,012		
e All other expenses	5,372,314	3,090,449	2,281,865	
25 Total functional expenses. Add lines 1 through 24e.	601,816,675	443,072,665	158,744,010	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).	0			

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

				(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing		13,710	1	13,546
	2	Savings and temporary cash investments		3,813,146	2	44,021,961
	3	Pledges and grants receivable, net		0	3	0
	4	Accounts receivable, net		273,787,212	4	332,294,748
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L.		0	5	0
	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.		0	6	0
	7	Notes and loans receivable, net		0	7	0
	8	Inventories for sale or use		12,047,388	8	12,468,753
	9	Prepaid expenses and deferred charges		20,146,819	9	18,659,458
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D.	10a 891,853,624			
	b	Less: accumulated depreciation	10b 330,533,389	562,069,661	10c	561,320,235
	11	Investments—publicly traded securities		155,490,982	11	168,903,053
	12	Investments—other securities. See Part IV, line 11		0	12	0
	13	Investments—program-related. See Part IV, line 11		25,432,903	13	23,306,238
	14	Intangible assets		12,004,135	14	11,348,434
	15	Other assets. See Part IV, line 11		132,723,316	15	62,137,320
16	Total assets. Add lines 1 through 15 (must equal line 34)		1,197,529,272	16	1,234,473,746	
Liabilities	17	Accounts payable and accrued expenses		70,555,251	17	60,687,718
	18	Grants payable		0	18	0
	19	Deferred revenue		8,566,850	19	10,407,967
	20	Tax-exempt bond liabilities		561,818,987	20	607,213,990
	21	Escrow or custodial account liability. Complete Part IV of Schedule D.		0	21	0
	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		0	22	0
	23	Secured mortgages and notes payable to unrelated third parties		143,024	23	0
	24	Unsecured notes and loans payable to unrelated third parties		0	24	0
	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.		112,403,489	25	131,251,539
	26	Total liabilities. Add lines 17 through 25		753,487,601	26	809,561,214
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		444,041,671	27	424,912,532
	28	Temporarily restricted net assets		0	28	0
	29	Permanently restricted net assets		0	29	0
	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		444,041,671	33	424,912,532	
34	Total liabilities and net assets/fund balances		1,197,529,272	34	1,234,473,746	

Part XI Reconciliation of Net AssetsCheck 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	575,711,504
2	Total expenses (must equal Part IX, column (A), line 25)	2	601,816,675
3	Revenue less expenses Subtract line 2 from line 1	3	-26,105,171
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	444,041,671
5	Net unrealized gains (losses) on investments	5	7,979,841
6	Donated services and use of facilities	6	0
7	Investment expenses	7	0
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	-1,003,809
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	424,912,532

Part XII Financial Statements and ReportingCheck if Schedule O contains a response or note to any line in this Part XII ☐

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

Additional Data

Software ID:
Software Version:
EIN: 61-1286361
Name: Owensboro Health Inc

Form 990 (2016)

Form 990, Part III, Line 4a:

Owensboro Health, Inc ("OH") is the parent organization of a diversified system of health care organizations that provides a broad range of inpatient and outpatient services and other complementary health care services. OH employs healthcare professionals, including physicians, nurses, advance practice registered nurses, physician assistants and other licensed professionals who provide direct patient care in the organization's main hospital, Owensboro Health Regional Hospital. In addition, the organization operates several wholly owned and controlled subsidiaries, including OH Muhlenberg, LLC (OHMCH), Owensboro Health Medical Group, Inc , OWENSBORO HEALTH FOUNDATION, Inc , One Health Network, LLC, One Health Solutions, LLC, Commonwealth Medical Management, LLC and The Health Network of Western Kentucky, LLC. OH's primary activity consists of providing medical and patient care services in its main hospital, Owensboro Health Regional Hospital, serving 11 counties in western Kentucky and southern Indiana. Our medical services are delivered by highly skilled physicians along with a caring and compassionate nursing staff. OH supports our care teams with state-of-the art equipment to provide our patients with advanced medical treatments and procedures. In the fiscal year ended May 31, 2017, OH and OHMCH had total admissions of 18,391, patient days of 102,705, and total ER visits of 90,092. Cost of Participating in Government Programs. OH is committed to serving all persons in need, regardless of race, creed, sex, nationality, religion, disability, age or ability to pay. To promote access to care, OH participates in the following public health programs: Medicaid, Medicare, Tricare and local health departments. In general, payments from these programs frequently do not cover the costs OH incurs to serve program beneficiaries. Uncompensated Care and Financial Assistance. OH provides medical care without charge, or at reduced cost, to residents of the communities that it serves. OH's Financial Assistance Program was established to assist patients who do not qualify for medical assistance programs, like Medicaid, and whose annual incomes are at or below certain percentages of the Federal Poverty Guidelines. During the reporting period, OH provided \$11,036,129 in financial assistance to low-income and/or uninsured patients. OH does not include in that amount \$32,261,517 of bad debt expense, which are amounts written off for providing services to persons who may be able, but are unwilling, to pay for the services they receive. As described elsewhere, OH believes a portion of its bad debt expense derives from patients who might have qualified for financial assistance had they submitted assistance applications. OH is committed to expanding its programs to improve access to health care in its primary and secondary service areas, which include rural and economically depressed areas and areas that lack adequate numbers of primary care and specialty providers.

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			
Scherm Janice Board Member	3 0 0 0	X						0	0	0
Woodward Terry Board Member	3 0 0 0	X						0	0	0
Carpenter Jeff Board Chair	3 0 3 0	X		X				0	0	0
Millsap Mark MD Board Member	3 0 0 0	X						0	0	0
Wells Jack VICE CHAIR	3 0 2 0	X		X				0	0	0
Yeiser Michael MD Board Member	3 0 0 0	X						0	0	0
Harrison William MD Secretary	3 0 0 0	X		X				0	0	0
Blazar Suzanne Northern Board Member	3 0 1 0	X						0	0	0
Farmer Robert Board Member	3 0 2 0	X						0	0	0
Stogsdill Vicki Board Member	3 0 0 0	X						194,475	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			
Harris Susanne Board Member	3 0 0 0	X						0	0	0
Knight Robert MD Board Member	3 0 0 0	X						0	0	0
Nunley Deborah Board Member	3 0 2 0	X						0	0	0
Presser Ron Board Member	3 0 0 0	X						0	0	0
Meyer Tom Board Member thru 10/2016	3 0 0 0	X						0	0	0
Patterson Philip President / CEO (thru 6/2016)	40 0 10 0			X				871,943	0	39,287
Hackbarth Jr John Chief Financial Officer	40 0 10 0			X				543,297	0	57,211
Heath Jr Edward L OHMCH Chief Executive Officer	45 0 5 0			X				352,692	0	50,457
Strahan Greg President/CEO	40 0 10 0			X				827,739	0	78,591
Scherm Michael J MD Chief Surgical Officer	40 0 10 0				X			466,219	0	55,738

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			
Begley II Ernest E Chief Legal Officer	40 0 10 0				X			424,309	0	55,779
Jones Lisa Vice President of Clinical Svc	40 0 10 0				X			322,259	0	42,906
Medley Jr Richard W MD Chief Medical Officer	40 0 10 0				X			512,571	0	45,843
Ranallo Russell Vice President - Financial Svc	40 0 10 0				X			379,048	0	51,837
Johnson Stephen M VP of Govt and Community	40 0 10 0				X			212,681	0	39,683
Suter Mia Chief Administrative Officer	40 0 10 0				X			453,530	0	38,383
Danhauer David E MD Chief Medical Info Officer	40 0 10 0				X			425,845	0	53,614
Jacildo Ruby Vice President/Controller	40 0 10 0				X			262,629	0	43,607
Bryant MD Bill Chief Quality and PT Safety	40 0 10 0				X			389,450	0	26,645
Cordini Rosalind Associate Gen Counsel & CCO	40 0 10 0				X			253,954	0	17,643

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors										(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		
(A) Name and Title		(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)											
			Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former						
Russo Michael F CIO (thru 10/07/2016)		40 0 10 0				X			338,177				0	27,705
Bostic Deborah K COO and CNO		40 0 10 0				X			311,355				0	11,208
Toler Chris R Clinical Integration Officer		40 0 10 0				X			528,150				0	24,819
Chapman William Physician		40 0 0 0					X		287,436				0	43,838
Haynes Heather Director of Pharmacy		45 0 5 0					X		190,715				0	17,160
Taylor Joseph W Executive Director, Facilities		40 0 10 0					X		189,703				0	35,522
Montaven Simone J Exec Dir of Human Resources		40 0 10 0					X		208,599				0	24,904
Roberts Kenneth W Dir of Compliance and Internal		40 0 10 0					X		175,408				0	30,068
Mills Michael Former Employee		0 0 0 0						X	113,825				0	13,197
Chaudhary Alok Former Employee		0 0 0 0						X	141,923				0	5,854

SCHEDULE A (Form 990 or 990-EZ)	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 2016 Open to Public Inspection
	Department of the Treasury Internal Revenue Service	
	Name of the organization Owensboro Health Inc	
Employer identification number 61-1286361		

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 12, 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 agricultural research organization described in **section 170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land grant college of agriculture See instructions Enter the name, city, and state of the college or university _____
- 10 ☐ 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)
- 11 ☐ An organization organized and operated exclusively to test for public safety See **section 509(a)(4)**.
- 12 ☐ 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 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g
 - a ☐ **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization **You must complete Part IV, Sections A and B.**
 - b ☐ **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s) **You must complete Part IV, Sections A and C.**
 - c ☐ **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions) **You must complete Part IV, Sections A, D, and E.**
 - d ☐ **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions) **You must complete Part IV, Sections A and D, and Part V.**
 - e ☐ Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization
 - f Enter the number of supported organizations _____
 - g Provide the following information about the supported organization(s) _____

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1- 10 above (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
Total						

Part II

Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
(Complete only if you checked the box on line 5, 7, 8, or 9 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)2012	(b)2013	(c)2014	(d)2015	(e)2016	(f)Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grant.")						
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)2012	(b)2013	(c)2014	(d)2015	(e)2016	(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 2016 (line 6, column (f) divided by line 11, column (f))					14	
15 Public support percentage for 2015 Schedule A, Part II, line 14					15	
16a 33 1/3% support test—2016. 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—2015. 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—2016. 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—2015. 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 10 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)2012	(b)2013	(c)2014	(d)2015	(e)2016	(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)2012	(b)2013	(c)2014	(d)2015	(e)2016	(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 2016 (line 8, column (f) divided by line 13, column (f))	15	
16 Public support percentage from 2015 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2016 (line 10c, column (f) divided by line 13, column (f))	17	
18 Investment income percentage from 2015 Schedule A, Part III, line 17	18	

19a 33 1/3% support tests—2016. 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—2015. 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 12 of Part I. If you checked 12a of Part I, complete Sections A and B. If you checked 12b of Part I, complete Sections A and C. If you checked 12c of Part I, complete Sections A, D, and E. If you checked 12d 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>	1	
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? <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>	2	
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>	3a	
b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? <i>If "Yes," describe in Part VI when and how the organization made the determination.</i>	3b	
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>	3c	
4a Was any supported organization not organized in the United States ("foreign supported organization")? <i>If "Yes" and if you checked 12a or 12b in Part I, answer (b) and (c) below.</i>	4a	
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>	4b	
c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? <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>	4c	
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>	5a	
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?	5b	
c Substitutions only. Was the substitution the result of an event beyond the organization's control?	5c	
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) 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>	6	
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>	7	
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 I of Schedule L (Form 990 or 990-EZ).</i>	8	
9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? <i>If "Yes," provide detail in Part VI.</i>	9a	
b Did one or more disqualified persons (as defined in line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? <i>If "Yes," provide detail in Part VI.</i>	9b	
c Did a disqualified person (as defined in line 9a) 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>	9c	
10a Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? <i>If "Yes," answer line 10b below.</i>	10a	
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>	10b	

Part IV Supporting Organizations (continued)

	Yes	No
11 Has the organization accepted a gift or contribution from any of the following persons?		
a A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization?		
b A family member of a person described in (a) above?		
c A 35% controlled entity of a person described in (a) or (b) above? <i>If "Yes" to a, b, or c, provide detail in Part VI</i>		
11a		
11b		
11c		

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>		
1		
2		

Section C. Type II Supporting Organizations

	Yes	No
1 Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? <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>		
1		

Section D. All Type III Supporting Organizations

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

Section E. Type III Functionally-Integrated Supporting Organizations

1 Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions)		
a ☐ The organization satisfied the Activities Test. Complete line 2 below.		
b ☐ The organization is the parent of each of its supported organizations. Complete line 3 below.		
c ☐ The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions).		
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>		
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>		
2a		
2b		
3a		
3b		

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

- 1** ☐ Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970. **See instructions.** All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

Section A - Adjusted Net Income

	(A) Prior Year	(B) Current Year (optional)
1 Net short-term capital gain	1	
2 Recoveries of prior-year distributions	2	
3 Other gross income (see instructions)	3	
4 Add lines 1 through 3	4	
5 Depreciation and depletion	5	
6 Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6	
7 Other expenses (see instructions)	7	
8 Adjusted Net Income (subtract lines 5, 6 and 7 from line 4)	8	

Section B - Minimum Asset Amount

	(A) Prior Year	(B) Current Year (optional)
1 Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year)	1	
a Average monthly value of securities	1a	
b Average monthly cash balances	1b	
c Fair market value of other non-exempt-use assets	1c	
d Total (add lines 1a, 1b, and 1c)	1d	
e Discount claimed for blockage or other factors (explain in detail in Part VI)		
2 Acquisition indebtedness applicable to non-exempt use assets	2	
3 Subtract line 2 from line 1d	3	
4 Cash deemed held for exempt use. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	
5 Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6 Multiply line 5 by .035	6	
7 Recoveries of prior-year distributions	7	
8 Minimum Asset Amount (add line 7 to line 6)	8	

Section C - Distributable Amount

		Current Year
1 Adjusted net income for prior year (from Section A, line 8, Column A)	1	
2 Enter 85% of line 1	2	
3 Minimum asset amount for prior year (from Section B, line 8, Column A)	3	
4 Enter greater of line 2 or line 3	4	
5 Income tax imposed in prior year	5	
6 Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions)	6	
7 ☐ Check here if the current year is the organization's first as a non-functionally-integrated Type III supporting organization (see instructions)		

Part V

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

Section D - Distributions	Current Year
1 Amounts paid to supported organizations to accomplish exempt purposes	
2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3 Administrative expenses paid to accomplish exempt purposes of supported organizations	
4 Amounts paid to acquire exempt-use assets	
5 Qualified set-aside amounts (prior IRS approval required)	
6 Other distributions (describe in Part VI) See instructions	
7 Total annual distributions. Add lines 1 through 6	
8 Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI) See instructions	
9 Distributable amount for 2016 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-2016	(iii) Distributable Amount for 2016
1 Distributable amount for 2016 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2016 (reasonable cause required--see instructions)			
3 Excess distributions carryover, if any, to 2016			
a			
b			
c From 2013.			
d From 2014.			
e From 2015.			
f Total of lines 3a through e			
g Applied to underdistributions of prior years			
h Applied to 2016 distributable amount			
i Carryover from 2011 not applied (see instructions)			
j Remainder Subtract lines 3g, 3h, and 3i from 3f			
4 Distributions for 2016 from Section D, line 7 \$			
a Applied to underdistributions of prior years			
b Applied to 2016 distributable amount			
c Remainder Subtract lines 4a and 4b from 4			
5 Remaining underdistributions for years prior to 2016, if any Subtract lines 3g and 4a from line 2 (if amount greater than zero, see instructions)			
6 Remaining underdistributions for 2016 Subtract lines 3h and 4b from line 1 (if amount greater than zero, see instructions)			
7 Excess distributions carryover to 2017. Add lines 3j and 4c			
8 Breakdown of line 7			
a			
b Excess from 2013.			
c Excess from 2014.			
d Excess from 2015.			
e Excess from 2016.			

Part VI **Supplemental Information.**

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

Facts And Circumstances Test

SCHEDULE 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

2016

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 Owensboro Health Inc	Employer identification number 61-1286361
--	--

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 7202 for this year? ☐ Yes ☐ No

4a Was a correction made? ☐ Yes ☐ No

b If "Yes," describe in Part IV

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

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

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

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

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

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

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

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

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

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

Limits on Lobbying Expenditures
(The term "expenditures" means amounts paid or incurred.)**(a)** Filing
organization's
totals**(b)** Affiliated
group totals

1a Total lobbying expenditures to influence public opinion (grass roots lobbying)

b Total lobbying expenditures to influence a legislative body (direct lobbying)

c Total lobbying expenditures (add lines 1a and 1b)

d Other exempt purpose expenditures

e Total exempt purpose expenditures (add lines 1c and 1d)

f Lobbying nontaxable amount Enter the amount from the following table in both columns

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

g Grassroots nontaxable amount (enter 25% of line 1f)

h Subtract line 1g from line 1a If zero or less, enter -0-

i Subtract line 1f from line 1c If zero or less, enter -0-

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

☐ Yes ☐ No**4-Year Averaging Period Under section 501(h)**

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

Lobbying Expenditures During 4-Year Averaging Period

Calendar year (or fiscal year beginning in)	(a) 2013	(b) 2014	(c) 2015	(d) 2016	(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)?		No	
c	Media advertisements?		No	0
d	Mailings to members, legislators, or the public?		No	0
e	Publications, or published or broadcast statements?		No	0
f	Grants to other organizations for lobbying purposes?		No	0
g	Direct contact with legislators, their staffs, government officials, or a legislative body?	Yes		83,638
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	0
i	Other activities?	Yes		19,190
j	Total. Add lines 1c through 1i			102,828
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

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

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

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

Part IV Supplemental Information

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

Return Reference	Explanation
Schedule C, Part II-B, Line 1I	POLITICAL CAMPAIGN AND LOBBYING ACTIVITIES PERCENTAGE OF LOBBYING ACTIVITIES FROM KENTUCKY HOSPITAL ASSOCIATION DUES
Schedule C, Part II-B, Line 1G	IRS INSUBSTANTIAL LOBBYING WITHIN THE CONTEXT OF GOVERNMENTAL, COMMUNITY AND LEGISLATIVE AFFAIRS, OH HAS ONE EMPLOYEE THAT ENGAGES IN LOBBYING ACTIVITIES OR ATTEMPTS TO INFLUENCE LEGISLATION. HOWEVER, UNDER NO CIRCUMSTANCES IS THERE ANY ENGAGEMENT IN POLITICAL ACTIVITIES. LOBBYING ACTIVITIES INCLUDE BOTH DIRECT LOBBYING AND GRASS ROOTS LOBBYING. FROM A DIRECT LOBBYING PERSPECTIVE, THE EXECUTIVE DIRECTOR OF GOVERNMENTAL, COMMUNITY AND LEGISLATIVE AFFAIRS ENGAGES IN LOBBYING ACTIVITIES AT THE FEDERAL, STATE AND LOCAL LEVELS. THE EXECUTIVE DIRECTOR DOES MEET WITH MEMBERS OF CONGRESS ON OCCASION DURING THE YEAR EITHER IN WASHINGTON OR IN OWENSBORO. AT THE STATE LEVEL, THE EXECUTIVE DIRECTOR IS REGISTERED AS A LEGISLATIVE AGENT WITH THE KENTUCKY GENERAL ASSEMBLY. LOBBYING EFFORTS ARE GENERALLY LIMITED TO THAT PERIOD OF TIME IN WHICH THE GENERAL ASSEMBLY IS IN SESSION. THIS PERIOD INCLUDES A 30-DAY LEGISLATIVE SESSION IN ODD NUMBERED YEARS AND A 60-DAY LEGISLATIVE SESSION IN EVEN NUMBERED YEARS. IN ADDITION, LOBBYING AT THE LOCAL LEVEL IS GENERALLY CONFINED TO REGULATORY MATTERS AND IS NOT ONGOING. FROM A GRASS ROOTS LOBBYING PERSPECTIVE, THE EXECUTIVE DIRECTOR OVERSEES THE HEALTH IN ACTION NETWORK. HEALTH IN ACTION IS AN ELECTRONIC EMAIL SYSTEM THAT PROVIDES OH EMPLOYEES WITH UPDATES ON LEGISLATION AND 'CALLS TO ACTION' WHEN APPROPRIATE. JOINING THE NETWORK AND CHOOSING TO RESPOND ARE VOLUNTARY. THIS NETWORK IS ONLY ACTIVATED WHEN ISSUES OF CONCERN ARE BEING CONSIDERED AT THE FEDERAL AND STATE LEVELS. IT IS ESTIMATED THAT DURING THE FISCAL YEAR ENDING MAY 31, 2017, ALL LOBBYING ACTIVITY BY THE EXECUTIVE DIRECTOR DID NOT EXCEED 30% OF TOTAL WORK-RELATED DUTIES AND RESPONSIBILITIES.

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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

2016

Open to Public Inspection

Name of the organization

Owensboro Health Inc

Employer identification number

61-1286361

Part I

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

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

(a) Donor advised funds

(b) Funds and other accounts

1

Total number at end of year

2

Aggregate value of contributions to (during year)

3

Aggregate value of grants from (during year)

4

Aggregate value at end of year

5

Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?

☐ Yes

☐ No

6

Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?

☐ Yes

☐ No

Part II

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

1

Purpose(s) of conservation easements held by the organization (check all that apply)

☐ Preservation of land for public use (e g , recreation or education)

☐ Preservation of an historically important land area

☐ Protection of natural habitat

☐ Preservation of a certified historic structure

☐ Preservation of open space

2

Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

2a

2b

2c

2d

Held at the End of the Year

a

Total number of conservation easements

b

Total acreage restricted by conservation easements

c

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

d

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

3

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

4

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

5

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

☐ Yes

☐ No

6

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

7

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

8

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

☐ Yes

☐ No

9

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

Part III

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

Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

1a

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

b

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

(i) Revenue included on Form 990, Part VIII, line 1

► \$

(ii) Assets included in Form 990, Part X

► \$

2

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

a

Revenue included on Form 990, Part VIII, line 1

► \$

b

Assets included in Form 990, Part X

► \$

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Cat No 52283D

Schedule D (Form 990) 2016

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" on Form 990, Part IV, line 10.

	(a)Current year	(b)Prior year	(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

b

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

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

4

Describe in Part XIII the intended uses of the organization's endowment funds

Part VI

Land, Buildings, and Equipment.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		15,458,308		15,458,308
b Buildings		561,954,209	107,112,328	454,841,881
c Leasehold improvements				
d Equipment		271,552,202	223,421,061	48,131,141
e Other		42,888,905		42,888,905
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c))				561,320,235

Part VII

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

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

Part VIII

Investments—Program Related. Complete if the organization answered 'Yes' on Form 990, Part IV, line 11c.
See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Column (b) must equal Form 990, Part X, col (B) line 13)		

Part IX

Other Assets. Complete if the organization answered 'Yes' on Form 990, Part IV, line 11d See Form 990, Part X, line 15

(a) Description	(b) Book value
(1) LTD USE ASSETS CURRENT SERIES	24,016,721
(2) SERIES 2015 PROJECT FUND	37,950,418
(3) SERIES 2017 EXPENSE FUND COST	170,181
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 15)	62,137,320

Part X

Other Liabilities. Complete if the organization answered 'Yes' on Form 990, Part IV, line 11e or 11f.
See Form 990, Part X, line 25.

(a) Description of liability	(b) Book value
(1) Federal income taxes	0
DUE TO THIRD PARTY PAYORS	22,409,875
ACCRUED PENSION	70,362,874
WORKMAN'S COMP RESERVE	4,955,185
MALPRACTICE RESERVE	11,309,045
OHMCH LEASE OBLIGATION	3,340,476
INTRACOMPANY A/P	18,874,084
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 25)	131,251,539

2. Liability for uncertain tax positions In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740) Check here if the text of the footnote has been provided in Part XIII

☒

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

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

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

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

Part XIII Supplemental Information

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

Return Reference	Explanation
See Additional Data Table	

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

Return Reference	Explanation

Additional Data

Software ID:
Software Version:
EIN: 61-1286361
Name: Owensboro Health Inc

Supplemental Information

Return Reference	Explanation
FIN 48 (ASC 740) FOOTNOTE	FORM 990, SCHEDULE D, PART X, LINE 2 THE SYSTEM APPLIES FINANCIAL ACCOUNTING STANDARDS BOARD (FASB) ACCOUNTING STANDARDS CODIFICATION (ASC) TOPIC 740 (TOPIC 740), ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES TOPIC 740 PROVIDES GUIDANCE ON WHEN TAX POSITIONS ARE RECOGNIZED IN AN ENTITY'S FINANCIAL STATEMENTS AND HOW THE VALUES OF THESE POSITIONS ARE DETERMINED THERE IS CURRENTLY NO IMPACT ON THE SYSTEM'S CONSOLIDATED FINANCIAL STATEMENTS AS A RESULT OF TOPIC 740

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SCHEDULE H
(Form 990)

Hospitals

OMB No 1545-0047

2016

Open to Public Inspection

Department of the Treasury

Internal Revenue Service

Name of the organization

Owensboro Health Inc

Employer identification number

61-1286361

Part I

Financial Assistance and Certain Other Community Benefits at Cost

1a

Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a

1a

Yes

1b

If "Yes," was it a written policy?

1b

Yes

2

2

If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year

☒ Applied uniformly to all hospital facilities

☐ Applied uniformly to most hospital facilities

☐ Generally tailored to individual hospital facilities

3

3

Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year

a

Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing free care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care

3a

Yes

b

Did the organization use FPG as a factor in determining eligibility for providing discounted care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care

3b

Yes

c

If the organization used factors other than FPG in determining eligibility, describe in Part VI the criteria used for determining eligibility for free or discounted care Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care

4

Yes

5a

Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?

5a

Yes

b

If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?

5b

No

c

If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?

5c

6a

Did the organization prepare a community benefit report during the tax year?

6a

Yes

b

If "Yes," did the organization make it available to the public?

6b

Yes

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

7 Financial Assistance and Certain Other Community Benefits at Cost						
Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)			4,070,054		4,070,054	0 710 %
b Medicaid (from Worksheet 3, column a)			113,554,977	80,468,475	33,086,502	5 810 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d Total Financial Assistance and Means-Tested Government Programs			117,625,031	80,468,475	37,156,556	6 520 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)	583	454,733	738,898	0	738,898	0 130 %
f Health professions education (from Worksheet 5)	89	240	344,724	0	344,724	0 060 %
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)	1		181,515		181,515	0 030 %
i Cash and in-kind contributions for community benefit (from Worksheet 8)	243	1,035,649	1,442,250		1,442,250	0 250 %
j Total. Other Benefits	916	1,490,622	2,707,387	0	2,707,387	0 470 %
k Total. Add lines 7d and 7j	916	1,490,622	120,332,418	80,468,475	39,863,943	6 990 %

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Cat No 50192T

Schedule H (Form 990) 2016

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

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1 Physical improvements and housing	3	13	90,791		90,791	0 %
2 Economic development	5		81,858		81,858	0 %
3 Community support						
4 Environmental improvements						
5 Leadership development and training for community members						
6 Coalition building	1		15,000		15,000	0 %
7 Community health improvement advocacy						
8 Workforce development	8	5,581	100,828		100,828	0 %
9 Other						
10 Total	17	5,594	288,477		288,477	0 %

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

		Yes	No
1 Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15?	1	Yes	
2 Enter the amount of the organization's bad debt expense. Explain in Part VI the methodology used by the organization to estimate this amount.	2	32,261,517	
3 Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy. Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit.	3	22,744,599	
4 Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements.			

Section B. Medicare

5 Enter total revenue received from Medicare (including DSH and IME).	5	153,557,076
6 Enter Medicare allowable costs of care relating to payments on line 5.	6	212,212,212
7 Subtract line 6 from line 5. This is the surplus (or shortfall).	7	-58,655,136
8 Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used.		

☐ Cost accounting system

☒ Cost to charge ratio

☐ Other

Section C. Collection Practices

9a Did the organization have a written debt collection policy during the tax year?	9a	Yes	
b If "Yes," did the organization's collection policy that applied to the largest number of its patients during the tax year contain provisions on the collection practices to be followed for patients who are known to qualify for financial assistance? Describe in Part VI.	9b	Yes	

Part IV Management Companies and Joint Ventures

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

(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %
1 OWENSBORO CHN	PROVIDER NETWORK	50 %	0 %	50 %
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				

Part V Facility Information**Section A. Hospital Facilities**

(list in order of size from largest to smallest—see instructions)

How many hospital facilities did the organization operate during the tax year?

2

Name, address, primary website address, and state license number (and if a group return, the name and EIN of the subordinate hospital organization that operates the hospital facility)

		Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER—24 hours	ER—other	Other (Describe)	Facility reporting group
	See Additional Data Table										

Part V Facility Information (continued)**Section B. Facility Policies and Practices**(Complete a separate Section B for each of the hospital facilities or facility reporting groups listed in Part V, Section A)
OWENSBORO HEALTH INC**Name of hospital facility or letter of facility reporting group** _____**Line number of hospital facility, or line numbers of hospital facilities in a facility reporting group (from Part V, Section A):** _____

1

Community Health Needs Assessment

	Yes	No
1 Was the hospital facility first licensed, registered, or similarly recognized by a state as a hospital facility in the current tax year or the immediately preceding tax year?	1	No
2 Was the hospital facility acquired or placed into service as a tax-exempt hospital in the current tax year or the immediately preceding tax year? If "Yes," provide details of the acquisition in Section C	2	No
3 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 12 If "Yes," indicate what the CHNA report describes (check all that apply)	3 Yes	
a ☒ A definition of the community served by the hospital facility		
b ☒ Demographics of the community		
c ☒ Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d ☒ How data was obtained		
e ☒ The significant health needs of the community		
f ☒ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g ☒ The process for identifying and prioritizing community health needs and services to meet the community health needs		
h ☒ The process for consulting with persons representing the community's interests		
i ☒ The impact of any actions taken to address the significant health needs identified in the hospital facility's prior CHNA(s)		
j ☐ Other (describe in Section C) _____		
4 Indicate the tax year the hospital facility last conducted a CHNA <u>20 15</u>		
5 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	5 Yes	
6 a Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C	6a	No
b Was the hospital facility's CHNA conducted with one or more organizations other than hospital facilities? If "Yes," list the other organizations in Section C	6b	No
7 Did the hospital facility make its CHNA report widely available to the public? If "Yes," indicate how the CHNA report was made widely available (check all that apply)	7 Yes	
a ☒ Hospital facility's website (list url) <u>SEE PART V, SECTION C</u>		
b ☐ Other website (list url) _____		
c ☒ Made a paper copy available for public inspection without charge at the hospital facility		
d ☐ Other (describe in Section C) _____		
8 Did the hospital facility adopt an implementation strategy to meet the significant community health needs identified through its most recently conducted CHNA? If "No," skip to line 11	8 Yes	
9 Indicate the tax year the hospital facility last adopted an implementation strategy <u>20 16</u>		
10 Is the hospital facility's most recently adopted implementation strategy posted on a website? If "Yes" (list url) <u>See Part V, Section C</u>	10 Yes	
a _____		
b If "No," is the hospital facility's most recently adopted implementation strategy attached to this return?	10b	
11 Describe in Section C how the hospital facility is addressing the significant needs identified in its most recently conducted CHNA and any such needs that are not being addressed together with the reasons why such needs are not being addressed		
12a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	12a	No
b If "Yes" on line 12a, did the organization file Form 4720 to report the section 4959 excise tax?	12b	
c If "Yes" on line 12b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$ _____		

Part V Facility Information (continued)**Financial Assistance Policy (FAP)**

OWENSBORO HEALTH INC

Name of hospital facility or letter of facility reporting group

	Yes	No
Did the hospital facility have in place during the tax year a written financial assistance policy that 13 Explained eligibility criteria for financial assistance, and whether such assistance included free or discounted care? If "Yes," indicate the eligibility criteria explained in the FAP a ☒ Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of 225 % and FPG family income limit for eligibility for discounted care of 375 % b ☐ Income level other than FPG (describe in Section C) c ☒ Asset level d ☒ Medical indigency e ☐ Insurance status f ☐ Underinsurance discount g ☐ Residency h ☐ Other (describe in Section C)	13	Yes
14 Explained the basis for calculating amounts charged to patients?	14	Yes
15 Explained the method for applying for financial assistance? If "Yes," indicate how the hospital facility's FAP or FAP application form (including accompanying instructions) explained the method for applying for financial assistance (check all that apply) a ☒ Described the information the hospital facility may require an individual to provide as part of his or her application b ☒ Described the supporting documentation the hospital facility may require an individual to submit as part of his or her application c ☒ Provided the contact information of hospital facility staff who can provide an individual with information about the FAP and FAP application process d ☐ Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications e ☐ Other (describe in Section C)	15	Yes
16 Was widely publicized within the community served by the hospital facility? If "Yes," indicate how the hospital facility publicized the policy (check all that apply) a ☒ The FAP was widely available on a website (list url) <u>www.owensborohealth.org</u> b ☒ The FAP application form was widely available on a website (list url) <u>www.owensborohealth.org</u> c ☒ A plain language summary of the FAP was widely available on a website (list url) <u>www.owensborohealth.org</u> d ☒ The FAP was available upon request and without charge (in public locations in the hospital facility and by mail) e ☒ The FAP application form was available upon request and without charge (in public locations in the hospital facility and by mail) f ☒ A plain language summary of the FAP was available upon request and without charge (in public locations in the hospital facility and by mail) g ☒ Individuals were notified about the FAP by being offered a paper copy of the plain language summary of the FAP, by receiving a conspicuous written notice about the FAP on their billing statements, and via conspicuous public displays or other measures reasonably calculated to attract patients' attention h ☒ Notified members of the community who are most likely to require financial assistance about availability of the FAP i ☒ The FAP, FAP application form, and plain language summary of the FAP were translated into the primary language(s) spoken by LEP populations j ☐ Other (describe in Section C)	16	Yes

Part V Facility Information (continued)**Billing and Collections**

OWENSBORO HEALTH INC

Name of hospital facility or letter of facility reporting group

		Yes	No
17 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained all of the actions the hospital facility or other authorized party may take upon non-payment?	17	Yes	
18 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP			
a ☐ Reporting to credit agency(ies) b ☐ Selling an individual's debt to another party c ☐ Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP d ☐ Actions that require a legal or judicial process e ☐ Other similar actions (describe in Section C) f ☒ None of these actions or other similar actions were permitted			
19 Did the hospital facility or other authorized party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP?	19		No
If "Yes," check all actions in which the hospital facility or a third party engaged			
a ☐ Reporting to credit agency(ies) b ☐ Selling an individual's debt to another party c ☐ Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP d ☐ Actions that require a legal or judicial process e ☐ Other similar actions (describe in Section C)			
20 Indicate which efforts the hospital facility or other authorized party made before initiating any of the actions listed (whether or not checked) in line 19 (check all that apply)			
a ☒ Provided a written notice about upcoming ECAs (Extraordinary Collection Action) and a plain language summary of the FAP at least 30 days before initiating those ECAs b ☒ Made a reasonable effort to orally notify individuals about the FAP and FAP application process c ☒ Processed incomplete and complete FAP applications d ☐ Made presumptive eligibility determinations e ☒ Other (describe in Section C) f ☐ None of these efforts were made			

Policy Relating to Emergency Medical Care

21 Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that required the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?	21	Yes	
If "No," indicate why			
a ☐ The hospital facility did not provide care for any emergency medical conditions b ☐ The hospital facility's policy was not in writing c ☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Section C) d ☐ Other (describe in Section C)			

Part V Facility Information *(continued)***Charges to Individuals Eligible for Assistance Under the FAP (FAP-Eligible Individuals)**

OWENSBORO HEALTH INC

Name of hospital facility or letter of facility reporting group _____**22** Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care

- a** ☒ The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service during a prior 12-month period
- b** ☐ The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period
- c** ☐ The hospital facility used a look-back method based on claims allowed by Medicaid, either alone or in combination with Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period
- d** ☐ The hospital facility used a prospective Medicare or Medicaid method

23 During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care?

If "Yes," explain in Section C

24 During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual?

If "Yes," explain in Section C

	Yes	No
22		
23		No
24		No

Part V Facility Information (continued)**Section B. Facility Policies and Practices**

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

OH MUHLENBERG LLC

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

2

Community Health Needs Assessment

	Yes	No
1 Was the hospital facility first licensed, registered, or similarly recognized by a state as a hospital facility in the current tax year or the immediately preceding tax year?	1	No
2 Was the hospital facility acquired or placed into service as a tax-exempt hospital in the current tax year or the immediately preceding tax year? If "Yes," provide details of the acquisition in Section C	2 Yes	
3 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 12 If "Yes," indicate what the CHNA report describes (check all that apply)	3	No
a ☐ A definition of the community served by the hospital facility		
b ☐ Demographics of the community		
c ☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d ☐ How data was obtained		
e ☐ The significant health needs of the community		
f ☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g ☐ The process for identifying and prioritizing community health needs and services to meet the community health needs		
h ☐ The process for consulting with persons representing the community's interests		
i ☐ The impact of any actions taken to address the significant health needs identified in the hospital facility's prior CHNA(s)		
j ☐ Other (describe in Section C)		
4 Indicate the tax year the hospital facility last conducted a CHNA 20 ____		
5 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	5	
6 a Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C	6a	
b Was the hospital facility's CHNA conducted with one or more organizations other than hospital facilities? If "Yes," list the other organizations in Section C	6b	
7 Did the hospital facility make its CHNA report widely available to the public? If "Yes," indicate how the CHNA report was made widely available (check all that apply)	7	
a ☐ Hospital facility's website (list url) _____		
b ☐ Other website (list url) _____		
c ☐ Made a paper copy available for public inspection without charge at the hospital facility		
d ☐ Other (describe in Section C)		
8 Did the hospital facility adopt an implementation strategy to meet the significant community health needs identified through its most recently conducted CHNA? If "No," skip to line 11	8	
9 Indicate the tax year the hospital facility last adopted an implementation strategy 20 ____		
10 Is the hospital facility's most recently adopted implementation strategy posted on a website? If "Yes" (list url) _____	10	
a _____		
b If "No," is the hospital facility's most recently adopted implementation strategy attached to this return?	10b	
11 Describe in Section C how the hospital facility is addressing the significant needs identified in its most recently conducted CHNA and any such needs that are not being addressed together with the reasons why such needs are not being addressed		
12a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	12a	No
b If "Yes" on line 12a, did the organization file Form 4720 to report the section 4959 excise tax?	12b	
c If "Yes" on line 12b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$ _____		

Part V Facility Information (continued)**Financial Assistance Policy (FAP)**

OH MUHLENBERG LLC

Name of hospital facility or letter of facility reporting group

	Yes	No
Did the hospital facility have in place during the tax year a written financial assistance policy that 13 Explained eligibility criteria for financial assistance, and whether such assistance included free or discounted care? If "Yes," indicate the eligibility criteria explained in the FAP a ☒ Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of 225 % and FPG family income limit for eligibility for discounted care of 375 % b ☐ Income level other than FPG (describe in Section C) c ☒ Asset level d ☒ Medical indigency e ☐ Insurance status f ☐ Underinsurance discount g ☐ Residency h ☐ Other (describe in Section C)	13	Yes
14 Explained the basis for calculating amounts charged to patients?	14	Yes
15 Explained the method for applying for financial assistance? If "Yes," indicate how the hospital facility's FAP or FAP application form (including accompanying instructions) explained the method for applying for financial assistance (check all that apply) a ☒ Described the information the hospital facility may require an individual to provide as part of his or her application b ☒ Described the supporting documentation the hospital facility may require an individual to submit as part of his or her application c ☒ Provided the contact information of hospital facility staff who can provide an individual with information about the FAP and FAP application process d ☐ Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications e ☐ Other (describe in Section C)	15	Yes
16 Was widely publicized within the community served by the hospital facility? If "Yes," indicate how the hospital facility publicized the policy (check all that apply) a ☒ The FAP was widely available on a website (list url) <u>www.owensborohealth.org</u> b ☒ The FAP application form was widely available on a website (list url) <u>www.owensborohealth.org</u> c ☒ A plain language summary of the FAP was widely available on a website (list url) <u>www.owensborohealth.org</u> d ☒ The FAP was available upon request and without charge (in public locations in the hospital facility and by mail) e ☒ The FAP application form was available upon request and without charge (in public locations in the hospital facility and by mail) f ☒ A plain language summary of the FAP was available upon request and without charge (in public locations in the hospital facility and by mail) g ☒ Individuals were notified about the FAP by being offered a paper copy of the plain language summary of the FAP, by receiving a conspicuous written notice about the FAP on their billing statements, and via conspicuous public displays or other measures reasonably calculated to attract patients' attention h ☒ Notified members of the community who are most likely to require financial assistance about availability of the FAP i ☒ The FAP, FAP application form, and plain language summary of the FAP were translated into the primary language(s) spoken by LEP populations j ☐ Other (describe in Section C)	16	Yes

Part V Facility Information (continued)**Billing and Collections**

OH MUHLENBERG LLC

Name of hospital facility or letter of facility reporting group

		Yes	No
17 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained all of the actions the hospital facility or other authorized party may take upon non-payment?	17	Yes	
18 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP			
a ☐ Reporting to credit agency(ies) b ☐ Selling an individual's debt to another party c ☐ Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP d ☐ Actions that require a legal or judicial process e ☐ Other similar actions (describe in Section C) f ☒ None of these actions or other similar actions were permitted			
19 Did the hospital facility or other authorized party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP?	19		No
If "Yes," check all actions in which the hospital facility or a third party engaged			
a ☐ Reporting to credit agency(ies) b ☐ Selling an individual's debt to another party c ☐ Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP d ☐ Actions that require a legal or judicial process e ☐ Other similar actions (describe in Section C)			
20 Indicate which efforts the hospital facility or other authorized party made before initiating any of the actions listed (whether or not checked) in line 19 (check all that apply)			
a ☒ Provided a written notice about upcoming ECAs (Extraordinary Collection Action) and a plain language summary of the FAP at least 30 days before initiating those ECAs b ☒ Made a reasonable effort to orally notify individuals about the FAP and FAP application process c ☒ Processed incomplete and complete FAP applications d ☐ Made presumptive eligibility determinations e ☒ Other (describe in Section C) f ☐ None of these efforts were made			

Policy Relating to Emergency Medical Care

21 Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that required the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?	21	Yes	
If "No," indicate why			
a ☐ The hospital facility did not provide care for any emergency medical conditions b ☐ The hospital facility's policy was not in writing c ☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Section C) d ☐ Other (describe in Section C)			

Part V Facility Information *(continued)***Charges to Individuals Eligible for Assistance Under the FAP (FAP-Eligible Individuals)**

OH MUHLENBERG LLC

Name of hospital facility or letter of facility reporting group _____**22** Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care

- a** ☒ The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service during a prior 12-month period
- b** ☐ The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period
- c** ☐ The hospital facility used a look-back method based on claims allowed by Medicaid, either alone or in combination with Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period
- d** ☐ The hospital facility used a prospective Medicare or Medicaid method

23 During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care?

If "Yes," explain in Section C

24 During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual?

If "Yes," explain in Section C

	Yes	No
22		
23		No
24		No

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

[illegible]

Part V Facility Information *(continued)***Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**
(list in order of size, from largest to smallest)How many non-hospital health care facilities did the organization operate during the tax year? 1

Name and address	Type of Facility (describe)
1 OWENSBORO AMBULATORY SURGICAL FACILITY 1201 PLEASANT VALLEY ROAD OWENSBORO, KY 42303	AMBULATORY SURGERY CENTER
2	
3	
4	
5	
6	
7	
8	
9	
10	

Part VI Supplemental Information

Provide the following information

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part II and Part III, lines 2, 3, 4, 8 and 9b
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e g , open medical staff, community board, use of surplus funds, etc)
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report

Form and Line Reference	Explanation
FORM 990, SCHEDULE H, PART I, LINE 7	BAD DEBT EXPENSE WHEN CALCULATING THE COMMUNITY BENEFIT PERCENTAGES IN PART I, LINE 7, BAD DEBT EXPENSE OF \$32,261,517, WAS EXCLUDED FORM 990, SCHEDULE H, PART II COMMUNITY BUILDING ACTIVITIES IN ORDER TO PROMOTE THE HEALTH OF THE COMMUNITY WE SERVE, OWENSBORO HEALTH ("OH") PARTICIPATES IN NUMEROUS COMMUNITY BUILDING ACTIVITIES WHICH ARE NOT A PART OF PART I CHARITY CARE AND OTHER COMMUNITY BENEFITS, AND ARE NOT INCLUDED ELSEWHERE ON SCHEDULE H AS THE LARGEST EMPLOYER IN THE REGION, OH RECOGNIZES THE RESPONSIBILITY WE HAVE TO IMPROVE THE HEALTH OF OUR COMMUNITY IRRESPECTIVE OF IRS COMMUNITY BENEFIT CLASSIFICATION IN GENERAL, OUR EFFORTS IN COMMUNITY BUILDING ACTIVITIES ADDRESS COMMUNITY ISSUES INCLUDING HEALTH IMPROVEMENT, EDUCATION, POVERTY, WORKFORCE DEVELOPMENT AND ACCESS TO CARE MORE SPECIFICALLY AND, AS AN OUTGROWTH OF OUR COMMUNITY BENEFIT GRANT PROGRAM NOW REFERRED TO AS THE COMMUNITY HEALTH INVESTMENT GRANT PROGRAM, OH ENCOURAGES OUR EMPLOYEES TO PARTNER WITH ANY OF OUR MORE THAN A HUNDRED COMMUNITY AND SOCIAL SERVICE ORGANIZATIONS FROM AROUND THE REGION THAT ARE WORKING TO ADDRESS ROOT CAUSES OF HEALTH PROBLEMS THAT IMPACT THE HEALTH OF OUR COMMUNITY OUR COMMUNITY OUTREACH MANAGER ENGAGES WITH OUR GRANT PARTNERS AND ASSISTS IN IDENTIFYING COLLABORATIVE WAYS THAT WE CAN ADVANCE SOCIAL IMPACT AND IMPROVE THE HEALTH OF OUR POPULATION COLLECTIVELY MOREOVER, OUR EMPLOYEES SERVE ON A MYRIAD OF COMMUNITY, ARTS AND SOCIAL SERVICE BOARDS THEY ADVOCATE ON KEY HEALTH ISSUES AND ADVOCACY PROGRAMS SUCH AS SMOKE-FREE KENTUCKY TO PROMOTE THE HEALTH OF THE COMMUNITIES WE SERVE ADVOCACY PROGRAMS SPECIFICALLY IDENTIFIED INCLUDE OUR EFFORTS WITH LOCAL CHAMBERS AND THE LIFE SCIENCES ACADEMY OUR DUES AND CONTRIBUTIONS TO AREA CHAMBERS AND ECONOMIC DEVELOPMENT AGENCIES ALLOW THOSE ORGANIZATIONS TO INVEST IN ECONOMIC DEVELOPMENT ACTIVITIES CREATING NEW EMPLOYMENT OPPORTUNITIES, WORKER TRAINING AND WORKFORCE HEALTH PROMOTION OUR INVESTMENT IN THE KENTUCKY CHAMBER OF COMMERCE HAS ASSISTED IN THE DEVELOPMENT AND ADVOCACY OF A STATEWIDE WORKFORCE HEALTH IMPROVEMENT PROGRAM THESE ORGANIZATIONS HAVE ALSO BEEN ENGAGED IN COLLATION BUILDING AND LEADERSHIP DEVELOPMENT FOR OUR COMMUNITY MEMBERS

Form and Line Reference	Explanation
FORM 990, SCHEDULE H, PART III, LINE 2	BAD DEBT ESTIMATE PATIENT ACCOUNTS RECEIVABLE ARE REDUCED BY AN ALLOWANCE FOR BAD DEBTS IN EVALUATING THE COLLECTABILITY OF ACCOUNTS RECEIVABLE, THE SYSTEM ANALYZES HISTORICAL COLLECTIONS AND WRITE-OFFS AND IDENTIFIES TRENDS FOR EACH OF ITS MAJOR PAYOR SOURCES OF REVENUE TO ESTIMATE THE APPROPRIATE ALLOWANCE FOR BAD DEBTS AND PROVISION FOR BAD DEBTS MANAGEMENT REGULARLY REVIEWS DATA ABOUT THESE MAJOR PAYOR SOURCES OF REVENUE IN EVALUATION OF THE SUFFICIENCY OF THE ALLOWANCE FOR BAD DEBTS FORM 990, SCHEDULE H, PART III, LINE 3 BAD DEBT ATTRIBUTABLE TO PATIENTS ELIGIBLE UNDER FAP FOR RECEIVABLES ASSOCIATED WITH SELF-PAY PATIENTS OR WITH BALANCES REMAINING AFTER THE THIRD-PARTY COVERAGE HAS ALREADY PAID, THE SYSTEM RECORDS A SIGNIFICANT PROVISION FOR BAD DEBTS IN THE PERIOD OF SERVICE ON THE BASIS OF ITS HISTORICAL COLLECTIONS, WHICH INDICATES THAT MANY PATIENTS DECLINE TO PAY THE PORTION OF THEIR BILL FOR WHICH THEY ARE FINANCIALLY RESPONSIBLE THE DIFFERENCE BETWEEN THE DISCOUNTED RATE AND THE AMOUNTS COLLECTED AFTER ALL REASONABLE COLLECTION EFFORTS HAVE BEEN EXHAUSTED IS WRITTEN OFF AGAINST THE ALLOWANCE FOR BAD DEBTS SCHEDULE H, PART III, LINE 4 TEXT OF BAD DEBT EXPENSE FOOTNOTE See audited financial statements - Footnote 8, page 21

Form and Line Reference	Explanation
SCHEDULE H, PART III, LINE 8	TREATMENT OF MEDICARE SHORTFALL AS COMMUNITY BENEFIT THE COSTING METHODOLOGY USED IS THE COST TO CHARGE RATIO CALCULATED IN WORKSHEET 2 OF PART I OF SCHEDULE H OF THIS 990 THE CHARGES AND PAYMENTS ARE FROM THE MEDICARE PAID CLAIMS REPORTS AS A MEDICARE DESIGNATED SOLE COMMUNITY HOSPITAL, WE ARE THE ONLY PROVIDER IN THE REGION TO PROVIDE CERTAIN SERVICES (PSYCH AND OB SERVICES, FOR EXAMPLE) TO MEDICARE PATIENTS AND THOSE COSTS ARE TYPICALLY NOT COVERED BY THE PAYMENTS RECEIVED WE ARE ENSURING ACCESS TO SERVICES AND CARE FOR THE COUNTIES WE SERVE THEREFORE, ALL OF THE SHORTFALL IS CONSIDERED COMMUNITY BENEFIT

Form and Line Reference	Explanation
SCHEDULE H, PART III, LINE 9B	Application of Collection Practices to those Qualifying for Financial Assistance THE POLICIES OF OH ATTEMPT TO ENSURE ALL PATIENTS OF OH HAVE THE OPPORTUNITY TO APPLY AND QUALIFY FOR FINANCIAL ASSISTANCE PROGRAMS OH HAS FINANCIAL AID APPLICATIONS AVAILABLE AT REGISTRATION AREAS, VIA THE INTERNET, VIA PHONE, AND ARE SENT ROUTINELY VIA MAIL TO PATIENTS OF THE HOSPITAL OH EMPLOYS PATIENT FINANCIAL ADVOCATES AND CONTRACTS WITH AN OUTSIDE FIRM TO ENSURE PATIENTS ARE EVALUATED FOR ELIGIBILITY IN THE FINANCIAL ASSISTANCE PROGRAMS AVAILABLE ALL SELF-PAY AND BALANCE AFTER INSURANCE ACCOUNTS ARE REVIEWED BY HOSPITAL STAFF TO ENSURE THAT THE PATIENT IS GIVEN EVERY OPPORTUNITY TO APPLY FOR FINANCIAL ASSISTANCE SELF-PAY DISCOUNTS ARE AVAILABLE TO ALL PATIENTS AS LONG AS THEY COMPLETE THE FINANCIAL ASSISTANCE APPLICATION DISCOUNTS GIVEN ARE EQUIVALENT TO THE AVERAGE GENERALLY BILLED TO MEDICARE ADDITIONALLY, PATIENTS WITH A BALANCE ARE PERMITTED TO ESTABLISH PAYMENT PLANS OH DOES NOT CHARGE INTEREST TO ITS PATIENTS

Form and Line Reference	Explanation
SCHEDULE H, PART VI, LINE 2, NEEDS ASSESSMENT	OH COLLABORATED ON DEVELOPMENT OF ITS FIRST AND SECOND CHNA WITH THE GREEN RIVER DISTRICT HEALTH DEPARTMENT (GRDHD) THE CHNA IS A COMMUNITY-WIDE PROCESS TO ANALYZE COMMUNITY HEALTH NEEDS AND IDENTIFY THE HEALTH PRIORITIES THE COMMUNITY HEALTH ASSESSMENT IS A FEDERAL REQUISITE FOR OBTAINING PUBLIC HEALTH DEPARTMENT ACCREDITATION DETAILS OF THE MAPP PROCESS, COMMUNITY SURVEYS, PUBLIC FORUMS, DISAPARATE POPULATION FOCUS GROUPS AND COLLECTION OF PRIMARY DATA WERE ALL COMPONENTS OF THE CHNA AND ARE DETAILED IN SCHEDULE H, PART V, SECTION C NARRATIVE FOR SCHEDULE H, PART V, SECTION B, LINE 5 OH WORKS WITH COMMUNITY PARTNERS ON AN ONGOING BASIS TO ADDRESS PRIORITY NEEDS STRATEGIES AND ACTIVITIES IMPLEMENTED TO ADDRESS THOSE NEEDS ARE ANNUALLY ASSESSED AND AT TIMES, REVISED WHEN NEEDED OH IS A PARTNER TO OTHER ORGANIZATIONS, AND ENTITIES' ASSESSMENT PROCESSES AS WELL, WHO ARE WORKING AS THEIR MISSIONS DIRECT TO ADDRESS SPECIFIC PRIORITY AREAS AND SOCIAL DETERMINANTS OF HEALTH THESES PARTNERSHIPS, COMMUNITY EFFORTS AND OH SPECIFIC STRATEGIES ARE ANNUALLY UPDATED ON SCHEDULE H IN ADDITION THOSE EFFORTS OUTSIDE THE CHNA, OH CONTINUALLY ASSESSES SERVICE LINES AND OH MEDICAL GROUP / SPECIFIC HEALTH INDICATORS SUCH AS CANCER, HEART DISEASE, STROKE AND DIABETES LOOKING AT SPECIFIC POPULATIONS REPRESENTATIVE OF THE COMMUNITIES WE SERVE COLLABORATIVE EFFORTS ARE BEING MADE TO ADDRESS PRIORITY COMMUNITY HEALTH ISSUES THROUGHOUT THE SYSTEM TO UTILIZE AVAILABLE OH RESOURCES TO IMPACT COMMUNITY HEALTH NEEDS SCHEDULE H, PART VI, LINE 3, PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE OH EDUCATES ITS PATIENTS IN A VARIETY OF WAYS OH HAS SIGNAGE AT ACCESS POINTS REGARDING FINANCIAL ASSISTANCE OFFERINGS OH HAS FINANCIAL AID APPLICATIONS AVAILABLE AT REGISTRATION AREAS, VIA THE INTERNET AT THE HOSPITAL WEBSITE, VIA PHONE, AND SENT ROUTINELY VIA MAIL TO PATIENTS OF THE HOSPITAL OH EMPLOYS PATIENT FINANCIAL ADVOCATES AND CONTRACTS WITH AN OUTSIDE FIRM TO ENSURE PATIENTS ARE INTERVIEWED AND EVALUATED FOR ELIGIBILITY IN THE FINANCIAL ASSISTANCE PROGRAMS AVAILABLE ALL SELF-PAY AND BALANCE AFTER INSURANCE ACCOUNTS ARE REVIEWED BY HOSPITAL STAFF TO ENSURE THAT THE PATIENT IS GIVEN EVERY OPPORTUNITY TO APPLY FOR FINANCIAL ASSISTANCE ADDITIONALLY INFORMATION ABOUT APPLYING FOR FINANCIAL ASSISTANCE IS INCLUDED ON THE PATIENT STATEMENTS, BILLS, AND LETTERS AND THE PATIENT GUIDE THEY MAY RECEIVE FROM OH THE OH POLICY FOR FINANCIAL ASSISTANCE INCLUDES THE FOLLOWING ELIGIBILITY CRITERIA FOR FINANCIAL ASSISTANCE, THE BASIS FOR CALCULATING AMOUNTS CHARGED TO PATIENTS, METHOD FOR APPLYING FOR FINANCIAL ASSISTANCE, MEASURES TO WIDELY PUBLICIZE THE POLICY, WRITTEN POLICY REQUIRING THE ORGANIZATION TO PROVIDE CARE FOR EMERGENCY MEDICAL CONDITIONS WITHOUT DISCRIMINATION AS DESCRIBED ABOVE THE ORGANIZATION DOES NOT CHARGE GROSS CHARGES TO PATIENTS AND LIMITS AMOUNTS CHARGED TO PATIENTS ELIGIBLE FOR FINANCIAL ASSISTANCE TO AMOUNTS GENERALLY BILLED TO INDIVIDUALS WHO HAVE MEDICARE THE ORGANIZATION DOES NOT ENGAGE IN EXTRAORDINARY COLLECTION ACTIVITY BEFORE EFFORTS TO DETERMINE ELIGIBILITY FOR ASSISTANCE HAVE BEEN MADE

Form and Line Reference	Explanation
SCHEDULE H, PART VI, LINE 4, COMMUNITY INFORMATION	THE "PRIMARY SERVICE AREA" FOR OH (AND THE DEFINED COMMUNITY FOR THE CHNA) IS DAVIESS COUNTY, KENTUCKY OWENSBORO IS THE COUNTY SEAT OF DAVIESS COUNTY, KENTUCKY, AND LIES ON THE SOUTHERN BANKS OF THE OHIO RIVER IN WESTERN KENTUCKY OWENSBORO HEALTH REGIONAL HOSPITAL IS THE ONLY HOSPITAL LOCATED WITHIN ITS PRIMARY SERVICE AREA OF DAVIESS COUNTY OWENSBORO IS LOCATED 39 MILES SOUTHEAST OF EVANSVILLE, INDIANA, 131 MILES NORTH OF NASHVILLE, TENNESSEE, AND 111 MILES SOUTHWEST OF LOUISVILLE, KENTUCKY THE TOTAL POPULATION OF DAVIESS COUNTY IS 100,145 ACCORDING TO 2017 CLARITAS DATA MEDIAN HOUSEHOLD INCOME FOR THE PRIMARY SERVICE AREA IS \$46,663, WITH 3,149 (11.73%) FAMILIES LIVING BELOW THE POVERTY LEVEL OTHER KEY DEMOGRAPHIC AND HEALTH INDICATORS CAN BE FOUND ON THE OH WEBSITE WITHIN THE COMMUNITY HEALTH INDICATORS AND DASHBOARD AT HTTPS //WWW OWENSBOROHEALTH ORG/HEALTH-RESOURCES/HEALTH-NEEDS-ASSESSMENT/?HCN=INDICATORS

Form and Line Reference	Explanation
SCHEDULE H, PART VI, LINE 5, PROMOTION OF COMMUNITY	OH IS NOT JUST THE LARGEST EMPLOYER IN THE REGION, IT IS ALSO THE LARGEST PRIVATE EMPLOYER IN THE COMMONWEALTH OF KENTUCKY WEST OF LOUISVILLE, AND THE 35TH LARGEST PRIVATE EMPLOYER IN THE STATE AS SUCH, WE CONSIDER OUR RESPONSIBILITY TO SERVE AND STRENGTHEN OUR COMMUNITIES IN WAYS MUCH BROADER THAN PROVIDING DIRECT HEALTH SERVICES OR ADDRESSING ONLY "IDENTIFIED HEALTH NEEDS" WE BELIEVE THE SECOND PART OF OUR MISSION PROFESSING TO IMPROVE THE HEALTH OF THE COMMUNITIES WE SERVE OFTEN INVOLVES SUPPORT OF COMMUNITY BUILDING ACTIVITIES INVOLVING PHYSICAL IMPROVEMENTS IN HOUSING, ECONOMIC DEVELOPMENT, COMMUNITY SUPPORT, ENVIRONMENTAL IMPROVEMENTS, LEADERSHIP DEVELOPMENT FOR COMMUNITY MEMBERS, COALITION BUILDING, COMMUNITY HEALTH ADVOCACY AND WORKFORCE DEVELOPMENT WE BELIEVE THESE IRS CATEGORIZED COMMUNITY BUILDING ACTIVITIES ARE EQUALLY AS IMPORTANT TO OUR CHARITABLE PURPOSES AS ARE OUR COMMUNITY BENEFIT ACTIVITIES WHERE CASH AND IN-KIND ALLOCATIONS FROM OUR COMMUNITY BENEFIT GRANT PROGRAM ARE MADE FOR COMMUNITY BUILDING PROGRAMS AND ACTIVITIES, WE STILL REQUIRE THESE ORGANIZATIONS TO IDENTIFY ON THEIR REQUEST FOR FUNDING HOW THESE PROGRAMS AND ACTIVITIES ADDRESS ROOT CAUSES OF HEALTH PROBLEMS AND IMPACT THE HEALTH OF OUR COMMUNITY IN THIS WAY, THESE ORGANIZATIONS ARE ALSO ABLE TO UNDERSTAND HOW IMPROVING THE HEALTH OF OUR COMMUNITY CAN BE ACCOMPLISHED IN MANY DIFFERENT WAYS IN PARTNERSHIP WITH ONE ANOTHER ADDITIONALLY, WE ARE OFTEN ASKED TO BE A FACILITATOR FOR COMMUNITY CONCEPTS TO ADVANCE ECONOMIC DEVELOPMENT PLANS, MEET URGENT NEEDS SUCH AS FOOD INEQUITY OR BRING LIKE ORGANIZATIONS TOGETHER TO PLAN AND COLLABORATE IN WAYS THAT HAVE NOT BEEN DONE PREVIOUSLY ASSISTING THE LOCAL FOOD BANK AND LIKE ORGANIZATIONS DEVELOPING A TRAUMA INFORMED COMMUNITY ARE SUCH EXAMPLES COMMUNITY APPOINTED MEMBERS WHO SERVE ON THE OWENSBORO HEALTH BOARD OF DIRECTORS AND THE COMMUNITY NEEDS AND STRATEGIC PLANNING COMMITTEE OVERSEE THE COMMUNITY BENEFIT WORK CONSEQUENTLY, THEY ARE ALSO WORKING TO ENSURE THAT STRATEGIC PLANNING FOR THE HOSPITAL WORKS IN CONJUNCTION WITH INTERNAL AND EXTERNAL EFFORTS AND ALINGS WITH COMMUNITY ORGANIZATIONS TO ADDRESS PRIORITY HEALTH NEEDS AND RELIEVE THE BURDEN FROM LOCAL AND STATE GOVERNMENTS PLANNING COMMITTEE OVERSEE THE COMMUNITY BENEFIT WORK CONSEQUENTLY, THEY ARE ALSO WORKING TO ENSURE THAT STRATEGIC PLANNING FOR THE HOSPITAL WORKS IN CONJUNCTION WITH INTERNAL AND EXTERNAL EFFORTS AND ALINGS WITH COMMUNITY ORGANIZATIONS TO ADDRESS PRIORITY HEALTH NEEDS AND RELIEVE THE BURDEN FROM LOCAL AND STATE GOVERNMENTS

Form and Line Reference	Explanation
SCHEDULE H, PART VI, LINE 6, AFFILIATED HEALTH CARE SYSTEM	OH, AS REQUIRED, CONDUCTS A CHNA IN PARTENRSHIP WITH PUBLIC HEALTH AND MANY COMMUNITIY PARTNERS OH DEVELOPS AN IMPLEMENTATION STRATEGY STATING HOW IT WILL ADDRESS NAMED PRIORITY HEALTH NEEDS HOWEVER WHILE PRESENT IRS GUIDELINES ONLY ALLOW COMMUNITIY BENEFIT WHICH IS CONDUCTED UNDER OH TO BE REPORTED, IT FAR FROM TELLS THE STORY OF WHAT OWENSBORO HEALTH, THE SYSTEM, IS DOING COLLECTIVELY TO ADDRESS PRIORITY HEALTH NEEDS BOTH THE OWENSBORO HEALTH MEDICAL GROUP (ONE HEALTH) AND OWENSBORO HEALTH FOUNDATION ARE CLOSELY ALIGNED WITH OH IN STRIVING TO MEET PRIORITY HEALTH NEEDS AS WE FURTHER DEVELOP AND REFINE OUR SYSTEM STRATEGIC PLANNING PROCESS TO IMPACT THE HEALTH OF THE POPULATION WE WILL NEED ALL AVAILABLE RESOURCES WITHIN OUR SYSTEM TO MEET OUR MISSION TO IMPROVE THE HEATLH OF THE COMMUNITIES WE SERVE OWENSBORO HEALTH SYSTEM DEVELOPED A FIVE YEAR STRATEGIC PLAN IN WHICH IMPROVING THE HEALTH OF THE COMMUNITY IS SPECIFICALLY REFERENCED IN GOAL 2 POSITIVELY IMPACT HEALTH ISSUES IN OUR COMMUNITY UNDER WHICH FOUR OBJECTIVES WERE SET THIS STRATEGIC PLAN IS UNDER REVISION WITH OBJECTIVES TO ADDRESS PRIORITY HEALTH NEEDS AND IMPACT THE HEALTH OF THE POPULATION BEING A SIGNIFICANT DRIVER OWENSBORO HEALTH COMMUNITY BENEFIT GRANT PROGRAM HAS FUNDED OVER \$3 2 MILLION IN COMMUNITY PROGRAMS FOCUSED ON ADDRESSING PRIORITY HEALTH AREAS NAMED IN COMMUNITY HEALTH NEEDS ASSESSMENTS PLANNING WILL TAKE PLACE SO THAT SYSTEM POPULATION HEALTH GOALS CAN BE SUPPORTED BY COMMUNITY PARTNERSHIPS AND FUNDING OF THOSE PARTNERSHIP PROJECTS IN THE COMMUNITY THE GRANT DOLLARS COME FROM THE HOSPITAL, BUT SYSTEM-WIDE PLANNING AND ADDITIONAL SUPPORT IS OFTEN NEEDED TO ASSIST LOCAL NONPROFIT ORGANIZATION IN ADDRESSING POPULATION HEALTH ISSUES THE OWENSBORO HEALTH SYSTEM CONTINUES TO INVEST SIGNIFICANT DOLLARS TO INCREASE COMMUNITY ACCESS POINTS AND THE NUMBER OF PROVIDERS IN RECOGNITION OF ACCESS TO CARE BEING A RECOGNIZED PRIORITY HEALTH ISSUE THE OWENSBORO HEALTH SYSTEM HAS AN ACCOUNTABLE CARE ORGANIZATION (ACO) AND DEVELOPED A CLINICALLY INTEGRATED NETWORK (CIN) TO MANAGE THE HEALTH OF SPECIFIC PATIENT POPULATIONS WHILE EFFORTS TO REACH ADDITIONAL TARGETED UNDERSERVED POPULATIONS IN THE COMMUNITY THERE ARE DEDICATED STAFF UNDER THE ACO AND CIN WHO ALSO SUPPORT OH STRATEGIES, AND THOUGH NOT COUNTABLE ON THE IRS FROM 990 H, CERTAINLY MAKE SIGNIFICANT CONTRIBUTIONS TO THE IMPACT WE CAN HAVE TO ADDRESS CHRONIC HEALTH DISEASE AND PRIORITY HEALTH ISSUES IN ASSISTING COMMUNITY EFFORTS TO INCREASE ACCESS POINTS, IT IS OFTEN THE PROVIDERS IN THE MEDICAL GROUP, NAVIGATORS AND CARE PARTNERS FROM THE ACO AND CIN, AS WELL AS SPECIALISTS FROM THE MEDICAL FITNESS FACILITY WITHIN OUR SYSTEM WHO PLAY AN INSTRUMENTAL ROLE IN CARRYING OUT THE WORK TO ENSURE WE ARE MEETING THE NEEDS OF THE UNDERSERVED THEY ALSO PROVIDE OUTREACH EFFORTS TO IMPACT COMMUNITY MEMBERS WHO ARE REPRESENTATIVE OF THE PRIORITY HEALTH ISSUES WE ISOLATE THE INVESTMENTS WE MAKE PER 501(R) GUIDELINES WHILE RECOGNIZING THE CHALLENGE OF CAPTURING AND QUANTIFYING IN MONETARY TERMS THE TRUE MAGNITUDE OF OUR COMMUNITY BENEFIT EXPENDITURES

Form and Line Reference	Explanation
SCHEDULE H, PART VI, LINE 7, STATE FILING OF COMMUNITY BENEFIT REPORT	THERE ARE NO REQUIREMENTS IN THE STATE OF KENTUCKY TO FILE A COMMUNITY BENEFIT REPORT AT THIS TIME

Additional Data

Software ID:
Software Version:
EIN: 61-1286361
Name: Owensboro Health Inc

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

Section A. Hospital Facilities		Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER—24 hours	ER—other	Other (Describe)	Facility reporting group
(list in order of size from largest to smallest—see instructions) How many hospital facilities did the organization operate during the tax year? 2											
Name, address, primary website address, and state license number											
1	OWENSBORO HEALTH INC 1201 PLEASANT VALLEY RD OWENSBORO, KY 42303 www.owensborohealth.org 100092	X	X					X			
2	OH MUHLENBERG LLC 1201 PLEASANT VALLEY ROAD OWENSBORO, KY 42303 WWW.OWENSBOROHEALTH.ORG 100344	X	X					X			

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A (“A, 1,” “A, 4,” “B, 2,” “B, 3,” etc.) and name of hospital facility.

Form and Line Reference	Explanation
FORM 990, SCHEDULE H, PART V, SECTION B, LINE 2 - OH Muhlenberg	
FORM 990, SCHEDULE H, PART V, SECTION B, LINE 5	OWENSBORO HEALTH CHNA COMMUNITY INPUT FOR DEVELOPMENT OF THE SECOND CHNA, OWENSBORO HEALTH COLLABORATED WITH THE GREEN RIVER DISTRICT HEALTH DEPARTMENT (GRDHD), WHICH INCLUDES IN ADDITION TO DAVIESS, THE COUNTIES OF HANCOCK, HENDERSON, MCLEAN, OHIO, UNION, AND WEBSTER THIS ASSESSMENT INCLUDED A COMMUNITY-WIDE PROCESS TO ANALYZE COMMUNITY HEALTH NEEDS AND IDENTIFY THE HEALTH PRIORITIES FOR THE REGION. THIS COMMUNITY HEALTH ASSESSMENT IS A REQUIREMENT FOR OBTAINING PUBLIC HEALTH ACCREDITATION. GRDHD UTILIZED THE STRATEGIC PLANNING FRAMEWORK KNOWN AS MOBILIZING FOR ACTION THROUGH PLANNING AND PARTNERSHIPS (MAPP), DEVELOPED BY THE NATIONAL ASSOCIATION OF COUNTY & CITY HEALTH OFFICIALS (NACCHO). OWENSBORO HEALTH STARTED THE CHNA IN 2015 AND IT WAS COMPLETED IN MAY 2016. FOR ADDITIONAL INFORMATION GO TO HTTP://WWW.HEALTHDEPARTMENT.ORG/CHA_CHIP/CASPER%20DATA%20SHEET FINAL PDF ALTHOUGH THE COMMUNITY SURVEY CAPTURED OPINIONS FROM A REPRESENTATIVE SAMPLE, THE NEEDS OF DISPARATE POPULATIONS MAY NOT HAVE BEEN ADEQUATELY COVERED. THEREFORE FOCUS GROUPS WERE HELD IN DAVIESS COUNTY TO ELICIT INPUT FROM LOW INCOME, TRANSIENT AND MINORITY POPULATIONS. ADDITIONALLY, THE GRDHD FACILITATED TWO COMMUNITY FORUMS HELD IN THE FIRST HALF OF 2015 TO ENGAGE WITH COMMUNITY STAKEHOLDERS AND COLLECT THEIR INPUT. THE COMMUNITY FORUMS WERE ATTENDED BY BETWEEN 75 AND 100 COMMUNITY MEMBERS REPRESENTING A DIVERSE GROUP OF NON-GOVERNMENTAL ORGANIZATIONS, NOT-FOR-PROFIT HUMAN SERVICE AND ARTS ORGANIZATIONS, BUSINESSES, CITIZENS, HEALTHCARE INSURERS AND PROVIDERS, AND, GOVERNMENT AGENCIES. IN MAY 2015 A SUMMARY OF THE VISIONING, ASSESSMENTS AND PERSPECTIVES WAS PRESENTED AT A COMMUNITY HEALTH IMPROVEMENT PLAN FORUM WITH PRIORITY ISSUES ESTABLISHED. THE FORUM ALSO FEATURED LIVE AUDIENCE VOTING THAT FACILITATED DIALOGUE AND FINAL SELECTION OF THE STRATEGIC INITIATIVES. FOLLOWING THIS PROCESS, OWENSBORO HEALTH ENGAGED XEROX HEALTHY SOLUTIONS (FORMERLY KNOWN AS HEALTHY COMMUNITIES INSTITUTE AND NOW KNOWN AS CONDUENT) TO CONDUCT ADDITIONAL PRIMARY DATA COLLECTION. WHILE GRDHD'S MAPP ASSESSMENT AND PLANNING PROCESS PRODUCED MANY FINDINGS ON COMMUNITY HEALTH IN DAVIESS COUNTY, ADDITIONAL INSIGHTS INTO THE COUNTY'S HEALTH NEEDS AND STRENGTHS WERE COLLECTED TO PROVIDE A BETTER UNDERSTANDING OF THE LOCAL CONTEXT. XEROX COMMUNITY HEALTH SOLUTIONS AKA CONDUENT CONDUCTED EIGHT KEY INFORMANT INTERVIEWS TO PROBE MORE DEEPLY INTO HEALTH AND QUALITY OF LIFE THEMES WITHIN THE COUNTY. COMMUNITY RESOURCES WERE ALSO IDENTIFIED IN THESE INTERVIEWS. Comments and feedback on the CHNA are encouraged/invited as reflected on our CHNA webpage. A Phone number and email address is posted to the website should someone have questions or comments. Owensboro Health has not received comments.
FORM 990, SCHEDULE H, PART V, SECTION B, LINE 7A AND LINE 10A	OWENSBORO HEALTH - LINK TO CHNA AND IMPLEMENTATION STRATEGY HTTPS://WWW.OWENSBOROHEALTH.ORG/HEALTH-RESOURCES/HEALTH-NEEDS-ASSESSMENT/
FORM 990, SCHEDULE H, PART V, SECTION B, LINE 11	HOW THE HOSPITAL IS ADDRESSING SIGNIFICANT IDENTIFIED NEEDS IN ADDITION TO THE CHNA, AND IN ACCORDANCE WITH REQUIREMENTS OF THE FINAL REGULATIONS OF 501R AND OF THE PATIENT PROTECTION AND AFFORDABLE CARE ACT, OWENSBORO HEALTH REGIONAL HOSPITAL INCLUDED AN IMPACT/UPDATE STATEMENT DETAILING THE HOSPITALS'WORK TO ADDRESS THE PRIORITY HEALTH ISSUES AND AREAS OF CONCERN (THIS WORK CAN BE FOUND AT HTTP://WWW.OWENSBOROHEALTH.ORG/HEALTH-RESOURCES/HEALTH-NEEDS-ASSESSMENT/ SEE FULL REPORT) ADDITIONALLY, AND IN ACCORDANCE WITH IRS REQUIREMENTS, OWENSBORO HEALTH ALSO ADOPTED AN IMPLEMENTATION STRATEGY WHICH DESCRIBES HOW OWENSBORO HEALTH PLANS TO ADDRESS THE IDENTIFIED HEALTH NEEDS CONTAINED WITHIN ITS MOST RECENT CHNA. A SUMMARY FOLLOWS AND THE IMPLEMENTATION STRATEGY MAY ALSO BE FOUND AT HTTP://WWW.OWENSBOROHEALTH.ORG/HEALTH-RESOURCES/HEALTH-NEEDS-ASSESSMENT/ (SEE 2015-2018 IMPLEMENTATION STRATEGY). AREAS OF NEED IDENTIFIED BY COMMUNITY. THE OWENSBORO/DAVIESS COUNTY COMMUNITY, THROUGH A COLLABORATIVE EFFORT BETWEEN THE GREEN RIVER DISTRICT HEALTH DEPARTMENT, OWENSBORO HEALTH, AND NUMEROUS OTHER COMMUNITY STAKEHOLDERS, SELECTED THREE PRIORITY HEALTH AREAS TO ADDRESS IN ITS COMMUNITY HEALTH IMPROVEMENT PLAN (CHIP). THIS CHIP WAS THE CULMINATION OF THE HEALTH DEPARTMENT'S MAPP PROCESS (MOBILIZING FOR ACTION THROUGH PLANNING AND PARTNERSHIPS). THE FOLLOWING THREE PRIORITY HEALTH AREAS CONTAINED IN THE CHIP WERE INCORPORATED INTO OWENSBORO HEALTH'S COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA): 1. SUBSTANCE ABUSE (ALCOHOL, TOBACCO AND OTHER DRUGS) 2. OBESITY 3. ACCESS TO CARE. OWENSBORO HEALTH STAFF MEMBERS ARE SERVING ON, AND IN SOME CASES, CO-FACILITATING LOCAL COMMUNITY HEALTH COUNCIL'S SUBCOMMITTEES THAT WERE FORMED FROM THE COMMUNITY HEALTH IMPROVEMENT PLAN TO ADDRESS EACH OF THE THREE NAMED PRIORITY AREAS. ADDITIONAL AREAS OF IDENTIFIED NEED: TWO ADDITIONAL COMMUNITY HEALTH AREAS OF NEED, MENTAL HEALTH AND ORAL HEALTH, WERE IDENTIFIED IN THE ASSESSMENT PROCESS AND IT WAS DECIDED BY THIS COMMUNITY TO INCORPORATE THOSE ISSUES INTO EXISTING COMMUNITY ACTIONS PLANS TO INCLUDE STRATEGIES ADDRESSING MENTAL AND ORAL HEALTH IN EACH EXISTING PLAN ADDRESSING THE THREE PRIORITY AREAS. STRATEGIES: SUBSTANCE ABUSE TOBACCO CESSATION * CONTINUE TO ADVOCATE USE OF THE QUIT NOW KENTUCKY LINE THROUGH FINANCIAL SUPPORT OF GREEN RIVER DISTRICT HEALTH DEPARTMENT'S TOBACCO CONTROL COALITION'S MARKETING AND MEDIA MESSAGES TO INCREASE NUMBER OF PERSONS UTILIZING THE QUIT LINE * FINANCIALLY SUPPORT AND ASSIST IN EFFORTS TO HAVE ADDITIONAL PERSONS TRAINED IN AMERICAN LUNG ASSOCIATION'S FREEDOM FROM SMOKING EVIDENCED BASED SMOKING CESSATION PROGRAM * CONTINUE TO PROVIDE PATIENT, EMPLOYEE, AND COMMUNITY EDUCATION ON THESE RESOURCES * FORMED INTERNAL TEAM TO ADDRESS PRIORITY FOCUS AREA: TOBACCO AND OTHER RELATED DISEASES MAINTAIN ADVOCACY OF LOCAL, REGIONAL AND STATE EFFORTS FOR APPROPRIATE POLICIES FOR TOBACCO USE AND SECOND HAND SMOKE REDUCTION * MAINTAIN COMMITMENT TO CAMPUS TOBACCO FREE POLICIES * EXPLORE POTENTIAL TO EXPAND EARLY LUNG CANCER SCREENING AND PROVIDE SUPPORT TO INDIVIDUALS AT RISK FOR LUNG DISEASE * ADDED REQUIREMENT TO COMMUNITY HEALTH INVESTMENT GRANT PROGRAM STATING ANY SCHOOL DISTRICT APPLYING FOR NEXT GRANT FUNDING CYCLE MUST SHOW EVIDENCE OF A COMPREHENSIVE TOBACCO POLICY. ALCOHOL AND OTHER DRUGS * CONTINUE WORK WITH LOCAL SUBSTANCE ABUSE COALITIONS AND COMMUNITY EFFORTS TO PROVIDE EDUCATION SPECIFIC TO OPIATE ABUSE AND HEROIN USE * SUPPORT INTERNAL POLICY AND PROCESSES TO EDUCATE PHYSICIANS AND OTHER PROVIDERS ON PREVENTION EFFORTS * CONTINUE TO USE ANGEL VISITATION PROGRAM BRINGING PERSONS IN RECOVERY FROM COMMUNITY INTO HOSPITAL SETTING TO SHARE RECOVERY OPTIONS FOR THOSE IN NEED * CONTINUE TO FINANCIALLY SUPPORT ORGANIZATIONS WHOSE MISSIONS AND ABILITIES AND PROJECTS ARE SPECIFIC TO PROVIDING SUBSTANCE ABUSE PREVENTION, TREATMENT AND RECOVERY SERVICES, HOUSING, EDUCATION AND ASSISTANCE TO ADDRESS SUBSTANCE ABUSE THROUGH OUR GRANT PROGRAMS * CONTINUED TO HOST IN PARTNERSHIP WITH LOCAL AND STATE ORGANIZATIONS FORUMS ON OPIATE PRESCRIBING, ISSUES OF ABUSE, PREVENTION AND EDUCATION CONTINUE TO EXPLORE POTENTIAL COLLABORATIVE PARTNERSHIPS AND PROJECTS BETWEEN MOTHER/BABY AND NEONATAL SERVICES AND COMMUNITY ORGANIZATIONS FOCUSED ON PREVENTION OF SUBSTANCE USE DURING PREGNANCY, LOCAL EFFORTS TO UNDERSTANDING THE ADVERSE CHILDHOOD EXPERIENCES TO BECOME A TRAUMA INFORMED COMMUNITY. OBESITY NUTRITION, WEIGHT MANAGEMENT, FITNESS AND OBESITY RELATED DISEASES * CONTINUE TO CONDUCT AND EVALUATE SCHOOL HEALTH ASSESSMENTS * UTILIZE ASSESSMENT DATA TO MAKE DECISIONS ON PARTNERSHIPS AND FINANCIAL SUPPORT OF SCHOOLS EFFORTS TO ADDRESS CHILDHOOD OBESITY * CONTINUE TO SUPPORT OWENSBORO HEALTH HEALTH PARK AND ITS SCHOLARSHIP PROGRAM PROVIDING FINANCIAL ASSISTANCE, THE HEALTHPARK EDUCATIONAL PROGRAMMING, AND OUTREACH AND TARGETED EVIDENCED BASED PROGRAMMING * FINANCIALLY SUPPORT AND ADVOCATE FOR COMMUNITY PROJECTS AND PROGRAMS WHICH FOCUS ON WORKING COLLABORATIVELY TO IMPROVE HEALTHY FOOD OPTIONS, APPROPRIATE TIME FOR PLAY AND EXERCISE, ART AND MUSIC OPPORTUNITIES AMONG OTHERS * UTILIZE COMMUNITY DATA TO TARGET SPECIFIC AREAS OF COMMUNITY WHICH COULD MOST BENEFIT BY CHANGES OF POLICY, STRUCTURAL IMPROVEMENT, AND COMMUNITY ASSETS AND WORK IN PARTNERSHIP TO DEVELOP IMPROVEMENT PLANS * SERVE ON LOCAL AND STATE TASK FORCES RELATED TO COMMUNITY DEVELOPMENT, CHAMBERS OF COMMERCE, WORKPLACE HEALTH, ECONOMIC DEVELOPMENT, HEALTH AND WELLNESS AND THE ARTS TO PROVIDE VOICE FOR COMMUNITY HEALTH IMPROVEMENT * PROVIDE EXPERTISE FROM STAFF TO THE COMMUNITY FOR EDUCATION AND PROGRAM GUIDANCE ACCESS TO CARE PRIMARY CARE, ACCESS POINTS, TRANSPORTATION, LANGUAGE AND CULTURAL BARRIERS, FINANCIAL SUPPORT FOR PRESCRIPTIONS, EQUIPMENT AND SUPPLIES, CARE COORDINATION, EDUCATION REGARDING BENEFIT ENROLLMENT, STAFF ENGAGEMENT WITH COMMUNITY ACTION TEAM TO ADDRESS ACCESS TO CARE * AS A SYSTEM CONTINUE WITH PRESENT BUILDING AND CONSTRUCTION AND FUTURE BUILDING PROJECTS TO ADDRESS SHORTAGE OF PRIMARY CARE PHYSICIANS AND ACCESS POINTS TO PRIMARY AND SPECIALTY CARE * CONTINUED EFFORTS TO PURSUE PRIMARY CARE RESIDENCY PROGRAM * WORK TO PROVIDE OPPORTUNITIES FOR SERVICE LEARNING PROJECTS AND PROFESSIONAL EDUCATIONAL OPPORTUNITIES WHICH CAN WORK IN TANDEM WITH EFFORTS OF COMMUNITY OUTREACH TO UNDERSERVED POPULATIONS WITH HIGHEST RISK OF CHRONIC HEALTH DISEASE * TARGET POPULATIONS AND AREAS OF COMMUNITY WITH HIGHEST INCIDENCE OF DIABETES AND WORK IN COLLABORATION TO PROVIDE EDUCATION AND RESOURCES * FINANCIALLY SUPPORT COMMUNITY ORGANIZATIONS, PROJECTS AND PROGRAMS WHICH SERVE TO REACH COMMUNITY MEMBERS WITH ACCESS TO PRESCRIPTION MEDICINES, SUPPLIES AND NEED EQUIPMENT * FINANCIALLY SUPPORT ORGANIZATIONS THAT PROVIDE ASSISTANCE IN EASING LANGUAGE, CULTURAL, EDUCATIONAL, TRANSPORTATION OR OTHER BARRIERS TO HEALTH CARE SERVICES AND HEALTH IMPROVEMENT * WORK WITH COMMUNITY PARTNERSHIPS TO CONTINUALLY SEEK AREAS FOR IMPROVEMENT IN CARE COORDINATION AND COORDINATION OF COMMUNITY SUPPORT SYSTEMS TO KEEP CITIZENS HEALTHY AND IMPROVE QUALITY OF LIFE * ENSURE FINANCIAL COUNSELORS, NAVIGATORS, AND CASE MANAGERS ARE AVAILABLE TO WORK WITH PATIENTS AND COMMUNITY MEMBERS IN UNDERSTANDING FINANCIAL ASSISTANCE, BENEFIT ENROLLMENT, AVAILABLE COMMUNITY RESOURCES TO PREVENT BARRIERS TO ACCESS, AND, UNDERSTANDING OF THE HEALTHCARE SYSTEM AND HOW TO ACCESS CARE. MENTAL HEALTH AND ORAL HEALTH ACCORDING TO PRIMARY INTERVIEW DATA COLLECTED IN THE MOST RECENT CHNA, THERE IS A LACK OF PROVIDERS FOR THOSE FACING MENTAL HEALTH ISSUES, A STIGMA IN SEEKING THIS TYPE OF CARE, AND, A SIGNIFICANT INCREASE IN THE RATE OF SUICIDE. ALSO IDENTIFIED WAS AN INSUFFICIENT NUMBER OF MEDICAID PROVIDERS IN THIS COMMUNITY PROVIDING DENTAL CARE. IN RECOGNITION OF THESE FINDINGS, THE COMMUNITY AS WELL AS OWENSBORO HEALTH REGIONAL HOSPITAL DESIRES TO ADDRESS THE IDENTIFIED ISSUES OF MENTAL HEALTH AND ORAL HEALTH. WE HAVE AND WILL CONTINUE TO HAVE REPRESENTATION ON EACH OF THE THREE COMMUNITY HEALTH ACTION TEAMS AS THEY SEEK TO ESTABLISH AND IMPLEMENT STRATEGIES TO ADDRESS THESE AREAS. * OWENSBORO HEALTH REGIONAL HOSPITAL WILL CONTINUE TO FINANCIALLY SUPPORT THROUGH OUR GRANT PROGRAM PROJECTS AND PROPOSALS WHICH SEEK TO IMPACT EDUCATION AND BARRIERS TO ACCESS TO MENTAL HEALTH AND ORAL HEALTH * WE WILL CONTINUE TO PROVIDE EDUCATIONAL OPPORTUNITIES WITH EXPERTISE AND KNOWLEDGE IN THESE AREAS AND SEEK TO ADVOCATE FOR POLICY WHERE MOST BENEFICIAL TO MEET THE IDENTIFIED NEEDS * WE WILL MAINTAIN OUR PARTNERSHIPS AND OUTREACH WITH THE ARTS COMMUNITY AS A STRATEGY TO IMPACT MENTAL HEALTH AND WELLNESS AS SUPPORTED BY RESEARCH AND LITERATURE * BEGAN INTERNAL BEHAVIORAL HEALTH PARTNERS TEAM TO ENSURE COORDINATION OF SERVICES PROVIDED BY SYSTEM * TRAINED STAFF IN ZERO SUICIDE AND PURSUING OPPORTUNITIES TO EXPAND THIS INITIATIVE WHERE MOST BENEFICIAL TO MEET THE IDENTIFIED NEEDS.
FORM 990, SCHEDULE H, PART V, SECTION B, LINE 20	OH MUHLENBERG AND OWENSBORO HEALTH Four series of billing statements are sent to the patient within 120 days WHICH NOTIFIES PATIENTS OF AVAILABLE ELIGIBILITY

efile GRAPHIC print - DO NOT PROCESS

As Filed Data -

DLN: 93493289011367

Schedule I
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization
Owensboro Health Inc

Grants and Other Assistance to Organizations,
Governments and Individuals in the United States

Complete if the organization answered "Yes," on Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.

▶ Information about Schedule I (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2016

Open to Public Inspection

Employer identification number
61-1286361

Part I

General Information on Grants and Assistance

- 1

Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?

☒ Yes ☐ No
- 2

Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Part II

Grants and Other Assistance to Domestic Organizations and Domestic Governments. Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
See Additional Data Table							
(1)							
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							

2

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

38

3

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

1

Part III **Grants and Other Assistance to Domestic Individuals.** Complete if the organization answered "Yes" on Form 990, Part IV, line 22

Part III can be duplicated if additional space is needed

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
(1) TUITION ASSISTANCE	66	173,211			
(2) PATIENT MEDICAL FUND	283	42,122			
(3) CANCER CENTER MEDICAL FUND	28	6,801			
(3)					
(4)					
(5)					
(6)					
(7)					

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

Return Reference	Explanation
DESCRIPTION OF ORGANIZATION'S PROCEDURES FOR MONITORING THE USE OF GRANTS	SCHEDULE I, PART I, LINE 2 SERVICES AND ACTIVITIES MUST SERVE INDIVIDUALS IN THE OWENSBORO HEALTH SERVICE AREA, INCLUDING DAVIESS, HANCOCK, OHIO, HENDERSON, HOPKINS, MCLEAN, MUHLENBERG, BRECKINRIDGE AND WEBSTER COUNTIES IN KENTUCKY AND SPENCER AND PERRY COUNTIES, INDIANA APPLICATIONS MUST SPECIFICALLY DESCRIBE HOW THE ORGANIZATION'S SERVICES ADDRESS ROOT CAUSES OF HEALTH PROBLEMS AFFECTING THE HEALTH OF OUR COMMUNITY ELIGIBLE GROUPS INCLUDE ECONOMIC, EDUCATIONAL, CIVIC, ARTS AND CULTURAL ORGANIZATIONS

Additional Data

Software ID:
Software Version:
EIN: 61-1286361
Name: Owensboro Health Inc

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

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
BOULWARE MISSION INC 609 WING AVE OWENSBORO, KY 42303	61-0486968	501(c)(3)	6,850				COMMUNITY SUPPORT
OWENSBORO REGIONAL SUICIDE PREVENTION 991 BELLEWOOD DRIVE HENDERSON, KY 42420	26-1136007	501(c)(3)	7,000				Community Support

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
AUDUBON AREA COMMUNITY SERVICE 1650 WEST SECOND STREET SUITE B OWENSBORO, KY 42301	23-7364935	501(c)(3)	7,465				COMMUNITY SUPPORT
BACK ALLEY MUSICALS 2615 DARTMOUTH DRIVE OWENSBORO, KY 42301	27-3522260	501(c)(3)	8,000				Community Support

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
MUNDAY ACTIVITY CENTER INC 1650 W SECOND ST OWENSBORO, KY 42301	31-1044915	501(c)(3)	8,200				Community Support
SALVATION ARMY 216 W CHESTNUT STREET LOUISVILLE, KY 40202	58-0660607	501(c)(3)	9,300				COMMUNITY SUPPORT

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
DAVIESS CO DIABETES COALITION 1501 BRECKENRIDGE STREET OWENSBORO, KY 42303	61-1328046	501(c)(3)	10,000				COMMUNITY SUPPORT
OWENSBORO COMMUNITY & TECHNICAL COLLEGE 4800 NEW HARTFORD ROAD OWENSBORO, KY 42303	61-1109704	501(c)(3)	10,000				COMMUNITY SUPPORT

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
GREATER OWENSBORO YOUNG LIFE 2740 KELLER ROAD OWENSBORO, KY 42301	84-0385934	501(c)(3)	10,600				COMMUNITY SUPPORT
OWENSBORO MUSEUM OF SCIENCE AND HISTORY 122 EAST SECOND STREET OWENSBORO, KY 42303	61-1164857	501(c)(3)	11,000				COMMUNITY SUPPORT

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
FRIENDS OF SINNERS 320 CLAY STREET OWENSBORO, KY 42303	27-0332382	501(c)(3)	11,000				COMMUNITY SUPPORT
HENDERSON COUNTY HIGH SCHOOL 2424 ZION ROAD HENDERSON, KY 42420	61-6001295	GOVT	11,794				COMMUNITY SUPPORT

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
WESTERN KY REG BLOOD CNTR 3015 OLD HARTFORD ROAD OWENSBORO, KY 42303	61-0930633	501(c)(3)	11,984	0			COMMUNITY SUPPORT
THEATRE WORKSHOP OF OWENSBORO 407 W 5TH STREET OWENSBORO, KY 42301	61-0968600	501(c)(3)	12,000				COMMUNITY SUPPORT

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
CASA OF OHIO VALLEY INC 415 ST ANN STREET OWENSBORO, KY 42303	61-1303511	501(c)(3)	16,080				COMMUNITY SUPPORT
AMERICAN HEART ASSOCIATION PO BOX 2675 EVANSVILLE, IN 47728	13-5613797	501(c)(3)	17,688				COMMUNITY SUPPORT

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
RIVERPARK CENTER 101 DAVIESS STREET OWENSBORO, KY 42303	61-1147328	501(c)(3)	18,000				COMMUNITY SUPPORT
CARE NET PREGNANCY CNTRO'BORO PO BOX 9525 OWENSBORO, KY 42302	20-0736119	501(c)(3)	18,319				COMMUNITY SUPPORT

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
OWENSBORO MUSEUM OF FINE ART 901 FREDERICA STREET OWENSBORO, KY 42301	61-1297343	501(c)(3)	19,000				COMMUNITY SUPPORT
PUZZLE PIECES INC 1512 FREDERICA STREET OWENSBORO, KY 42301	45-3042804	501(c)(3)	19,000				COMMUNITY SUPPORT

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
SUSAN G KOMEN FOUNDATION 4424 VOGEL ROAD SUITE 205 EVANSVILLE, IN 47715	75-2844632	501(c)(3)	20,000				COMMUNITY SUPPORT
INTERNATIONAL BLUEGRASS MUSIC MUSEUM 207 EAST 2ND STREET OWENSBORO, KY 42303	61-1229037	501(c)(3)	121,000				COMMUNITY SUPPORT

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
OWENSBORO SYMPHONY ORCHESTRA 211 EAST 2ND STREET OWENSBORO, KY 42303	61-6055984	501(c)(3)	21,000				COMMUNITY SUPPORT
OWENSBORO DANCE THEATRE 2705 BRECKENRIDGE STREET OWENSBORO, KY 42303	61-1040701	501(c)(3)	22,000				COMMUNITY SUPPORT

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
ST BENEDICT JOSEPH HOMELESS 1001 W 7TH STREET OWENSBORO, KY 42301	53-0196617	501(c)(3)	25,875				COMMUNITY SUPPORT
HOSPICE & PALLIATIVE CARE OF WESTERN KY 3419 WATHENS CROSSING OWENSBORO, KY 42301	31-1010160	501(c)(3)	32,000				COMMUNITY SUPPORT

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
INTERNATIONAL CENTER 2818 NEW HARTFORD ROAD OWENSBORO, KY 42303	61-0994341	501(c)(3)	34,377				COMMUNITY SUPPORT
OASIS P O BOX 315 OWENSBORO, KY 42302	61-0995748	501(c)(3)	40,000				COMMUNITY SUPPORT

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
GREEN RIVER DISTRICT HLTH DEPT P O BOX 309 OWENSBORO, KY 42302	61-1010686	501(c)(3)	44,499				Community Support
HANCOCK COUNTY FISCAL COURT 225 MAIN CROSS HAWESVILLE, KY 42348	61-6000807	501(c)(3)	55,000				COMMUNITY SUPPORT

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
COMMUNITY DENTAL CLINIC 2811 NEW HARTFORD ROAD SUITE A OWENSBORO, KY 42301	26-2343126	501(c)(3)	61,000				Community Support
CITY OF CENTRAL CITY 214 N 1ST STREET CENTRAL CITY, KY 42330	61-6001800	501(c)(3)	100,000				Community Support

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
OWENSBORO HEALTH FOUNDATION INC 1201 PLEASANT VALLEY RD OWENSBORO, KY 42303	61-1251763	501(c)(3)	545,858				COMMUNITY SUPPORT
TROPHY HOUSE INC 511 FREDERICA STREET OWENSBORO, KY 42301	61-0675581		6,028				COMMUNITY SUPPORT

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
COMMUNITY HEALTH CHARITIES PO BOX 75153 BALTIMORE, MD 21275	61-1202972	501(c)(3)	29,883				COMMUNITY SUPPORT
DAVIESS COUNTY PUBLIC SCHOOLS PO BOX 21510 OWENSBORO, KY 423041510	61-6001338	GOVT	36,500				COMMUNITY SUPPORT

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
UNITED WAY PO BOX 705 OWENSBORO, KY 423020705	61-0435444	501(c)(3)	56,046				COMMUNITY SUPPORT
HABITAT FOR HUMANITY OF ODC 1702 MOSELEY STREET OWENSBORO, KY 42303	61-1140804	501(c)(3)	84,041				COMMUNITY SUPPORT

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
BRESCIA UNIVERSITY 717 FREDERICA STREET OWENSBORO, KY 42301	61-0660795	501(c)(3)	100,000				COMMUNITY SUPPORT

Schedule J
(Form 990)

Department of the
Treasury
Internal Revenue
Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest
Compensated Employees
▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23.
▶ Attach to Form 990.
▶ Information about Schedule J (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2015

Open to Public
Inspection

Name of the organization
Owensboro Health Inc

Employer identification number
61-1286361

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 ☐ Travel for companions ☐ Tax idemnification and gross-up payments ☐ Discretionary spending account ☐ Housing allowance or residence for personal use ☐ Payments for business use of personal residence ☐ Health or social club dues or initiation fees ☐ Personal services (e g , maid, chauffeur, chef)		
b If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	Yes	
2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, officers, including the CEO/Executive Director, regarding the items checked in line 1a?	Yes	
3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director Check all that apply Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III ☐ Compensation committee ☐ Independent compensation consultant ☐ Form 990 of other organizations ☐ Written employment contract ☐ Compensation survey or study ☐ 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?	Yes	
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?	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		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?		No
b Any related organization? If "Yes," on line 5a or 5b, describe in Part III		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?		No
b Any related organization? If "Yes," on line 6a or 6b, describe in Part III		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	Yes	
8 Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III		No
9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?		

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

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

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

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

Part III **Supplemental Information**

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

Return Reference	Explanation
See Additional Data	

Additional Data

Software ID:
Software Version:
EIN: 61-1286361
Name: Owensboro Health Inc

Part III, Supplemental Information

Return Reference	Explanation
FORM 990, SCHEDULE J, PART I, LINE 1A	TAX INDEMNIFICATION AND GROSS UP PAYMENTS THE ORGANIZATION PROVIDES A NONQUALIFIED SUPPLEMENTAL RETIREMENT PLAN FOR CERTAIN EXECUTIVE EMPLOYEES BECAUSE BENEFITS UNDER THE SUPPLEMENTAL PLAN MUST BE INCLUDED IN TAXABLE INCOME WHEN THEY BECOME VESTED, AND AS REQUIRED BY THE SUPPLEMENTAL PLAN'S TERMS, THE ORGANIZATION PROVIDES AN ADDITIONAL BENEFIT THAT COVERS THE TAX LIABILITY WHEN IT IS INCURRED THE TAX LIABILITY PAYMENTS ARE THEMSELVES INCLUDED IN W-2 INCOME IN THE YEAR MADE TO THE EXECUTIVES, AND ARE INCLUDED IN THE FIGURES DISCLOSED ON SCHEDULE J, PART II CLUB DUES DURING THE REPORTING PERIOD, THE ORGANIZATION PAID THE CEO AND COO'S MEMBERSHIP DUES IN A SOCIAL CLUB THE CLUB MEMBERSHIP WAS USED FOR BUSINESS PURPOSES ANY PERSONAL RELATED EXPENSES ARE TREATED AS TAXABLE WAGE INCOME AND FULLY INCLUDED ON THE RECIPIENT'S FORM W2

Part III, Supplemental Information

Return Reference	Explanation
FORM 990, SCHEDULE J, PART I, LINE 4A	SEVERANCE PAYMENT PHILIP PATTERSON RECEIVED SEVERANCE PAYMENT OF \$377,610 ALOK CHAUDHARY RECEIVED SEVERANCE PAYMENT OF \$105,153

Part III, Supplemental Information

Return Reference	Explanation
FORM 990, SCHEDULE J, PART I, LINE 4B	NONQUALIFIED SUPPLEMENTAL RETIREMENT PLAN OWENSBORO HEALTH PROVIDES A NONQUALIFIED SUPPLEMENTAL RETIREMENT PLAN FOR CERTAIN EXECUTIVE EMPLOYEES PARTICIPATION IN THE PLAN IS SUBJECT TO THE RECOMMENDATION OF THE CHIEF EXECUTIVE OFFICER AND THE APPROVAL OF THE BOARD OF DIRECTORS AS OF DECEMBER 31, 2016 OWENSBORO HEALTH SHALL CREDIT THE PARTICIPANT'S ACCOUNT WITH AN EMPLOYER CONTRIBUTION THE PARTICIPANT MUST BE EMPLOYED BY OWENSBORO HEALTH AT THE END OF THE PLAN YEAR IN ORDER TO RECEIVE AN EMPLOYER CONTRIBUTION FOR THAT PLAN YEAR EMPLOYER CONTRIBUTIONS FOR EACH CONTRIBUTION CLASS YEAR SHALL BE 100% VESTED AS OF THE END OF THE PLAN YEAR WHICH IS FIVE YEARS AFTER THE DATE ON WHICH THE EMPLOYER CONTRIBUTION WAS MADE FOR SUCH CONTRIBUTION CLASS YEAR 457F PLAN TO EXECUTIVES ERNEST E BEGLEY \$33,712, JOHN HACKBARTH \$ 38,968, EDWARD HEATH \$21,983, LISA JONES \$25,056, RICHARD W MEDLEY \$30,208, RUSSELL RANALLO \$ 27,326, VICKI STOGSDILL \$194,475, GREG STRAHAN \$49,528, MIA SUTER \$31,186

Part III, Supplemental Information

Return Reference	Explanation
FORM 990, SCHEDULE J, PART I, LINE 7	Success Sharing Plan THE SUCCESS SHARING PLAN IS A PROGRAM DESIGNED TO FOCUS ON THE ACCOUNTABILITY OF ALL EMPLOYEES TO INFLUENCE THE FINANCIAL, QUALITY, PATIENT SATISFACTION AND EMPLOYEE DEVELOPMENT GOALS, AND TO REINFORCE THE OH CORE COMMITMENTS (RESPECT, INTEGRITY, INNOVATION, SERVICE, EXCELLENCE AND TEAMWORK) WHILE WORKING TO ACHIEVE THESE GOALS THE PLAN ACHIEVES THIS BY PROVIDING A DIRECT LINK BETWEEN ACHIEVEMENT OF ORGANIZATIONAL OBJECTIVES AND THE TOTAL COMPENSATION OF THOSE WHOSE DECISIONS AND ACTIONS ARE ACCOUNTABLE FOR THE OUTCOMES WHICH DRIVE THE ORGANIZATION'S SUCCESS ELIGIBILITY IS BASED ON HOURS WORKED IN THE YEAR, STAFF EMPLOYEES ARE PAID A PRO-RATED AMOUNT OF A DOLLAR MAXIMUM AND MANAGEMENT IS PAID A FIXED PERCENTAGE OF ANNUAL SALARY BASED ON LEVEL OF MANAGEMENT PAYMENT IS PREDICATED ON BOARD APPROVAL

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				
1 Patterson Philip President / CEO (thru 6/2016)	(i) 415,788	0	456,155	27,192	12,095	911,230	0
	(ii) 0	0	0	0	- 0	- 0	0
2 Hackbarth Jr John Chief Financial Officer	(i) 357,023	110,055	76,219	37,735	19,476	600,508	0
	(ii) 0	0	0	0	- 0	- 0	0
3 Heath Jr Edward L OHMCH Chief Executive Officer	(i) 223,555	69,932	59,205	27,196	23,261	403,149	0
	(ii) 0	0	0	0	- 0	- 0	0
4 Scherm Michael J MD Chief Surgical Officer	(i) 337,324	104,882	24,013	35,968	19,770	521,957	0
	(ii) 0	0	0	0	- 0	- 0	0
5 Begley II Ernest E Chief Legal Officer	(i) 285,839	89,332	49,138	31,290	24,489	480,088	0
	(ii) 0	0	0	0	- 0	- 0	0
6 Jones Lisa Vice President of Clinical Svc	(i) 211,683	66,063	44,513	24,878	18,028	365,165	0
	(ii) 0	0	0	0	- 0	- 0	0
7 Medley Jr Richard W MD Chief Medical Officer	(i) 347,978	104,383	60,210	36,002	9,841	558,414	0
	(ii) 0	0	0	0	- 0	- 0	0
8 Ranallo Russell Vice President - Financial Svc	(i) 255,874	79,891	43,283	28,669	23,168	430,885	0
	(ii) 0	0	0	0	- 0	- 0	0
9 Strahan GregPresident/CEO	(i) 610,334	143,912	73,493	55,969	22,622	906,330	0
	(ii) 0	0	0	0	- 0	- 0	0
10 Johnson Stephen M VP of Govt and Community	(i) 145,992	46,663	20,026	18,154	21,529	252,364	0
	(ii) 0	0	0	0	- 0	- 0	0
11 Suter Mia Chief Administrative Officer	(i) 312,692	93,538	47,300	32,526	5,857	491,913	0
	(ii) 0	0	0	0	- 0	- 0	0
12 Danhauer David E MD Chief Medical Info Officer	(i) 299,935	105,698	20,212	33,325	20,289	479,459	0
	(ii) 0	0	0	0	- 0	- 0	0
13 Jacildo Ruby Vice President/Controller	(i) 174,026	72,468	16,135	22,685	20,922	306,236	0
	(ii) 0	0	0	0	- 0	- 0	0
14 Bryant MD Bill Chief Quality and PT Safety	(i) 278,355	86,399	24,696	9,275	17,370	416,095	0
	(ii) 0	0	0	0	- 0	- 0	0
15 Cordini Rosalind Associate Gen Counsel & CCO	(i) 184,105	56,247	13,602	8,549	9,094	271,597	0
	(ii) 0	0	0	0	- 0	- 0	0
16 Chapman WilliamPhysician	(i) 267,169	18,333	1,934	24,425	19,413	331,274	0
	(ii) 0	0	0	0	- 0	- 0	0
17 Haynes Heather Director of Pharmacy	(i) 165,594	24,704	417	16,157	1,003	207,875	0
	(ii) 0	0	0	0	- 0	- 0	0
18 Taylor Joseph W Executive Director, Facilities	(i) 154,933	25,010	9,760	16,902	18,620	225,225	0
	(ii) 0	0	0	0	- 0	- 0	0
19 Montaven Simone J Exec Dir of Human Resources	(i) 157,903	49,258	1,438	17,992	6,912	233,503	0
	(ii) 0	0	0	0	- 0	- 0	0
20 Stogsdill Vicki Board Member	(i) 0	0	194,475	0	0	194,475	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				
21Russo Michael F CIO (thru 10/07/2016)	(i)	202,591	87,838	47,748	9,275	18,430	365,882	0
	(ii)	0	0	0	0	- 0	- 0	0
1Roberts Kenneth W Dir of Compliance and Internal	(i)	139,780	22,171	13,457	11,680	18,388	205,476	0
	(ii)	0	0	0	0	- 0	- 0	0
2Bostic Deborah K COO and CNO	(i)	268,789	18,693	23,873	5,552	5,656	322,563	0
	(ii)	0	0	0	0	- 0	- 0	0
3Toler Chns R Clinical Integration Officer	(i)	417,794	94,540	15,816	9,275	15,544	552,969	0
	(ii)	0	0	0	0	- 0	- 0	0
4Mills Michael Former Employee	(i)	68,124	0	45,701	7,429	5,768	127,022	0
	(ii)					-	-	
5Chaudhary Alok Former Employee	(i)	25,319	0	116,604	2,767	3,087	147,777	0
	(ii)	0	0	0	0	- 0	- 0	0

Schedule K
(Form 990)

Department of the Treasury
Internal Revenue Service
Name of the organization
Owensboro Health Inc

Supplemental Information on Tax Exempt Bonds

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

OMB No 1545-0047

2016

Open to Public Inspection

Employer identification number
61-1286361

Part I Bond Issues											
(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pool financing	
						Yes	No	Yes	No	Yes	No
A KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY	61-0600439	49126KGX3	03-03-2010	512,772,595	SEE PART VI		X		X		X
B KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY	61-0600439	49126KHT1	08-13-2015	97,567,179	SEE PART VI		X		X		X
C KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY	61-0600439	49126KKF7	05-17-2017	501,226,816	SEE PART VI		X		X		X

Part II		Proceeds							
		A		B		C		D	
1	Amount of bonds retired	453,810,000		0		0			
2	Amount of bonds legally defeased	0		0		0			
3	Total proceeds of issue	522,526,166		98,331,405		501,226,816			
4	Gross proceeds in reserve funds	37,973,722		3,454,908		0			
5	Capitalized interest from proceeds	71,314,017		0		0			
6	Proceeds in refunding escrows	0		26,757,740		0			
7	Issuance costs from proceeds	8,204,303		1,765,964		4,780,485			
8	Credit enhancement from proceeds	0		0		6,163,038			
9	Working capital expenditures from proceeds	0		0		0			
10	Capital expenditures from proceeds	346,058,405		66,352,793		0			
11	Other spent proceeds	58,975,719		0		490,283,293			
12	Other unspent proceeds	0		0		0			
13	Year of substantial completion	2013				2017			
		Yes	No	Yes	No	Yes	No	Yes	No
14	Were the bonds issued as part of a current refunding issue?	X		X			X		
15	Were the bonds issued as part of an advance refunding issue?		X		X	X			
16	Has the final allocation of proceeds been made?	X		X		X			
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X		X			

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

Part III Private Business Use (Continued)

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

Part IV Arbitrage

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Has the issuer filed Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate? . . .		X		X		X		
2 If "No" to line 1, did the following apply?								
a Rebate not due yet?		X	X		X			
b Exception to rebate?		X		X		X		
c No rebate due?	X			X		X		
If "Yes" to line 2c, provide in Part VI the date the rebate computation was performed								
3 Is the bond issue a variable rate issue?		X		X		X		
4a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X		X		X		
b Name of provider	0		0		0			
c Term of hedge								
d Was the hedge superintegrated?								
e Was the hedge terminated?								

Part IV Arbitrage (Continued)

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
5a Were gross proceeds invested in a guaranteed investment contract (GIC)?		X		X		X		
b Name of provider	0		0		0			
c Term of GIC								
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
6 Were any gross proceeds invested beyond an available temporary period?		X		X		X		
7 Has the organization established written procedures to monitor the requirements of section 148?	X		X		X			

Part V Procedures To Undertake Corrective Action

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

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

Return Reference	Explanation
Form 990, Schedule K, 2010 BOND	PROCEEDS FINANCED 1) A 9-STORY REPLACEMENT ACUTE CARE HOSPITAL, 2) A 4-STORY SUPPORT SERVICES BLDG, 3) A ONE AND A HALF STORY CENTRAL ENERGY PLANT, 4) PARKING LOT IN ADDITION, PROCEEDS REFUNDED A PORTION OF THE SERIES 2001 BONDS (ISSUED 6/13/01) AND FUNDED A PORTION OF THE DEBT SERVICE RESERVE FUND

Return Reference	Explanation
SCHEDULE K, PART I, 2015 BOND	PROCEEDS FINANCED 1) CONSTRUCTION OF HEALTHPLEXES TO IMPROVE ACCESS TO CARE IN THE SECONDARY SERVICE AREA 2) REFUNDED PORTION OF THE SERIES 2010B BONDS (ISSUED 3/3/2010) AND FUNDED PORTION OF THE DEBT SERVICE RESERVE FUND

Return Reference	Explanation
SCHEDULE K, PART I, 2017 BOND	PROCEEDS WERE USED TO 1) PARTIALLY ADVANCE REFUND THE SERIES 2010A BONDS (ISSUED 3/3/2010), 2) FULLY ADVANCE REFUND THE SERIES 2010B BONDS (ISSUED 3/3/2010), (3) PAY REMAINING PORTION FOR THE SURETY BOND TO FUND THE DEBT SERVICE RESERVE REQUIREMENT (4)PAY PREMIUM FOR THE POLICY INSURING PAYMENT AND CERTAIN EXPENSES IN CONNECTION WITH THE ISSUANCE

Return Reference	Explanation
2010 AND 2015 BOND	SCHEDULE K, PART II, LINE 3, BOND A AND B THE DIFFERENCE IN THE ISSUE PRICE REPORTED ON SCHEDULE K RESULTED FROM INVESTMENT EARNINGS

Return Reference	Explanation
SCHEDULE K, PART IV, LINE 2C, BOND A	3/3/2015

Schedule L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

▶ Complete if the organization answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.
▶ Attach to Form 990 or Form 990-EZ.
▶ Information about Schedule L (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2016

Open to Public Inspection

Name of the organization
Owensboro Health Inc

Employer identification number
61-1286361

Part I Excess Benefit Transactions (section 501(c)(3), section 501(c)(4), and 501(c)(29) organizations only)
Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b

1	(a) Name of disqualified person	(b) Relationship between disqualified person and organization	(c) Description of transaction	(d) Corrected?	
				Yes	No

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

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

Part II Loans to and/or From Interested Persons.
Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a, or Form 990, Part IV, line 26, or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22

(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	(d) Loan to or from the organization?		(e) Original principal amount	(f) Balance due	(g) In default?		(h) Approved by board or committee?		(i) Written agreement?	
			To	From			Yes	No	Yes	No	Yes	No
Total						▶ \$						

Part III Grants or Assistance Benefiting Interested Persons.
Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of assistance	(d) Type of assistance	(e) Purpose of assistance

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
See Additional Data Table					

Part V Supplemental Information

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

Return Reference	Explanation
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Additional Data

Software ID:
Software Version:

EIN: 61-1286361

Name: Owensboro Health Inc

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) CANTEEN SERVICE COMPANY	JACK WELLS / OWNER	201,124	CANTEEN SERVICES		No
(2) CHRISTINE M SCHEPERS	SISTER OF DAVID DANHAUER	79,992	EMPLOYEE COMPENSATION		No
(3) GREGORY R STRAHAN	SON OF GREG STRAHAN	27,015	EMPLOYEE COMPENSATION		No
(4) JENNIFER RANALLO	WIFE OF RUSSELL RANALLO	46,530	EMPLOYEE COMPENSATION		No
(5) JESSICA L EMERY	DAUGHTER OF WILLIAM HARRIS	59,263	EMPLOYEE COMPENSATION		No
(6) MICHAEL J SCHERM	HUSBAND OF JANICE SCHERM	466,219	EMPLOYEE COMPENSATION		No
(7) BRIAN E GRANT	BIL OF MICHAEL MILLS	104,239	EMPLOYEE COMPENSATION		No
(8) MOLLIE M RIDDLE	DAUGHTER OF MICHAEL MILLS	43,608	EMPLOYEE COMPENSATION		No

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
~~Internal Revenue Service~~
Name of the organization
Owensboro Health Inc

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

2016

Open to Public Inspection

Employer identification number

61-1286361

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART I, LINE 6	VOLUNTEERS VOLUNTEER SERVICES SUPPORT THE MISSION AND GOALS OF OWENSBORO HEALTH, INC ("OH") THEY STAFF THE PATIENT INFORMATION DESK, DELIVER FLOWERS, AND PLAY A CRUCIAL ROLE AS LIAISON BETWEEN FAMILIES AND PHYSICIANS IN THE SURGERY WAITING AREAS VOLUNTEERS ARE AN ESSENTIAL PART OF THE CARE AND COMFORT OH PROVIDES

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, LINE 2	FAMILY OR BUSINESS RELATIONSHIPS MICHAEL SCHERM, KEY EMPLOYEE OF OH, IS THE HUSBAND OF JANICE SCHERM AN OH BOARD MEMBER

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, LINE 7A	POWER TO ELECT OR APPOINT MEMBERS OH IS GOVERNED BY A FOURTEEN-MEMBER BOARD OF DIRECTORS PURSUANT TO THE CORPORATION'S BYLAWS THREE (3) DIRECTORS ARE APPOINTED BY THE COUNTY JUDGE/EXECUTIVE OF DAVIESS COUNTY ('COUNTY JUDGE') WITH THE CONSENT OF THE DAVIESS COUNTY FISCAL COURT, THREE (3) DIRECTORS ARE APPOINTED BY THE MAYOR OF THE CITY OF OWENSBORO ('MAYOR') WITH THE CONSENT OF THE BOARD OF THE OWENSBORO CITY COMMISSION, ONE (1) DIRECTOR IS APPOINTED JOINTLY BY THE COUNTY JUDGE AND THE MAYOR, THREE (3) DIRECTOR POSITIONS ARE RESERVED FOR PHYSICIANS WHO ARE MEMBERS OF THE OH ACTIVE MEDICAL STAFF, AND FOUR(4) DIRECTORS ARE ELECTED OR APPOINTED BY THE BOARD OF DIRECTORS FROM THE COMMUNITY THE BOARD OF DIRECTORS IS RESPONSIBLE FOR OVERSEEING THE MANAGEMENT AND OPERATION OF OH THE BOARD MEMBERS SERVE THREE-YEAR TERMS, AND CAN SERVE NO MORE THAN THREE (3) CONSECUTIVE TERMS, BUT ARE ELIGIBLE FOR REAPPOINTMENT TO THE BOARD AFTER HAVING BEEN OFF OF THE BOARD FOR AT LEAST ONE (1) YEAR THE BOARD HAS REGULARLY SCHEDULED MONTHLY MEETINGS

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, LINE 7B	DECISIONS RESERVED TO MEMBERS OR STOCKHOLDERS THE FOLLOWING CORPORATE ACTIONS SHALL REQUIRE THE AFFIRMATIVE ACT OF THE FISCAL COURT OF DAVIESS COUNTY ('COUNTY') AND THE COMMISSIONERS OF THE CITY OF OWENSBORO ('CITY') FOLLOWING A RECOMMENDATION BY THE BOARD OF DIRECTORS (1) THE ADMISSION OF ANY MEMBER TO THE CORPORATION,(2) THE TRANSFER OF ALL, OR SUBSTANTIALLY ALL, OF THE MANAGEMENT RESPONSIBILITY FOR THE CORPORATION TO A NONRELATED PERSON, (3) A MERGER, CONSOLIDATION OR OTHER SIMILAR ACTION THAT IS DILUTIVE OF THE ASSETS OF THE CORPORATION OR THAT ADVERSELY AFFECTS ANY RIGHTS OF THE COUNTY OR CITY PROVIDED FOR IN THE CORPORATION'S ARTICLES OF INCORPORATION OR THE BYLAWS, (4) ANY AMENDMENTS TO ARTICLES 4,5,7,8 AND 10 OF THE ARTICLES OF INCORPORATION, OR ANY AMENDMENT TO SECTION VII OF THE BYLAWS, (5) THE DISSOLUTION OF THE CORPORATION, (6) ANY CHANGE OF THE NAME OF THE CORPORATION, AND (7) THE TRANSFER (IN ONE OR MORE RELATED TRANSACTIONS) DURING ANY TWELVE MONTH PERIOD OF 5% OR MORE OF THE TOTAL ASSETS OF THE CORPORATION TO AN UNAFFILIATED PERSON(S) 'TOTAL ASSETS' SHALL MEAN THE AGGREGATE ASSETS FROM THE MOST RECENT FINANCIAL STATEMENTS OF THE CORPORATION FORM 990, PART VI, LINE 11B Form 990 Review THE FORM 990 IS REVIEWED BY THE INTERNAL FINANCE TEAM AND FORWARDED TO THE CFO FOR FINAL REVIEW AND APPROVAL BEFORE FILING

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, LINE 12C	MONITORING AND ENFORCEMENT OF COMPLIANCE WITH CONFLICT OF INTEREST POLICY UNDER OUR CONFLICT OF INTEREST POLICY (#100-214), EACH BOARD DIRECTOR, OFFICER, MEMBER OF A COMMITTEE WITH BOARD-DELEGATED POWER, AND KEY EMPLOYEE IS REQUIRED ANNUALLY TO COMPLETE THE FOLLOWING (1) CONFIDENTIALITY STATEMENT, (2) DISCLOSURE CERTIFICATE, AND (3) INDEPENDENCE AND RELATED PARTY QUESTIONNAIRE THESE DISCLOSURES ARE REVIEWED AND RETAINED BY THE CHIEF LEGAL OFFICER, WHO IS ALSO IN THE APPROVAL CHAIN FOR ALL OH CONTRACTS ALL COMPLETED CONTRACTS ARE MAINTAINED BY THE LEGAL OFFICE IN A SEARCHABLE DATABASE (THROUGH MEDITRACT) THESE WILL BE REVIEWED AND MAINTAINED BY THE COMPLIANCE OFFICER THE COMPLIANCE OFFICER ALSO HAS ACCESS TO THE CONTRACT'S DATABASE AND COMPLETES AN OIG SANCTION CHECK FOR NEW CONTRACTS ONCE THE CONFLICT OF INTEREST DATA HAS BEEN COLLECTED, NEW CONTRACTS WILL BE SCREENED FOR POTENTIAL CONFLICTS OF INTEREST IN ADDITION, OH MAINTAINS A COMPLIANCE HOTLINE THROUGH WHICH ANYONE WITH KNOWLEDGE OF A CONFLICT OF INTEREST OR IMPROPER VENDOR RELATIONSHIP CAN ANONYMOUSLY REPORT SUSPECTED VIOLATIONS OF THE OH POLICY OF THOSE INDIVIDUALS FOUND TO HAVE A CONFLICT OF INTEREST, EMPHASIS IS MADE THAT THEY MAINTAIN IN CONFIDENCE ANY INFORMATION, KNOWLEDGE, OR DOCUMENTS ACQUIRED AS THE RESULT OF THEIR POSITION OR ATTENDANCE

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, LINE 15A	OFFICES & POSITIONS FOR WHICH PROCESS WAS USED, & YEAR PROCESS WAS BEGUN TOTAL COMPENSATION IS THE SUM OF EACH EXECUTIVES BASE SALARY, INCENTIVE OPPORTUNITY, BENEFITS, AND PERQUISITES -OUR TOTAL COMPENSATION PHILOSOPHY WILL APPLY TO THE CEO OF THE ORGANIZATION -CASH COMPENSATION AND BENEFIT PLANS PROVISIONS WILL BE BASED ON MARKET DATA, COMPETITIVE WITH THOSE HEALTHCARE ORGANIZATIONS WITHIN WHICH WE COMPETE FOR EXECUTIVE TALENT OUR LABOR MARKET IS DEFINED AS SUCCESSFUL AND COMPARABLY SIZED HEALTHCARE ORGANIZATIONS ON A NATIONAL LEVEL SUCCESS IS MEASURED IN TERMS OF FINANCIAL AND OPERATIONAL PERFORMANCE AND MARKET LEADERSHIP -COMPETITIVE POSITIONING OF BASE SALARIES, AS REFLECTED BY THE SALARY RANGE MIDPOINTS, WILL BE AT THE 50TH PERCENTILE THE CEO MAY BE PLACED ABOVE OR BELOW THE SALARY RANGE BASED ON THE CEO'S KNOWLEDGE, COMPETENCIES, AND EXPERIENCE, PERFORMANCE OF THE CEO, THE CEO'S CONTRIBUTION TO THE ORGANIZATION'S OVERALL PERFORMANCE, INTERNAL EQUITY CONSIDERATIONS, THE FINANCIAL RESOURCES AVAILABLE, AND, CEO'S BASE SALARY INCREASES PROVIDED IN THE COMPETITIVE MARKET -ANNUAL MERIT INCREASE IS BASED ON JOB PERFORMANCE, REVIEWED BY THE FINANCE COMMITTEE, AND THEN APPROVED BY THE BOARD OF DIRECTORS -ANNUAL INCENTIVE OPPORTUNITIES WILL BE POSITIONED BETWEEN THE 50TH AND 75TH PERCENTILE DEPENDING ON THE DEGREE TO WHICH PERFORMANCE GOALS ARE MET OR EXCEEDED TOTAL CASH COMPENSATION, AS REFLECTED BY BASE SALARIES AND ANNUAL INCENTIVES, WILL ALSO BE POSITIONED BETWEEN THE 50TH AND 75TH PERCENTILES AND WILL BE INFLUENCED BY PERFORMANCE RESULTS AS MEASURED AGAINST ESTABLISHED GOALS THE INCENTIVE COMPENSATION PLAN IS REVIEWED BY THE FINANCE COMMITTEE AND THEN APPROVED BY THE BOARD OF DIRECTORS -THE ORGANIZATION WILL PROVIDE APPROPRIATE AND COMPETITIVE SUPPLEMENTAL BENEFITS AND PERQUISITES DELIVERED IN A FLEXIBLE STRUCTURE TO ALLOW FOR INDIVIDUAL CHOICE AND BASED ON THE ORGANIZATION'S MISSION AND BUSINESS NEEDS -OUR EXECUTIVE TOTAL COMPENSATION PLAN WILL BE DESIGNED, MANAGED AND MAINTAINED IN A MANNER THAT WILL SUPPORT AND COMPLEMENT OUR MISSION, MANAGEMENT PHILOSOPHY, SHORT- AND LONG-TERM BUSINESS STRATEGIES, AND EMPLOYEE RELATIONS GOALS, ATTRACT AND RETAIN EXECUTIVES WITH THE RIGHT SKILLS, ABILITIES AND MOTIVATION TO ACHIEVE OUR BUSINESS OBJECTIVE, AND ENSURE THE EXECUTIVE TOTAL COMPENSATION IS REASONABLE AND COMPETITIVE -OUR CASH COMPENSATION AND BENEFIT PLANS WILL BE REVIEWED BY A HR CONSULTING FIRM AND ADJUSTED PERIODICALLY TO MEET THE CHANGING BUSINESS AND ORGANIZATIONAL CHARACTERISTICS OF OUR ORGANIZATION AND ITS EXECUTIVE STAFF AS DIRECTED BY THE FINANCE COMMITTEE FORM 990, PART VI, LINE 15B OFFICES & POSITIONS FOR WHICH PROCESS WAS USED, & YEAR PROCESS WAS BEGUN TOTAL COMPENSATION IS THE SUM OF EACH EXECUTIVES BASE SALARY, INCENTIVE OPPORTUNITY, BENEFITS, AND PERQUISITES -OUR TOTAL COMPENSATION PHILOSOPHY WILL APPLY TO ALL EXECUTIVES OF THE ORGANIZATION -CASH COMPENSATION AND BENEFIT PLANS PROVISIONS WILL BE, ON AVERAGE, COMPETITIVE

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, LINE 15A	ITIVE WITH THOSE HEALTHCARE ORGANIZATIONS WITHIN WHICH WE COMPETE FOR EXECUTIVE TALENT OUR LABOR MARKET IS DEFINED AS SUCCESSFUL AND COMPARABLY SIZED HEALTHCARE ORGANIZATIONS ON A NATIONAL LEVEL SUCCESS IS MEASURED IN TERMS OF FINANCIAL AND OPERATIONAL PERFORMANCE AND MARKET LEADERSHIP -COMPETITIVE POSITIONING OF BASE SALARIES, AS REFLECTED BY THE SALARY RANGE MIDPOINTS, WILL BE AT THE 50TH PERCENTILE EXECUTIVES MAY BE PLACED ABOVE OR BELOW THE SALARY RANGE BASED ON THE EXECUTIVE'S KNOWLEDGE, COMPETENCIES, AND EXPERIENCE, PERFORMANCE OF THE EXECUTIVE'S AREA OF RESPONSIBILITY, THE EXECUTIVE'S CONTRIBUTION TO THE ORGANIZATION'S OVERALL PERFORMANCE, INTERNAL EQUITY CONSIDERATIONS, THE FINANCIAL RESOURCES AVAILABLE, AND, EXECUTIVE BASE SALARY INCREASES PROVIDED IN THE COMPETITIVE MARKET -ANNUAL INCENTIVE OPPORTUNITIES WILL BE POSITIONED BETWEEN THE 50TH AND 75TH PERCENTILE DEPENDING ON THE DEGREE TO WHICH PERFORMANCE GOALS ARE MET OR EXCEEDED TOTAL CASH COMPENSATION, AS REFLECTED BY BASE SALARIES AND ANNUAL INCENTIVES, WILL ALSO BE POSITIONED BETWEEN THE 50TH AND 75TH PERCENTILES AND WILL BE INFLUENCED BY PERFORMANCE RESULTS AS MEASURED AGAINST ESTABLISHED GOALS -THE ORGANIZATION WILL PROVIDE APPROPRIATE AND COMPETITIVE SUPPLEMENTAL BENEFITS AND PERQUISITES DELIVERED IN A FLEXIBLE STRUCTURE TO ALLOW FOR INDIVIDUAL CHOICE AND BASED ON THE ORGANIZATION'S MISSION AND BUSINESS NEEDS -OUR EXECUTIVE COMPENSATION PLAN WILL BE DESIGNED, MANAGED AND MAINTAINED IN A MANNER THAT WILL SUPPORT AND COMPLEMENT OUR MISSION, MANAGEMENT PHILOSOPHY, SHORT- AND LONG-TERM BUSINESS STRATEGIES, AND EMPLOYEE RELATION'S GOALS, ATTRACT AND RETAIN EXECUTIVES WITH THE RIGHT SKILLS, ABILITIES AND MOTIVATION TO ACHIEVE OUR BUSINESS OBJECTIVE, AND ENSURE THE EXECUTIVE TOTAL COMPENSATION IS REASONABLE AND COMPETITIVE -OUR CASH COMPENSATION AND BENEFIT PLANS WILL BE REVIEWED AND ADJUSTED PERIODICALLY TO MEET THE CHANGING BUSINESS AND ORGANIZATIONAL CHARACTERISTICS OF OUR ORGANIZATION AND ITS EXECUTIVE STAFF THE COMPENSATION OF EACH INDIVIDUAL EXECUTIVE WILL BE REVIEWED AND APPROVED IN A MANNER CONSISTENT WITH THE INTERMEDIATE SANCTION TAX REGULATIONS

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, LINE 19	AVAILABILITY OF GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY & FINSTMTS TO GENERAL PUBLIC THE ORGANIZATION'S FORM 1023 AND FORM 990 ARE AVAILABLE FOR PUBLIC INSPECTION UPON REQUEST THE ORGANIZATION'S FORM 990 IS ALSO AVAILABLE ON GUIDESTAR'S DATABASE AVAILABLE AT WWW GUIDESTAR ORG THE ORGANIZATION'S ARTICLES OF INCORPORATION ARE AVAILABLE ON THE KENTUCKY SECRETARY OF STATE'S WEBSITE AT HTTPS //APP SOS KY GOV/FTSEARCH/ OTHERWISE, THE ORGANIZATION DOES NOT MAKE ITS GOVERNING DOCUMENTS OR CONFLICT OF INTEREST POLICY AVAILABLE TO THE PUBLIC A COPY OF THE ORGANIZATION'S FINANCIAL STATEMENTS IS ATTACHED TO ITS 990 IN COMPLIANCE WITH THE REQUIREMENTS OF THE AFFORDABLE CARE ACT

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART XI, LINE 9	OTHER CHANGES IN NET ASSETS PARTNERSHIP INVESTMENT - (1,001,000) ROUNDING (2,809) TOTAL = (1,003,809)

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

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

OMB No 1545-0047

2016

Open to Public Inspection

Name of the organization
Owensboro Health Inc

Employer identification number
61-1286361

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) COMMONWEALTH MEDICAL MANAGEMENT LLC 1201 PLEASANT VALLEY ROAD OWENSBORO, KY 42303 20-4796653	PHYS CLNC SRV	KY	0	0	OH
(2) THE HEALTH NETWORK OF WESTERN KY LLC 1201 PLEASANT VALLEY ROAD OWENSBORO, KY 42303 46-5739460	MSSP ACO	KY	0	0	OH
(3) OH MUHLENBERG LLC 1201 PLEASANT VALLEY ROAD OWENSBORO, KY 42303 47-3944197	HLTHCARE SVCS	KY	35,912,000	17,595,000	OH
(4) ONE HEALTH NETWORK LLC 1201 PLEASANT VALLEY ROAD OWENSBORO, KY 42303 47-4114254	HLTHCARE SVCS	KY	257,000	431,000	OH
(5) ONE HEALTH SOLUTIONS LLC 1201 PLEASANT VALLEY ROAD OWENSBORO, KY 42303 47-4106977	HLTHCARE SVCS	KY	0	0	OH

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)OWENSBORO HEALTH FOUNDATION INC 1201 PLEASANT VALLEY ROAD OWENSBORO, KY 42303 61-1251763	HEALTHCARE	KY	501(c)(3)	7	OH	Yes	
(2)OWENSBORO HEALTH MEDICAL GROUP INC 1201 PLEASANT VALLEY ROAD OWENSBORO, KY 42303 61-1197638	HEALTHCARE	KY	501(c)(3)	10	OH	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	
(1) OWENSBORO AM SR FAC 1000 BRKRG OWENSBORO, KY 42303 75-2184992	SURGERY CENTER	KY	NA	Related	854,289	5,401,396		No	0		No	65 700 %

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) OWENSBORO MEDICAL CENTER LABORATORY INC 1201 PLEASANT VALLEY ROAD OWENSBORO, KY 42303 61-0999592	MED LABORATOR	KY	NA	C Corp	2,650,391	980,883	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		No
1b	Yes	
1c	Yes	
1d		No
1e		No
1f		No
1g		No
1h		No
1i		No
1j	Yes	
1k	Yes	
1l		No
1m		No
1n		No
1o		No
1p	Yes	
1q		No
1r		No
1s	Yes	

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

See Additional Data Table

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

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: 61-1286361
Name: Owensboro Health 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)	OWENSBORO HEALTH MEDICAL GROUP INC	j	733,132	FMV
(1)	OWENSBORO HEALTH MEDICAL GROUP INC	p	100,406,547	FMV
(2)	OWENSBORO HEALTH MEDICAL GROUP INC	s	47,052,550	FMV
(3)	OWENSBORO HEALTH MEDICAL GROUP INC	k	2,330,721	FMV
(4)	OWENSBORO MEDICAL CENTER LAB	p	2,051,065	FMV
(5)	OWENSBORO HEALTH FOUNDATION INC	b	545,858	FMV
(6)	OWENSBORO HEALTH FOUNDATION INC	c	151,429	FMV