Form 990

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

▶ Do not enter social security numbers on this form as it may be made public
▶ Information about Form 990 and its instructions is at www IRS gov/form990

OMB No 1545-0047

2016

Open to Public Inspection

A For the 2016 calendar year, or tax year beginning 07-01-2016 , and ending 06-30-2017

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

C Name of organization
KENNESTONE HOSPITAL INC

% JAMES M SWARTZ

Doing business as
WELLSTAR KENNESTONE HOSPITAL

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

City or town, state or province, country, and ZIP or foreign postal code
Marietta, GA 300622222

D Employer identification number
58-2032904

E Telephone number
(770) 956-7827

G Gross receipts $ 1,114,205,748

F Name and address of principal officer
CANDICE L SAUNDERS
793 SAWYER ROAD
Marietta, GA 300622222

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 wellstar org

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

L Year of formation 1993

M State of legal domicile GA

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities
To provide world-class charitable healthcare to the community

2 Check this box ▶ ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets

3	Number of voting members of the governing body (Part VI, line 1a)	3	20
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	10
5	Total number of individuals employed in calendar year 2016 (Part V, line 2a)	5	4,898
6	Total number of volunteers (estimate if necessary)	6	380
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	75,512
b	Net unrelated business taxable income from Form 990-T, line 34	7b	-23,223

			Prior Year	Current Year
Revenue	8	Contributions and grants (Part VIII, line 1h)	0	0
	9	Program service revenue (Part VIII, line 2g)	1,017,957,459	1,084,159,471
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	-106,266	-24,734
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	25,815,119	30,071,011
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	1,043,666,312	1,114,205,748
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	7,099	1,500
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	337,418,099	361,686,917
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶0		
	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	497,579,360	504,924,940
	18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	835,004,558	866,613,357
	19	Revenue less expenses Subtract line 18 from line 12	208,661,754	247,592,391
Net Assets or Fund Balances			Beginning of Current Year	End of Year
	20	Total assets (Part X, line 16)	649,309,073	650,758,530
	21	Total liabilities (Part X, line 26)	244,325,177	237,811,920
	22	Net assets or fund balances Subtract line 21 from line 20	404,983,896	412,946,610

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 | Date 2018-05-15

JAMES M SWARTZ VP, ACCOUNTING
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
JOANNE KRUEGER	JOANNE KRUEGER	2018-05-10		P01235586

Firm's name ▶ PricewaterhouseCoopers LLP | Firm's EIN ▶

Firm's address ▶ 2001 MARKET ST SUITE 1800
PHILADELPHIA, PA 19103 | Phone no (267) 330-3000

May the IRS discuss this return with the preparer shown above? (see instructions) ☑ Yes ☐ No

Part III **Statement of Program Service Accomplishments**

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

1 Briefly describe the organization's mission

TO CREATE AND DELIVER HIGH QUALITY HOSPITAL, PHYSICIAN AND OTHER HEALTHCARE RELATED SERVICES THAT IMPROVE THE HEALTH AND WELL-BEING OF THE INDIVIDUALS AND 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 $ 749,509,622 including grants of $ 1,500) (Revenue $ 1,084,159,471)

See Additional Data

4b (Code) (Expenses $ including grants of $) (Revenue $)

4c (Code) (Expenses $ including grants of $) (Revenue $)

4d Other program services (Describe in Schedule O)

(Expenses $ including grants of $) (Revenue $)

4e **Total program service expenses** ▶ 749,509,622

Part IV Checklist of Required Schedules

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

Part IV **Checklist of Required Schedules** *(continued)*

			Yes	No
20a	Did the organization operate one or more hospital facilities? *If "Yes," complete Schedule H*	20a	Yes	
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	Yes	
21	Did the organization report more than $5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	21		No
22	Did the organization report more than $5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	22		No
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b through 24d and complete Schedule K If "No," go to line 25a*	24a		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	**Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	25b		No
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? *If "Yes," complete Schedule L, Part II*	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? *If "Yes," complete Schedule L, Part III*	27		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28b		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	28c		No
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	33		No
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1*	34	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	Yes	
b	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	35b		No
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	36		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? **Note.** All Form 990 filers are required to complete Schedule O	38	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

					Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable . .	**1a**	0			
b	Enter the number of Forms W-2G included in line 1a *Enter -0-* if not applicable	**1b**	0			
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			**1c**		
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	**2a**	4,898			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? **Note.** If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)			**2b**	Yes	
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?			**3a**	Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No" to line 3b, provide an explanation in Schedule O*			**3b**	Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?			**4a**		No
b	If "Yes," enter the name of the foreign country ▶ See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR)					
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?			**5a**		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			**5b**		No
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?			**5c**		
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?			**6a**		No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			**6b**		
7	**Organizations that may receive deductible contributions under section 170(c).**					
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?			**7a**		No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?			**7b**		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			**7c**		No
d	If "Yes," indicate the number of Forms 8282 filed during the year	**7d**				
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			**7e**		No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?			**7f**		No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?			**7g**		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?			**7h**		
8	**Sponsoring organizations maintaining donor advised funds.** Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?			**8**		
9a	Did the sponsoring organization make any taxable distributions under section 4966?			**9a**		
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?			**9b**		
10	**Section 501(c)(7) organizations.** Enter					
a	Initiation fees and capital contributions included on Part VIII, line 12	**10a**				
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	**10b**				
11	**Section 501(c)(12) organizations.** Enter					
a	Gross income from members or shareholders	**11a**				
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	**11b**				
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?			**12a**		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	**12b**				
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**					
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** See the instructions for additional information the organization must report on Schedule O			**13a**		
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	**13b**				
c	Enter the amount of reserves on hand	**13c**				
14a	Did the organization receive any payments for indoor tanning services during the tax year?			**14a**		No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O*			**14b**		

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

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

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	**1a** 20			
	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**		No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		**3**		No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		**4**		No
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		**5**		No
6	Did the organization have members or stockholders?		**6**	Yes	
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?		**7a**	Yes	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		**7b**	Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body?		**8a**	Yes	
b	Each committee with authority to act on behalf of the governing body?		**8b**	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*		**9**		No

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

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

Section C. Disclosure

17 List the States with which a copy of this Form 990 is required to be filed▶ GA

18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection Indicate how you made these available Check all that apply

☐ Own website ☐ Another's website ☑ Upon request ☐ Other (explain in Schedule O)

19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year

20 State the name, address, and telephone number of the person who possesses the organization's books and records
▶JAMES M SWARTZ 793 SAWYER ROAD Marietta, GA 300622222 (770) 956-7827

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

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
See Additional Data Table										

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position: Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
See Additional Data Table										

	(D)	(E)	(F)
1b Sub-Total ▶			
c Total from continuation sheets to Part VII, Section A ▶			
d Total (add lines 1b and 1c) ▶	5,204,627	22,749,943	3,040,109

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 ▶ 377

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 of compensation from the organization ▶ 0

Part VIII Statement of Revenue

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

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts	1a Federated campaigns	1a				
	b Membership dues	1b				
	c Fundraising events	1c				
	d Related organizations	1d				
	e Government grants (contributions)	1e				
	f All other contributions, gifts, grants, and similar amounts not included above	1f				
	g Noncash contributions included in lines 1a-1f $					
	h **Total.** Add lines 1a-1f ▶		0			

		Business Code	(A)	(B)	(C)	(D)
Program Service Revenue	2a PATIENT REVENUE	621990	1,077,463,980	1,077,463,980		
	b MEDICAL RECORDS	621990	3,063	3,063		
	c INDEPENDENT & ASSISTED LIVING REVENUE	623000	6,661,472	6,661,472		
	d PATIENT EDUCATION	621990	30,956	30,956		
	e					
	f All other program service revenue					
	g **Total.** Add lines 2a–2f ▶		1,084,159,471			

		(i)	(ii)	(A)	(B)	(C)	(D)
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts) ▶			0			
	4 Income from investment of tax-exempt bond proceeds ▶			0			
	5 Royalties ▶			0			
		(i) Real	(ii) Personal				
	6a Gross rents	4,024,654					
	b Less rental expenses						
	c Rental income or (loss)	4,024,654	0				
	d Net rental income or (loss) ▶			4,024,654			4,024,654
		(i) Securities	(ii) Other				
	7a Gross amount from sales of assets other than inventory		-24,734				
	b Less cost or other basis and sales expenses						
	c Gain or (loss)		-24,734				
	d Net gain or (loss) ▶			-24,734			-24,734
	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	0				
	b Less cost of goods sold	b	0				
	c Net income or (loss) from sales of inventory ▶			0			
	Miscellaneous Revenue		Business Code				
	11a PHARMACY/RETAIL PHARMACY		446199	11,782,515		75,512	11,707,003
	b LAB OUTREACH		621990	977,735			977,735
	c CAFETERIA		621990	5,937,730			5,937,730
	d All other revenue			7,348,377			7,348,377
	e **Total.** Add lines 11a–11d ▶			26,046,357			
	12 **Total revenue.** See Instructions ▶			1,114,205,748	1,084,159,471	75,512	29,970,765

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) Fundraisingexpenses
1 Grants and other assistance to domestic organizations and domestic governments See Part IV, line 21	0			
2 Grants and other assistance to domestic individuals See Part IV, line 22	1,500	1,500		
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals See Part IV, line 15 and 16	0			
4 Benefits paid to or for members	0			
5 Compensation of current officers, directors, trustees, and key employees	3,539,606	3,010,942	528,664	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)	342,470	273,976	68,494	0
7 Other salaries and wages	278,771,696	259,801,287	18,970,409	0
8 Pension plan accruals and contributions (include section 401 (k) and 403(b) employer contributions)	23,461,649	21,837,445	1,624,204	
9 Other employee benefits	35,231,098	32,792,118	2,438,980	
10 Payroll taxes	20,340,398	18,932,272	1,408,126	
11 Fees for services (non-employees)				
a Management	0			0
b Legal	87,567		87,567	
c Accounting	0			
d Lobbying	0			
e Professional fundraising services See Part IV, line 17	0			
f Investment management fees	0			
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	66,151,178	38,452,576	27,698,602	
12 Advertising and promotion	273,221	144,926	128,295	
13 Office expenses	28,468,027	23,018,759	5,449,268	
14 Information technology	0			
15 Royalties . .	0			
16 Occupancy	14,396,846	6,371,044	8,025,802	
17 Travel	358,648	298,674	59,974	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials .	0			
19 Conferences, conventions, and meetings	307,052	267,017	40,035	
20 Interest	9,098,701		9,098,701	
21 Payments to affiliates	151,381,094	140,901,277	10,479,817	
22 Depreciation, depletion, and amortization . .	37,528,263	17,930,965	19,597,298	
23 Insurance . . .	6,601,041		6,601,041	
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 REPAIRS & MAINTENANCE	15,510,655	10,743,313	4,767,342	
b MEDICAL SUPPLIES	171,857,013	171,857,013	0	
c PHARMACY SUPPLIES	2,507,254	2,507,254	0	
d RELOCATION EXPENSES	2,250	2,250	0	
e All other expenses	396,130	365,014	31,116	
25 **Total functional expenses.** Add lines 1 through 24e	866,613,357	749,509,622	117,103,735	0
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

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

				(A) Beginning of year		(B) End of year
Assets	1	Cash–non-interest-bearing		0	1	0
	2	Savings and temporary cash investments		477,838	2	182,685
	3	Pledges and grants receivable, net		0	3	0
	4	Accounts receivable, net		182,050,347	4	181,773,556
	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		20,300,445	8	19,073,568
	9	Prepaid expenses and deferred charges		1,992,822	9	5,963,578
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 870,281,595			
	b	Less accumulated depreciation	10b 436,919,753	434,967,526	10c	433,361,842
	11	Investments—publicly traded securities		0	11	0
	12	Investments—other securities See Part IV, line 11		0	12	0
	13	Investments—program-related See Part IV, line 11		0	13	0
	14	Intangible assets		0	14	0
	15	Other assets See Part IV, line 11		9,520,095	15	10,403,301
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		649,309,073	16	650,758,530
Liabilities	17	Accounts payable and accrued expenses		17,824,972	17	16,861,109
	18	Grants payable		0	18	0
	19	Deferred revenue		0	19	0
	20	Tax-exempt bond liabilities		0	20	0
	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		0	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		226,500,205	25	220,950,811
	26	**Total liabilities.** Add lines 17 through 25		244,325,177	26	237,811,920
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		404,983,896	27	412,946,610
	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		404,983,896	33	412,946,610
	34	Total liabilities and net assets/fund balances		649,309,073	34	650,758,530

Part XI **Reconcilliation of Net Assets**

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	1,114,205,748
2	Total expenses (must equal Part IX, column (A), line 25)	2	866,613,357
3	Revenue less expenses Subtract line 2 from line 1	3	247,592,391
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	404,983,896
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	-239,629,677
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	412,946,610

Part XII **Financial Statements and Reporting**

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

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

Additional Data

Software ID:
Software Version:
EIN: 58-2032904
Name: KENNESTONE HOSPITAL INC

Form 990 (2016)

Form 990, Part III, Line 4a:

SEE SCHEDULE O

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position: Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
AMBICA YADAV TRUSTEE	1 0 13 0	X						0	0	0
AVRIL P BECKFORD MD TRUSTEE & CHIEF PEDIATRIC OFF	1 0 49 0	X		X				0	501,784	30,198
CHARLES J JONES TRUSTEE	1 0 13 0	X						0	8,672	0
DAVID H HAFNER MD TRUSTEE	1 0 13 0	X						0	48,713	0
FRANK ROS TRUSTEE	1 0 13 0	X						0	4,406	0
GARY A MILLER TRUSTEE	1 0 13 0	X						0	5,340	0
GREG MORGAN TRUSTEE	1 0 13 0	X						0	3,063	0
H SPEER BURDETTE III TRUSTEE	1 0 13 0	X						0	1,906	0
JEFFREY L THARP MD MPH TRUSTEE & CHIEF MEDICNE SRVS	1 0 49 0	X		X				0	493,911	79,677
MICHAEL B PATTON TRUSTEE	1 0 13 0	X						0	1,563	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: Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
MITZI MOORE TRUSTEE	1 0 13 0	X						0	13,175	0
O SCOTT SWAYZE MD TRUSTEE	1 0 13 0	X						0	6,445	0
OTIS A BRUMBY III TRUSTEE	1 0 13 0	X						0	40,016	0
PAUL DOUGLASS MD TRUSTEE & PHYSICIAN	1 0 49 0	X						0	329,713	20,355
R RANDALL BENTLEY SR ESQ TRUSTEE	1 0 13 0	X						0	41,484	0
ROBERT N CROSS MD TRUSTEE	1 0 13 0	X						0	24,103	0
T FITZ JOHNSON TRUSTEE	1 0 15 0	X						0	35,232	0
THOMAS M PHILLIPS TRUSTEE	1 0 13 0	X						0	2,518	0
W CHARLES BROCK TRUSTEE	1 0 13 0	X						0	42,532	0
WALTER G ROBINSON TRUSTEE	1 0 13 0	X						0	6,071	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: Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
ALAN R MUSTER MD SVP SPECIALTY DIVISION WMG	1 0 51 0			X				0	633,636	80,751
ANDREW ALBERRY VP INFO TECH OPS (BEG 6/2017)	1 0 49 0			X				0	0	0
ANTHONY J BUDZINSKI EVP & CFO	1 0 51 0			X				0	914,834	76,606
ANTHONY M TRUPIANO SVP SUPPLY CHAIN	1 0 49 0			X				0	388,370	49,435
BARBARA B COREY SVP MANAGED CARE	1 0 49 0			X				0	420,994	41,706
BETH KOST SVP COMPLIANCE CHF PRIVACY OFF	1 0 49 0			X				0	363,421	37,830
BETHANY ROBERTSON VP & CHIEF LEARNING OFFICER	1 0 49 0			X				0	246,707	44,872
BETTY A BRAKOVICH VP CNO PATIENT CARE SERVICES	50 0 0 0			X				220,543	0	40,488
BRADFORD B NEWTON VP INFO TECHNOLOGY ADMIN	1 0 49 0			X				0	286,933	50,759
BRUCE A DEAN VP R E DEP GEN CNSL(END 1/17)	1 0 49 0			X				0	577,268	72,918

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: Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
CANDICE L SAUNDERS PRESIDENT & CEO	1 0 51 0			X				0	2,113,106	77,581
CARRIE O PLIETZ EVP & COO HOSPITAL DIVISION	1 0 49 0			X				0	697,120	43,856
CASWELL L SAMMS VP FNCE & HOSP CFO(BEG 10/16)	50 0 0 0			X				102,708	0	3,223
DANIEL J WOODS SVP & HOSPITAL PRESIDENT	48 0 2 0			X				605,035	0	76,890
DAVID W ANDERSON EVP/HR/OL/COO	1 0 49 0			X				0	849,012	74,463
DONALD CAMPBELL MD SVP PE & STUDENT AFF(END 4/17)	1 0 49 0			X				0	72,782	0
DOUGLAS ARVIN CPA MBA SVP FINANCE (BEG 4/2016)	1 0 49 0			X				0	318,704	14,600
DOUGLAS S FOSTER VP FINANCIAL PLAN (END 6/17)	1 0 49 0			X				0	178,547	5,853
ELIZABETH H LOUDERMILK VP ENT INTELLIGENCE & INTGRTN	1 0 49 0			X				0	294,876	47,586
ELIZABETH PAPETTI VP OPS HOSP DIV (BEG 12/2016)	1 0 49 0			X				0	202,923	1,985

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: Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
ELLEN LANGFORD SVP & COO	1 0 49 0			X				0	335,511	75,412
FAYE H ZWIEG VP CNO PATIENT CARE(BEG 10/16)	50 0 0 0			X				103,734	0	803
FREDA LYON VP SYSTEM EMERGENCY SERVICES	1 0 49 0			X				0	221,587	35,147
JACQUELYN A ALT VP OPERATIONS	50 0 0 0			X				244,115	0	47,601
JAMES M SWARTZ VP ACCOUNTING	1 0 49 0			X				0	274,133	45,700
JASON STEVENS VP DEPUTY GEN CNSL (BEG 2/17)	1 0 49 0			X				0	0	0
JEFFREY A COOPER VP OPERATIONS	50 0 0 0			X				275,993	0	55,676
JENNIFER GIUSTI VP CLNCL OUTCOMES(BEG 3/2017)	1 0 49 0			X				0	0	0
JENNIFER GARBER VP HR (BEG 5/2017)	1 0 49 0			X				0	0	0
JILL M CASE-WIRTH SVP NURSING SERVICES	1 0 49 0			X				0	435,891	58,077

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) Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
JIMMY K DUNCAN VP HUMAN RESOURCES	50 0 0 0			X				171,941	0	30,616
JIMMY E FRANCIS VP INFO TECH OPS (END 12/16)	1 0 49 0			X				0	272,960	40,309
JOHN A BRENNAN EVP CHIEF CLNC INTG OFFICER	1 0 49 0			X				0	893,160	23,360
JONATHAN B MORRIS MD SVP CHIEF INFO OFF (END 3/17)	1 0 49 0			X				0	882,549	54,516
JOSEPH L BRYWCZYNSKI SVP HEALTH PARKS DEVELOPMENT	1 0 49 0			X				0	434,177	72,826
KEITH BOWERMASTER VP COMMUNICATIONS (BEG 2/2017)	1 0 49 0			X				0	0	0
KEM M MULLINS EVP AMBULATORY & BUS DEV	1 0 49 0			X				0	840,741	54,100
KENT HAYTHORN VP CLNCL NURSING (BEG 4/2017)	1 0 49 0			X				0	0	0
KEVIN SCHAEFFER MD VP ONCOLOGY (BEG 12/2016)	1 0 49 0			X				0	0	0
KIMBERLY TAACA VP OPS SPEC DIV (BEG 3/2017)	1 0 49 0			X				0	0	0

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position: Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
KIMBERLY W MENEFEE SVP STRATEGIC COMM DEVELOP	1 0 51 0			X				0	394,712	51,363
KRISTEN S TRICE VP DIAGNOSTIC OUTREACH	1 0 49 0			X				0	205,555	36,989
KRISTYN M GREIFER MD VP POP MGMT (END 6/2016)	1 0 49 0			X				0	177,787	7,297
LEO E REICHERT EVP & GENERAL COUNSEL	1 0 49 0			X				0	808,514	64,680
MARCUS P CHARLSON MD VP SURGERY	1 0 49 0			X				0	136,340	13,465
MARY CHATMAN VP & COO (BEG 3/2017)	50 0 0 0			X				0	0	0
MARY L TAVERNARO VP HUMAN RESOURCES OPERATIONS	1 0 49 0			X				0	291,022	51,368
MAXWELL KAGAN VP FINANCE & CFO (BEG 4/2017)	1 0 49 0			X				0	0	0
MICHAEL G PAUL VP FACILITIES ENG SUPPORT SVCS	50 0 0 0			X				237,820	0	32,783
MICHELLE M ROBINSON VP MKTNG /PR/INTERNAL COMM	1 0 49 0			X				0	291,537	43,884

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: Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
MONTE A WILSON SVP HOSP PRES & POST ACUTE SVC	48 0 2 0			X				393,322	0	26,203
PETER R JUNGBLUT MD MBA SVP & MEDICAL DIRECTOR	1 0 49 0			X				0	537,169	77,857
REBECCA L RUHL VP FACILITY COMPLIANCE OPS	1 0 49 0			X				0	110,585	18,603
REYNOLD J JENNINGS MD CHIEF STRATEGY OFF (END 1/17)	1 0 49 0			X				0	288,675	79
RICHARD S SIEGEL VP CARDIOLOGY & CVM ADMIN	1 0 49 0			X				0	372,323	58,796
ROBERT J DECOUX VP CORPORATE MED STAFF SVCS	1 0 49 0			X				0	224,102	47,704
ROBERT M LUBITZ VP MEDICAL AFFAIRS	50 0 0 0			X				561,794	0	51,375
ROBERT MANDLER VP DIAG OUTREACH (END 1/17)	1 0 49 0			X				0	307,320	63,818
ROBIN G BOEHRINGER VP TOTAL REWARDS	1 0 49 0			X				0	215,659	25,819
SANDRA LUCIUS VP INFO TECHNOLOGY APPS	1 0 49 0			X				0	270,147	49,145

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: Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
SEAN P TURNER VP REVENUE CYCLE MANAGEMENT	1 0 49 0			X				0	341,777	51,093
SNEHAL H DOSHI VP SYSTEM PHARMACIST	1 0 49 0			X				0	237,787	46,552
SONYA E ALDY VP TALENT ACQ (BEG 10/2016)	1 0 49 0			X				0	94,689	3,035
STEPHEN L BADGER SVP CHIEF ADMIN OFFICER	1 0 49 0			X				0	747,938	70,962
STEPHEN VAULT VP BUSINESS DEV (BEG 10/2016)	1 0 49 0			X				0	59,811	1,661
TIMOTHY L MASEK VP FINANCE & CFO(END 8/2016)	1 0 49 0			X				0	7,149	0
TOM BONIECKI VP MUSCULSKELETAL NEURO	1 0 49 0			X				0	164,617	64,340
VALERY A AKOPOV MD SVP HOSPITAL DIVISION WMG	1 0 49 0			X				0	630,442	56,054
VARMA RAMESWAR MD VP PEDIATRIC OPS (BEG 10/2016)	1 0 49 0			X				0	197,012	51,337
YVETTE BREWER MD VP PRIMARY CARE (BEG 12/2016)	1 0 49 0			X				0	192,442	51,446

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: Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
EDUARDO ESTRELLA ASSOC DIR - OB GYN PROGRAM GME	50 0 0 0					X		372,617	0	54,091
JOANNE Z ZHU DIR - TRANSITIONAL YR PRGM GME	50 0 0 0					X		346,008	0	44,677
LOUIS LOVETT AVP GME/DIO	50 0 0 0					X		374,635	0	79,097
PERRY G BUSBEE MD PHYSICIAN GROUP	50 0 0 0					X		316,262	0	59,445
ZENOBIA W JONESFOSTER ASSOC DIR - INTERNAL MED GME	50 0 0 0					X		365,084	0	23,011
JANIE MADDOX FORMER TRUSTEE	0 0 0 0						X	0	10,379	0
STEVEN OWEIDA MD FORMER TRUSTEE	0 0 0 0						X	0	43,587	0
TE RUSTY DURHAM FORMER TRUSTEE	0 0 0 0						X	0	11,192	0
DESPINA DEMESTIHAS DALTON FORMER VP MEDICAL AFFAIRS	0 0 50 0						X	0	319,757	73,676
LAURA CARAMANICA FRMR VP CNO PATIENT CARE SRVS	0 0 0 0						X	291,051	0	8,951

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: Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
MARTIN L GUTKIN FORMER VP FIN & HOSP CFO	0 0 0 0						X	221,965	0	2,841
ROBERT D JANSEN MD FORMER EVP & PRES MED GROUP	0 0 0 0						X	0	169,219	0
WANDA Y ROBINSON FORMER VP COMPLIANCE	0 0 0 0						X	0	130,109	10,837

SCHEDULE A
(Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.
▶ Attach to Form 990 or Form 990-EZ.
▶ Information about Schedule A (Form 990 or 990-EZ) and its instructions is at *www.irs.gov/form990*.

OMB No 1545-0047

2016

Open to Public Inspection

Name of the organization
KENNESTONE HOSPITAL INC

Employer identification number
58-2032904

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 **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 **331/3% 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? *If "No," describe in* ***Part VI*** *how the supported organizations are designated If designated by class or purpose, describe the designation If historic and continuing relationship, explain*	1		
2	Did the organization have any supported organization that does not have an IRS determination of status under section 509 (a)(1) or (2)? *If "Yes," explain in* ***Part VI*** *how the organization determined that the supported organization was described in section 509(a)(1) or (2)*	2		
3a	Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? *If "Yes," answer (b) and (c) below*	3a		
b	Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? *If "Yes," describe in* ***Part VI*** *when and how the organization made the determination*	3b		
c	Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? *If "Yes," explain in* ***Part VI*** *what controls the organization put in place to ensure such use*	3c		
4a	Was any supported organization not organized in the United States ("foreign supported organization")? *If "Yes" and if you checked 12a or 12b in Part I, answer (b) and (c) below*	4a		
b	Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? *If "Yes," describe in* ***Part VI*** *how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations*	4b		
c	Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? *If "Yes," explain in* ***Part VI*** *what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes*	4c		
5a	Did the organization add, substitute, or remove any supported organizations during the tax year? *If "Yes," answer (b) and (c) below (if applicable) Also, provide detail in* ***Part VI,*** *including (i) the names and EIN numbers of the supported organizations added, substituted, or removed, (ii) the reasons for each such action, (iii) the authority under the organization's organizing document authorizing such action, and (iv) how the action was accomplished (such as by amendment to the organizing document)*	5a		
b	**Type I or Type II only.** Was any added or substituted supported organization part of a class already designated in the organization's organizing document?	5b		
c	**Substitutions only.** Was the substitution the result of an event beyond the organization's control?	5c		
6	Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (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? *If "Yes," provide detail in* ***Part VI.***	6		
7	Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? *If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ)*	7		
8	Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? *If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ)*	8		
9a	Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? *If "Yes," provide detail in* ***Part VI.***	9a		
b	Did one or more disqualified persons (as defined in line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? *If "Yes," provide detail in* ***Part VI.***	9b		
c	Did a disqualified person (as defined in line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? *If "Yes," provide detail in* ***Part VI.***	9c		
10a	Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? *If "Yes," answer line 10b below*	10a		
b	Did the organization have any excess business holdings in the tax year? *(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings)*	10b		

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?	**11a**		
b	A family member of a person described in (a) above?	**11b**		
c	A 35% controlled entity of a person described in (a) or (b) above? *If "Yes" to a, b, or c, provide detail in Part VI*	**11c**		

Section B. Type I Supporting Organizations

			Yes	No
1	Did the directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? *If "No," describe in **Part VI** how the supported organization(s) effectively operated, supervised, or controlled the organization's activities If the organization had more than one supported organization, describe how the powers to appoint and/or remove directors or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year*	**1**		
2	Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? *If "Yes," explain in **Part VI** how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised or controlled the supporting organization*	**2**		

Section C. Type II Supporting Organizations

			Yes	No
1	Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? *If "No," describe in **Part VI** how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s)*	**1**		

Section D. All Type III Supporting Organizations

			Yes	No
1	Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (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?	**1**		
2	Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization (s) or (ii) serving on the governing body of a supported organization? *If "No," explain in **Part VI** how the organization maintained a close and continuous working relationship with the supported organization(s)*	**2**		
3	By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? *If "Yes," describe in **Part VI** the role the organization's supported organizations played in this regard*	**3**		

Section E. Type III Functionally-Integrated Supporting Organizations

1 Check the box next to the method that the organization used to satisfy the Integral Part Test during the year **(see instructions)**

a ☐ The organization satisfied the Activities Test Complete **line 2** below

b ☐ The organization is the parent of each of its supported organizations Complete **line 3** below

c ☐ The organization supported a governmental entity Describe in **Part VI** how you supported a government entity (see instructions)

			Yes	No
2	Activities Test **Answer (a) and (b) below.**			
a	Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? *If "Yes," then in **Part VI identify those supported organizations and explain** how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities*	**2a**		
b	Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? *If "Yes," explain in **Part VI** the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement*	**2b**		
3	Parent of Supported Organizations **Answer (a) and (b) below.**			
a	Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? *Provide details in **Part VI.***	**3a**		
b	Did the organization exercise a substantial degree of direction over the policies, programs and activities of each of its supported organizations? *If "Yes," describe in **Part VI.** the role played by the organization in this regard*	**3b**		

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

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

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

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

	Section C - Distributable Amount			Current Year
1	Adjusted net income for prior year (from Section A, line 8, Column A)	1		
2	Enter 85% of line 1	2		
3	Minimum asset amount for prior year (from Section B, line 8, Column A)	3		
4	Enter greater of line 2 or line 3	4		
5	Income tax imposed in prior year	5		
6	**Distributable Amount.** Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions)	6		

7 ☐ Check here if the current year is the organization's first as a non-functionally-integrated Type III supporting organization (see instructions)

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

Section D - Distributions	Current Year
1 Amounts paid to supported organizations to accomplish exempt purposes	
2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3 Administrative expenses paid to accomplish exempt purposes of supported organizations	
4 Amounts paid to acquire exempt-use assets	
5 Qualified set-aside amounts (prior IRS approval required)	
6 Other distributions (describe in Part VI) See instructions	
7 **Total annual distributions.** Add lines 1 through 6	
8 Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI) See instructions	
9 Distributable amount for 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 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
KENNESTONE HOSPITAL INC

Employer identification number
58-2032904

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.
Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate value of contributions to (during year)		
3	Aggregate value of grants from (during year)		
4	Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? ☐ Yes ☐ No

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

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

☐ Preservation of land for public use (e g , recreation or education)
☐ Preservation of an historically important land area
☐ Protection of natural habitat
☐ Preservation of a certified historic structure
☐ Preservation of open space

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

			Held at the End of the Year
a	Total number of conservation easements	2a	
b	Total acreage restricted by conservation easements	2b	
c	Number of conservation easements on a certified historic structure included in (a)	2c	
d	Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d	

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

4 Number of states where property subject to conservation easement is located ▶ ______

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

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

7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year
▶ $ ______

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

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

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

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items

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

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

(ii) Assets included in Form 990, Part X ▶ $ ______

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

a Revenue included on Form 990, Part VIII, line 1 ▶ $ ______

b Assets included in Form 990, Part X ▶ $ ______

Part III **Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets** *(continued)*

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

a ☐ Public exhibition
d ☐ Loan or exchange programs
b ☐ Scholarly research
e ☐ Other
c ☐ Preservation for future generations

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

5 During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ **Yes** ☐ **No**

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

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ **Yes** ☐ **No**

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

		Amount
c Beginning balance	1c	
d Additions during the year	1d	
e Distributions during the year	1e	
f Ending balance	1f	

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? ☐ **Yes** ☐ **No**

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

Part V **Endowment Funds.** Complete if the organization answered "Yes" 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

		Yes	No
(i) unrelated organizations	3a(i)		
(ii) related organizations	3a(ii)		
b If "Yes" on 3a(ii), are the related organizations listed as required on Schedule R?	3b		

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

Part VI **Land, Buildings, and Equipment.**
Complete if the organization answered 'Yes' 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 . . .		45,469,785		45,469,785
b Buildings		446,196,142	195,039,590	251,156,552
c Leasehold improvements		17,343,229	7,935,309	9,407,920
d Equipment . . .		330,494,603	226,279,684	104,214,919
e Other . . .		30,777,836	7,665,170	23,112,666
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c))* . . ▶				433,361,842

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)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. *(Column (b) must equal Form 990, Part X, col (B) line 15)* ▶	

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

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	0
ASSET RETIREMENT - OTHER LT	2,667,177
TAX EXEMPT BOND LIAB-DUE TO WH	218,283,634
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	220,950,811

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: 58-2032904
Name: KENNESTONE HOSPITAL INC

Supplemental Information

Return Reference	Explanation
SCHEDULE D, PART X, LINE 2	The following footnote is related to the organization's application of FIN 48 (ASC 740) W ELLSTAR AND ITS AFFILIATES HAVE BEEN RECOGNIZED AS EXEMPT FROM FEDERAL INCOME TAX UNDER IN TERNAL REVENUE CODE SECTION 501(A) AS ORGANIZATIONS DESCRIBED IN SECTION 501(C)(3), AND TH EREFORE, RELATED INCOME IS GENERALLY NOT SUBJECT TO FEDERAL OR STATE INCOME TAXES, EXCEPT FOR CAC AND WGHP, A TAXABLE NOT-FOR-PROFIT WELLSTAR APPLIES FASB ASC 740, INCOME TAXES, W HICH ADDRESSES ACCOUNTING FOR UNCERTAINTIES IN INCOME TAX POSITIONS IT ALSO PROVIDES GUID ANCE ON WHEN TAX POSITIONS ARE RECOGNIZED IN AN ENTITYS FINANCIAL STATEMENTS AND HOW THE V ALUES OF THESE POSITIONS ARE DETERMINED THERE IS NO IMPACT ON WELLSTARS COMBINED FINANCIA L STATEMENTS AS A RESULT OF THE APPLICATION OF ASC 740

SCHEDULE H (Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

▶ Complete if the organization answered "Yes" on Form 990, Part IV, question 20.
▶ Attach to Form 990.
▶ Information about Schedule H (Form 990) and its instructions is at *www.irs.gov/form990.*

OMB No 1545-0047

2016

Open to Public Inspection

Name of the organization
KENNESTONE HOSPITAL INC

Employer identification number
58-2032904

Part I Financial Assistance and Certain Other Community Benefits at Cost

			Yes	No
1a	Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	1a	Yes	
b	If "Yes," was it a written policy?	1b	Yes	
2	If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year ☑ Applied uniformly to all hospital facilities ☐ Applied uniformly to most hospital facilities ☐ Generally tailored to individual hospital facilities			
3	Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year			
a	Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing *free* care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for *free* care ☐ 100% ☐ 150% ☐ 200% ☑ Other 125 %	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 ☐ 200% ☐ 250% ☑ 300% ☐ 350% ☐ 400% ☐ Other %	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	Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	4	Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a	Yes	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	5b	Yes	
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligibile for free or discounted care?	5c		No
6a	Did the organization prepare a community benefit report during the tax year?	6a	Yes	
b	If "Yes," did the organization make it available to the public?	6b	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)			75,065,256		75,065,256	8 660 %
b Medicaid (from Worksheet 3, column a)			93,556,331	77,777,493	15,778,838	1 820 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d **Total** Financial Assistance and Means-Tested Government Programs			168,621,587	77,777,493	90,844,094	10 480 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			2,015,933		2,015,933	0 230 %
f Health professions education (from Worksheet 5)			4,062,208	1,444,754	2,617,454	0 300 %
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)						
j **Total.** Other Benefits			6,078,141	1,444,754	4,633,387	0 530 %
k **Total.** Add lines 7d and 7j			174,699,728	79,222,247	95,477,481	11 010 %

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

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1 Physical improvements and housing						
2 Economic development						
3 Community support						
4 Environmental improvements						
5 Leadership development and training for community members						
6 Coalition building						
7 Community health improvement advocacy						
8 Workforce development						
9 Other						
10 Total						

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

				Yes	No
1	Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No 15?		1	Yes	
2	Enter the amount of the organization's bad debt expense Explain in Part VI the methodology used by the organization to estimate this amount	2	20,791,804		
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	14,387		
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	317,387,578
6	Enter Medicare allowable costs of care relating to payments on line 5	6	367,583,630
7	Subtract line 6 from line 5 This is the surplus (or shortfall)	7	-50,196,052

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

			Yes	No
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					
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)

Name of hospital facility or letter of facility reporting group KENNESTONE HOSPITAL

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

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

Part V Facility Information *(continued)*

Financial Assistance Policy (FAP)

Name of hospital facility or letter of facility reporting group KENNESTONE HOSPITAL

			Yes	No
	Did the hospital facility have in place during the tax year a written financial assistance policy that			
13	Explained eligibility criteria for financial assistance, and whether such assistance included free or discounted care?	**13**	Yes	
	If "Yes," indicate the eligibility criteria explained in the FAP			
	a ☑ Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of 125 % and FPG family income limit for eligibility for discounted care of 300 %			
	b ☑ Income level other than FPG (describe in Section C)			
	c ☑ Asset level			
	d ☑ Medical indigency			
	e ☑ Insurance status			
	f ☑ Underinsurance discount			
	g ☐ Residency			
	h ☑ Other (describe in Section C)			
14	Explained the basis for calculating amounts charged to patients?	**14**	Yes	
15	Explained the method for applying for financial assistance?	**15**	Yes	
	If "Yes," indicate how the hospital facility's FAP or FAP application form (including accompanying instructions) explained the method for applying for financial assistance (check all that apply)			
	a ☑ Described the information the hospital facility may require an individual to provide as part of his or her application			
	b ☑ Described the supporting documentation the hospital facility may require an individual to submit as part of his or her application			
	c ☑ Provided the contact information of hospital facility staff who can provide an individual with information about the FAP and FAP application process			
	d ☐ Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications			
	e ☑ Other (describe in Section C)			
16	Was widely publicized within the community served by the hospital facility?	**16**	Yes	
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
	a ☑ The FAP was widely available on a website (list url) SEE PART V, SECTION C			
	b ☑ The FAP application form was widely available on a website (list url) SEE PART V, SECTION C			
	c ☑ A plain language summary of the FAP was widely available on a website (list url) SEE PART V, SECTION C			
	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)			

Part V Facility Information *(continued)*

Billing and Collections

Name of hospital facility or letter of facility reporting group KENNESTONE HOSPITAL

			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

			Yes	No
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)

Name of hospital facility or letter of facility reporting group KENNESTONE HOSPITAL

		Yes	No
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?	**23**		No
If "Yes," explain in Section C			
24 During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual?	**24**		No
If "Yes," explain in Section C			

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices

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

Name of hospital facility or letter of facility reporting group WINDY HILL HOSPITAL

Line number of hospital facility, or line numbers of hospital facilities in a facility reporting group (from Part V, Section A): 2

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

Part V Facility Information *(continued)*

Financial Assistance Policy (FAP)

Name of hospital facility or letter of facility reporting group WINDY HILL HOSPITAL

			Yes	No
	Did the hospital facility have in place during the tax year a written financial assistance policy that			
13	Explained eligibility criteria for financial assistance, and whether such assistance included free or discounted care?	13	Yes	
	If "Yes," indicate the eligibility criteria explained in the FAP			
	a ☑ Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of 125 % and FPG family income limit for eligibility for discounted care of 300 %			
	b ☑ Income level other than FPG (describe in Section C)			
	c ☑ Asset level			
	d ☑ Medical indigency			
	e ☑ Insurance status			
	f ☑ Underinsurance discount			
	g ☐ Residency			
	h ☑ Other (describe in Section C)			
14	Explained the basis for calculating amounts charged to patients?	14	Yes	
15	Explained the method for applying for financial assistance?	15	Yes	
	If "Yes," indicate how the hospital facility's FAP or FAP application form (including accompanying instructions) explained the method for applying for financial assistance (check all that apply)			
	a ☑ Described the information the hospital facility may require an individual to provide as part of his or her application			
	b ☑ Described the supporting documentation the hospital facility may require an individual to submit as part of his or her application			
	c ☑ Provided the contact information of hospital facility staff who can provide an individual with information about the FAP and FAP application process			
	d ☐ Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications			
	e ☑ Other (describe in Section C)			
16	Was widely publicized within the community served by the hospital facility?	16	Yes	
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
	a ☑ The FAP was widely available on a website (list url) SEE PART V, SECTION C			
	b ☑ The FAP application form was widely available on a website (list url) SEE PART V, SECTION C			
	c ☑ A plain language summary of the FAP was widely available on a website (list url) SEE PART V, SECTION C			
	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)			

Part V Facility Information *(continued)*

Billing and Collections

Name of hospital facility or letter of facility reporting group WINDY HILL HOSPITAL

		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

		Yes	No
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)

Name of hospital facility or letter of facility reporting group WINDY HILL HOSPITAL

		Yes	No
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? . . .	**23**		No
If "Yes," explain in Section C			
24 During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual? . . .	**24**		No
If "Yes," explain in Section C			

Part V Facility Information *(continued)*

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 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
See Add'l Data	

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?____________________

Name and address	Type of Facility (describe)
1	
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

990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
SCHEDULE H, PART I, LINE 6A	PUBLICATION OF COMMUNITY BENEFIT REPORT KENNESTONE HOSPITAL, INC (CONSISTING OF KENNESTONE HOSPITAL AND WINDY HILL HOSPITAL) IS AN affiliate of Wellstar Health System, Inc which on an annual basis issues a community benefit report This report is subsequently distributed in and around the five-county primary service area of the health system On an annual basis the hospital reportS ITS community health benefits report to the Georgia Hospital Association (GHA) GHA aggregates the hospital specific reports into a statewide community health benefit report The State of Georgia also requires hospitals to file the Hospital Financial Survey and the Indigent Care Trust Fund Survey so that it can collect information on hospital financial class categories and also to determine the amount of uncompensated care by hospital THE COMMUNITY BENEFIT REPORT CAN BE FOUND AT THE FOLLOWING LINK https //www wellstar org/community/documents/wellstar-COMMUNITY- BENEFITS-REPORT PDF
SCHEDULE H, PART I, LINE 7	COST TO CHARGE RATIO For purposes of the IRS Form 990, Schedule H, Wellstar Health System and Affiliates (including Kennestone and Windy Hill Hospitals) have estimated the current year cost to charge ratio for each hospital as it is reported in the annual community benefit report and as it will be reported in the state's Annual Hospital Financial Survey

990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
SCHEDULE H, PART III, SECTION A, LINE 2	METHODOLOGY USED TO ESTIMATE BAD DEBT The reported bad debt charges is derived from the unpaid balances of patient accounts that are deemed uncollectible after 120 days of collection effort by the hospital's patient financial services staff The unpaid patient accounts are then sent to collection agencies and any collected amount is deemed as bad debt recovery The source of this data is the hospital's detailed financial trial balance The net reported bad debt charges are then multiplied by the Hospital Financial Survey calculated cost to charge ratio to arrive at the estimated bad debt expense SCHEDULE H, PART III, SECTION A, LINE 3 METHODOLOGY & RATIONALE USED TO DETERMINE BAD DEBT ATTRIBUTABLE TO PATIENT'S ELIGIBLE UNDER ORGANIZATION'S FAP The bad debt attributable to patients eligible under the hospital's financial assistance program is determined using a weekly bad debt conversion report for a period of twelve months The conversion rate for this period is used to determine this bad debt category The total reported conversion charges is multiplied by a calculated cost to charge ratio to arrive at the cost of bad debt attributable to patient's eligible under the hospital's FAP
SCHEDULE H, PART III, SECTION B, LINE 8	MEDICARE SHORTFALLS Kennestone and Windy Hill Hospitals are providers of inpatient and outpatient services to Medicare program beneficiaries at determined rates Without the participation in the Medicare program these patients may not have had convenient access to those services The Medicare shortfall on SCHEDULE H, Part III, Section B, line 7 represents the uncompensated difference between the expected reimbursement and the Medicare charges for those services stated at cost We determine a cost to charge ratio for Medicare patients as part of the annual filing of the Medicare cost report

990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
SCHEDULE H, PART III, SECTION C, LINE 9B	COLLECTION PRACTICES The policy written for collection practices that applies to all Wellstar Health System entities incorporates guidelines for personnel in the admissions and patient access areas to be trained in identifying patients that might qualify for financial assistance It is also the policy of all Wellstar facilities to have at least one employee or contractor available at all times, especially in the hospitals with emergency rooms, who can provide assistance with the paperwork necessary to help patients who would qualify for governmental and other assistance programs
SCHEDULE H, PART VI, LINE 2	NEEDS ASSESSMENT To assess the current health and well-being of the community served, WellStar Health System, Inc conducted a Joint Community Health Needs Assessment (CHNA) for its five legacy hospital community including KENNESTONE AND WINDY HILL HospitalS The CHNA was a collaborative effort involving WellStar executive leadership, hospital leadership, public health agencies, and a multi-sector coalition of community stakeholders Collaborators represented a broad knowledge base of the hospital's primary service area comprising Bartow, Cherokee, Cobb, Douglas, and Paulding counties and some outlying zip codes determined by utilization To assess the current community health status and capture a broad base of input, WellStar used the following questions to guide the CHNA process and research 1 What is the current health status of the community WellStar serves? 2 What are the major risk factors and causes of poor health in our community? 3 What actions by WellStar and its partners are needed to address the risk factors and causes? 4 What are the existing WellStar and community assets, programs and services that can help address the needs? 5 Who are the partners or potential partners with the expertise and resources to help expedite a connection to healthcare, education and resources?

990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
SCHEDULE H, PART VI, LINE 3	PATIENT EDUCATION OF ELIGIBLITY FOR ASSISTANCE THE HOSPITAL provideS notice of the availability of community financial assistance through the Financial Assistance Policy (FAP) via - Signage - Patient Brochure - Billing Statement - Collection Action Letter - Online at https //www wellstar org/about-us/policies- procedures/pages/community-FINANCIAL-ASSISTANCE-POLICY ASPX Kennestone and Windy Hill Hospitals provide its patients with hospital personnel or contracted personnel who are trained in all aspects of governmental programs, payments plans, charity discounts, and other financial assistance offered to assist them in their hospital bills If the patient is eligible for federal or state assistance programs, a staff member is knowledgeable in the steps necessary to qualify those individuals If a patient is indigent or charity eligible they will be offered assistance through the hospital's charity and indigent care policy including the state's indigent care trust fund If the patient has no other insurance and fails to qualify for indigent care assistance, the financial counselor can then offer the patient an opportunity to accept a payment plan with discounted payment options based on their ability to pay immediately or over time All patients are afforded these opportunities
SCHEDULE H, PART VI, LINE 4	COMMUNITY INFORMATION As part of an integrated health system, WellStar Health system, inc and Kennestone and Windy Hill hospitals' service area overlaps with the other WellStar legacy hospitals This intersecting impact across WellStar's five-county primary service area of approximately 1 5 million residents in Bartow, Cherokee, Cobb, Douglas, and Paulding counties is not easily determined by a county by county analysis and as such is deemed as one community The majority of patient volume comes from this service area although other health systems have a presence in the area as well Demographically, the region is one of the fastest growing in the state as well as the country and the expansion of the services for the patient population reflects a desire to offer healthcare "closer to home" since WellStar is considered a part of a larger metropolitan Atlanta MARKET ECONOMICALLY, the region is strong in per capita income but given recent trends a rise in the uninsured and indigent population has occurred The primary service area of the system is located in the Northwest Georgia area and receives the majority of its patients from one of five counties (Cherokee, Cobb, Douglas, Bartow and Paulding) Generally about 85% to 90% of the patient volume comes from this service area although other health systems have a presence in the area as well

990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
SCHEDULE H, PART VI, LINE 5	PROMOTION OF COMMUNITY HEALTH As stated in the Wellstar Health System, Inc and Affiliates audited financial statements for the period ended JUNE 30, 2017, Kennestone and Windy Hill Hospitals (affiliates of Wellstar Health System, Inc) operate as charitable organizations consistent with the requirements of Internal Revenue Code SECTION 501(c)(3) and the "community benefit standard" of IRS Ruling 69-545 In this regard the governing body of the organizationS and/or its parent is composed of prominent citizens in the community, medical staff privileges in the hospitalS are available to all qualified physicians in the area consistent with the size and nature of the facility, Kennestone Hospital operates a full-time emergency room open to all regardless of ability to pay, and the hospitals (Kennestone and Windy Hill) provide care to the needy members of the community consistent with its charity care policy The hospitalS' excess funds are generally applied to expansion and replacement of existing facilities and equipment, amortization of indebtedness, improvement of patient care, community benefit activities including health education, preventive screenings and health fairs, research, subsidized health services, and charity care Kennestone Hospital AND Windy Hill committed APPROXIMATELY $52 MILLION in capital expenditures for the year to meeT TECHNOLOGY AND PROGRAM NEEDS OF THE COMMUNITY IT SERVES
SCHEDULE H, PART VI, LINE 6	AFFILIATED HEALTH CARE SYSTEM WellStar Health System, the largest health system in Georgia, is known nationally for its innovative care models, focused on improving quality and access to healthcare WellStar consists of WellStar Medical Group, 240 medical office locations, outpatient centers, health parks, a pediatric center, nursing centers, hospice, homecare, as well as 11 inpatient hospitals WellStar Atlanta Medical Center, WellStar Atlanta Medical Center South, WellStar Kennestone Regional Medical Center (anchored by WellStar Kennestone Hospital), WellStar West Georgia Medical Center, and WellStar Cobb, Douglas, North Fulton, Paulding, Spalding Regional, Sylvan Grove and Windy Hill hospitals As a not-for-profit, WellStar continues to reinvest in the health of the communities it serves with new technologies and treatments For more information, visit HTTPS //WWW WELLSTAR ORG/PAGES/DEFAULT ASPX

990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
SCHEDULE H, PART VI, LINE 7	STATE FILING OF COMMUNITY HEALTH BENEFIT REPORT On an annual basis the KENNESTONE AND WINDY HILL HOSPITALS report THEIR community health benefits report to the Georgia Hospital Association (GHA) GHA aggregates the hospital specific reports into a statewide community health benefit report The State of Georgia also requires hospitals to file the Hospital Financial Survey and the Indigent Care Trust Fund Survey so that it can collect information on hospital financial class categories and also to determine the amount of uncompensated care by hospital

Additional Data

Software ID:
Software Version:
EIN: 58-2032904
Name: KENNESTONE HOSPITAL INC

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

Section A. Hospital Facilities (list in order of size from largest to smallest—see instructions) How many hospital facilities did the organization operate during the tax year? **2** Name, address, primary website address, and state license number		Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	**Other (Describe)**	**Facility reporting group**
1	KENNESTONE HOSPITAL 677 CHURCH STREET MARIETTA, GA 30060 www wellstar org 033-548	X	X					X		HEALTH PARK INPATIENT HOSPICE	
2	WINDY HILL HOSPITAL 2540 WINDY HILL ROAD MARIETTA, GA 30067 www wellstar org 033-545	X	X							LONG TERM ACUTE CARE	

Form 990 Part V Section C Supplemental Information for Part V, Section B.

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
SCHEDULE H, PART V, SECTION B, LINE 3J	OTHER DESCRIPTIONS FROM THE COMMUNITY HEALTH NEEDS ASSSESSMENT (CHNA) The 2015 Joint Community Health Needs Assessment (www wellstar org/chna) of the WellStar Health System legacy hospital community - encompassing WellStar Cobb, Douglas, Kennestone, Paulding and Windy Hill hospitals - provides a list of multi-sector CHNA collaborators including individuals, organizations, and governmental agencies that were consulted and contributed special knowledge of medically underserved and low income populations and/or expertise in public health

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
SCHEDULE H, PART V, SECTION B, LINE 5	INPUT FROM COMMUNITY REPRESENTATIVES & COMMUNITY SOURCES WELLSTAR Kennestone and Windy Hi ll Hospitals integrated multiple sources of data from national and state web-based data pl atforms with multiple primary data gathering methods To support the development of the 20 15 CHNA and to foster broad collaboration among health systems and hospitals, WellStar eng aged Georgia Health Policy Center (GHPC) in the Andrew Young School of Policy Studies at G eorgia State University to work with its third-party CHNA consultant to leverage the quant itative and some of its qualitative (focus group) research it does for Kaiser Permanente As a result, GPHCs data collection and analysis contributed to the CHNAs of four health sy stems (WellStar Health System, Grady Health System, Kaiser Permanente, and Piedmont Health care), a health plan and an urban county health department WellStars third-party consulta nt solicited community input via photo testimonies, interviewing/surveying community stake holders (representing a broad array of community-based organizations and other institution al assetS engaged in socioeconomic determinants of health and health improvement), communi ty members utilizing listening sessions at WellStars partnering community safety net clini cs and Hispanic congregations/organizations and an online survey, and WellStar Medical Gro up providers A comprehensive and expansive listing of CHNA collaborators can be found on page 39 of the joint legacy hospital CHNA report accessible to the public at www wellstar org/chna Quantitative data sources include 1 Community Commons (through Kaiser Permanent e's web portal www chna org/kp) 2 Georgia Department of Public Health's Online Analytica l Statistical Information System (OASIS) 3 U S Census Bureau American Community Survey 5 -Year Dataset 4 University of Wisconsin's County Health Rankings 5 Georgia Area Resource File 6 Staff from the Georgia Health Policy Center reviewed more than 60 data elements a nd developed county profiles and maps to understand the status of health and healthcare in the service region included in the Appendices of the 2015 Joint CHNA 7 WellStar Health S ystems Enterprise Intelligence 8 Cobb Douglas Public Health 9 Behavioral Risk Factor Sur veillance System (BRFSS) 10 Centers for Disease Control and Prevention for various indica tors Qualitative data sources include 1 Insights from 99 WellStar Medical Group (WMG) re presentatives regarding patient health status and community resources were gleaned from an online survey tool sent to WMG providers (MDs and nurse practitioners) and registered nur ses 2 A wide net was cast for community input with an online survey tool (available in E nglish and Spanish) capturing demographics and overall personal health status and behavior s of 447 community members Community clinics, health e-newsletters, workplace partners, a Public Health Department, a school system, a Hispanic non-profit, and faith-based organiz ations disseminated the online

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
SCHEDULE H, PART V, SECTION B, LINE 5	link via email and social media Its approximated the survey link was distributed to 5,00 0 people 3 61 key informant surveys/interviews (all WellStar driven except eight by GHPC) were conducted with multi-sector leaders representing diverse organizations including Pu blic Health Departments, governmental agencies, safety net clinics, business leaders, and regional health board representatives Collecting information from a wide range of experts with first-hand knowledge about the community provided insight on health issues and care barriers along with recommended interventions 4 To provide a broader base of input and u se the CHNA process as a means to strengthen community partnerships, seven listening sessi ons (three in Spanish) were conducted with 58 medically underserved and uninsured communit y members Sites for the sessions were partnering safety net clinic patients (Bethesda Com munity Clinic in Cherokee, Good Samaritan Health Center in Cobb, The CarePlace in Douglas) , Latino community members (WellStar Congregational Health Network members Iglesia de Dios in South Cobb and McEachern UMC in Powder Springs), Ser Familia community members, and th e Paulding County Health Department In each listening session, a few community members pr ovided 5 photo testimonies from participants in listening sessions were taken to communi cate the individuals greatest health-related need 6 To fortify the seven listening sessi ons and gain a broader base of input, GPHC also conducted five focus groups with 41 partic ipants in high need areas in each county in WellStars primary service area

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
SCHEDULE H, PART V, SECTION B, LINE 6A	ORGANIZATIONS INCLUDED IN COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA) As an integrated healt h system, WellStar Health System submitted a joint 2015 CHNA for the five legacy hospitals (WellStar Cobb, Douglas, Kennestone, Paulding, and Windy Hill) located in its primary ser vice area defined as one community This varied approach from the individual 2013 CHNA rep orts and implementation strategies is attributed to WellStars System-wide delivery system of community benefit services and the ability to best leverage its economies of scale and services to address the prioritized health needs of the community, especially the most vul nerable For the WellStar hospitals and its collaborative community partners, the joint ap proach to addressing priority health needs maximizes resources to enhance care access, str engthens partnerships for shared responsibility and helps improve overall community health (Also, note there were no variances on the priority health needs of each individual hosp ital in the 2013 reports except for the data included Due to hospital and community colla boration, the information and implementation strategy were basically the same for each hos pital to be delivered and led at the System-level) (1) The joint WellStar legacy hospital CHNA report meets the requirements of paragraph (b)(6)(i) of this section WellStars five legacy hospitals collaborated in conducting the 2015 CHNA, and, for specified quantitativ e and qualitative data, other hospital systems including Kaiser Permanente, Piedmont and G rady Guided at the System level, WellStar hospitals solicited the help of state and local health departments and key informants to assess the health needs of the community and col laborated in conducting community surveys and hosting listening sessions and focus groups to solicit and receive input from residents, including its medically underserved, low-inco me, and minority populations The 2015 CHNA report documents the joint CHNA process and co ntains all of the elements described in paragraph (b)(6)(i) of the IRSs 501(r) section in the Code of Regulations as it relates to community health needs assessments The WellStar Health System Board of Trustees adopted the joint CHNA and its implementation strategy on June 2, 2016 (2) The joint CHNA report is clearly identified as applying to the hospital facility All five WellStar legacy hospitals, WellStar Cobb, Douglas, Kennestone, Paulding , and Windy Hill hospitals, are noted on the cover of the joint CHNA and each hospitals pr esident is listed as members of the WellStar Community Benefit Oversight Committee within the CHNA, along with a hospital-specific profiles and county-specific primary and secondar y data and noted in the Tracking Progress section (2015 CHNA, page 62) (3) All of the col laborating hospital facilities and organizations included in the joint CHNA report define their community to be the same Yes, based upon WellStars 1 System-based model for deliv ering most all community benef

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
SCHEDULE H, PART V, SECTION B, LINE 6A	it services and evaluating its impact (again, to leverage the economies of scale and servi ces to deliver program that address the priority needs) 2 Overlapping hospital 90 percent catchment areas 3 Similar community health needs key findings and themes (access to care and healthy lifestyles prevalence of chronic disease) based upon intensive quantitative a nd qualitative data and the work of the WellStar Community Health Collaborative task force to identify the priority needs of the overall community (representatives from WellStar se rvices lines, hospitals, departments and the community stakeholders) based on the severity of the need and assets of WellStar and its community stakeholders and partners to address the need

Form 990 Part V Section C Supplemental Information for Part V, Section B.

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
SCHEDULE H, PART V, SECTION B, LINE 7A	THE KENNESTONE HOSPITAL, INC CHNA / Windy Hill hospital CHNA can be found online at the following web address www wellstar org/chna and clicking on the 2016 Joint Community Health Needs Assessment (CHNA) link under the WellStar Legacy Hospitals header or directly https //www yumpu com/en/document/view/55617879/wellstar-chna-report-2016 AND on the WELLSTAR HEALTH SYSTEM WEBSITE HTTPS //WWW WELLSTAR ORD/PAGES/DEFAULT ASPX

Form 990 Part V Section C Supplemental Information for Part V, Section B.

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
SCHEDULE H, PART V, SECTION B, LINE 10A	KENNESTONE HOSPITAL'S MOST RECENTLY ADOPTED IMPLEMENTATION STRATEGY CAN BE found ON ITS WEBSITE AT www wellstar org/chna and clicking on the Implementation Strategy link under the header WellStar Legacy Hospital header or directly at https //www wellstar org/about-us/documents/chna/chna_implementation_strategy_2016 pdf WINDY HILL HOSPITAL'S MOST RECENTLY ADOPTED IMPLEMENTATION STRATEGY CAN BE found ON ITS WEBSITE AT https //www wellstar org/about-us/documents/chna/chna_implementation_strategy_2016 pdf

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
SCHEDULE H, PART V, SECTION B, LINE 11	PROGRAMS & STRATEGIES TO ADDRESS THE NEEDS OF THE COMMUNITY WellStar IS implementing two new System-wide WCHC programs, WellStar 4-1 Care Network and Live Well, to address the pri ority health needs of the 2015 Joint CHNA The programs are designed to - Provide organiz ation, framework and leadership to the delivery of community benefit services and enables us to more effectively evaluate and measure the impact on community health - Strengthen We llStars strategic community partnerships in public AND PRIVATE SECTORS THROUGH FORMALIZED ENGAGEMENT AS AS "PARTNERS IN HEALTH" LEVERAGING EXPERTISE, RESOURCES AND SERVICES TO COMP LEMENT AND/OR BRIDGE INTERVENTION GAPS AND ADDRESS HEALTH DISPARITIES - Boost WellStars ab ility to replicate and deliver community benefit services across an expanding health syste m footprint - Maximize the investment in WellStars safety net clinic/non-profit partners b y better aligning our services and resources to address priority health needs - Improve ov erall community health, especially among the vulnerable The WellStar 4-1 Care Network and Live Well programs provide organizational structure and accountability to WellStar and it s legacy hospitals efforts to reach out to those in need, to improve the health of the com munities we serve and to enhance access to care These efforts flow from the WellStar miss ion and vision and to meet the requirements of federal government (Affordable Care Act Sec tion 9007) of system-wide oversight and guidance regarding tracking community benefit acti vities, assessing community health needs and developing strategic plans that prioritize co mmunity benefit programming 1 WellStar 4-1 Care Network Clinical Care Intervention Prog ram - Priority Need Addressed from the 2015 Joint CHNA Underuse of Primary Care includes ED utilization and increased care capacity at community safety net clinics Goals - Expan d the WellStar patient experience to partnering community safety net clinics to reduce hea lth disparities through improved access to volunteer primary care physicians and other spe cialty medical services to vulnerable populations - Build a cost-efficient model of care - Develop and educate about available health resources and facilities to "prescribe" to the medically underserved and uninsured - Decrease ED utilization and readmissions for non-em ergent needs to deliver the right care at the right place to the medically underserved and uninsured THE NAME REFERS TO THE AIM OF THE LOW-COST HEALTHCARE DELIVERY SYSTEM IN THE C OMMUNITY TO CARE "FOR ONE" ANOTHER BY ADDRESSING THE UNDERUSE OF PRIMARY CARE AND REDUCING ED UTILIZATION AND READMISSIONS FOR NON-EMERGENT ISSUES THAT POTENTIALLY COULD BE TREATED IN AN OUTPATIENT SETTING It also reflects increasing safety net clinic capacity, educati on and resources via WellStar Medical Group (WMG) citizenship, with MDs and NPs volunteeri ng four hours one time per month 2 Live Well Healthy Behaviors Intervention Program - P riority Health Needs Addressed

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
SCHEDULE H, PART V, SECTION B, LINE 11	from the 2015 Joint CHNA Cancer, Cardiovascular Disease, COPD/Asthma, Obesity, Type 2 Di abetes Goal - Improve the health of medically underserved and uninsured residents through targeted preventive services, education and outreach Live Wells targeted outreach to vul nerable populations to address healthy lifestyle-related priority health needs leverages t he WellStar 4-1 Care Network partners by delivering health need-specific education, events and preventive screenings on-site and in other high-need site locations Live Well works in tandem with 4-1 Care and other collaborative partnerships to help reduce the prevalence of chronic disease and its complications through prevention and wellness activities and t he promotion of healthy lifestyles Aligning the resources of the WellStar Community Educa tion & Outreach team, Live Well also will partner with other community groups and organiza tions proximate to community safety net clinics for volunteerism, health navigation, trans portation, and other supportive services UNADDRESSED CHNA NEEDS - Health needs not identi fied as priority fall into one of three categories 1) Beyond the scope of WellStar servic es, e g dental care which is addressed by safety nets clinics 2) Needs further interventi on, but no plans for expanding current community benefit services at this time, e g mater nal/infant health 3) Relying on community partners to lead efforts with expertise in these areas with WellStar in a supportive role, e g substance abuse, violence, suicide, STDs, transportation To identify the six priority health needs WellStars legacy hospitals will address, leaders of Kennesaw State Universitys A L Burruss Institute of Public Service & Research were solicited to guide the WellStar Community Health Collaborative task force (m ade up of WellStar internal team members and community stakeholders) through the prioritiz ation process Health needs data summaries were advanced ahead of the Health Needs Summit on FebRUARY 25, 2016 for review From the significant health needs identified by CHNA rese arch conducted in the fall/winter of 2015, the priority health needs were determined via a n online survey tool for the community WellStar legacy hospitals serve

Form 990 Part V Section C Supplemental Information for Part V, Section B.

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
SCHEDULE H, PART V, SECTION B, LINE 13B	FAP ELIGIBILITY CRITERIA - INCOME LEVEL OTHER THAN FPG THE HOSPITAL ABIDES by the financial assistance requirements under IRC 501(R)(5) IRC 501(R)(5) requires health care facilities to limit the amounts charged for emergency and other medically necessary care that is provided to individuals eligible for assistance under the health care facilities financial assistance policy to not more than the amounts generally billed to individuals who have insurance The hospital extends its sliding scale for Financial Assistance Policy (FAP) eligibility well beyond the minimum government levels to 300% of FPG WellStar has chosen to use the average of the three best negotiated commercial rates as the trigger to not exceed in the application of the discounts/amounts charged to patients, on our sliding scale

Form 990 Part V Section C Supplemental Information for Part V, Section B.

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
SCHEDULE H, PART V, SECTION B, LINE 13H	FAP ELIGIBILITY CRITERIA - OTHER CRITERIA Other special circumstances may qualify a patient for full indigent or sliding scale charity benefits Special circumstances may include but not limited to - Patient deceased, with verification that there is no estate - Unable to contact patient but Propensity to Pay software returns a low ability/low propensity designation

Form 990 Part V Section C Supplemental Information for Part V, Section B.

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
SCHEDULE H, PART V, SECTION B, LINE 15E	METHOD FOR APPLYING FOR FINANCIAL ASSISTANCE In order to qualify for Financial Assistance, cooperation with WellStar Health System hospital Financial Assistance staff is necessary in identifying and determining alternative sources of payment or coverage from public and private payment programs In particular, all applicants filing a FAP Application for Financial Assistance must provide proof of Household Income and Household Assets by providing any or all of the following that are applicable - Provide three (3) months of the most recent paycheck stubs or a statement from employer verifying gross wages - IRS W-2 issued during the past year - Most recent IRS Form 1040 - Most recent two (2) months of bank statements for each checking, savings, money market or other bank or investment account - Written statements for the most recent two (2) months for all other income (e g , unemployment compensation, disability, retirement, student loans, award letter from Social Security Office, current Profit and Loss report for all self-employed applicants, alimony documentation, child support documentation, etc) - Unemployment compensation denial letter - Documentation of asset values, including, without limitation, property tax statements, Certificates of Deposit, 401k, 403b, IRA and other investment statements - Contribution statements from individuals who contribute income or in-kind assistance to the patient Financial Assistance Policy eligibility will be determined based on a thorough review of the submitted information

Form 990 Part V Section C Supplemental Information for Part V, Section B.

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
SCHEDULE H, PART V, SECTION B, LINE 16A	THE WELLSTAR HEALTH SYSTEM COMMUNITY FINANCIAL ASSISTANCE POLICY CAN BE FOUND ON ITS WEBSITE https //www wellstar org/about-us/policies-procedures/pages/community- FINANCIAL-ASSISTANCE-POLICY ASPX SCHEDULE H, PART V, SECTION B, LINE 16B THE WELLSTAR HEALTH SYSTEM FINANCIAL ASSISTANCE APPLICATION CAN BE FOUND ON ITS WEBSITE https //www wellstar org/about-us/policies-Procedures/documents/financial- aid-program-application pdf and clicking Application in the right navigation box titled Related Documents A window will appear that allow you to scroll to the appropriate WellStar hospital and click for a PDF version of the application to print or download SCHEDULE H, PART V, SECTION B, LINE 16C A PLAIN LANGUAGE SUMMARY OF THE WELLSTAR HEALTH SYSTEM FINANCIAL ASSISTANCE APPLICATION CAN BE FOUND ON ITS WEBSITE https //www wellstar org/about-us/policies-procedures/documents/fap-plain- language-summary-wgh pdf

Form 990 Part V Section C Supplemental Information for Part V, Section B.

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
SCHEDULE H, PART V, SECTION B, LINE 16J	PUBLICATION OF THE FINANCIAL ASSISTANCE POLICY (FAP) In addition to the other methods of posting the financial assistance policy, the hospital makes available for patients in admissions and outpatient registration areas a prominently displayed sign stating financial assistance is available and a brochure including frequently asked questions

Form 990 Part V Section C Supplemental Information for Part V, Section B.

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
SCHEDULE H, PART V, SECTION B, LINE 20E	ADDITIONAL EFFORTS MADE BEFORE COLLECTIONS ACTION INITIATED The hospital facility also notified individuals of the financial assistance policy online at http //www wellstar org/pages/online-bill-pay aspx Furthermore, the hospital facility utilizes a propensity to pay software Individuals with a low ability/low propensity designation may qualify for full indigent or sliding scale charity benefits

Schedule J (Form 990)

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

Department of the Treasury
Internal Revenue Service

Name of the organization
KENNESTONE HOSPITAL INC

Employer identification number
58-2032904

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items ☐ First-class or charter travel ☐ Housing allowance or residence for personal use ☐ Travel for companions ☐ Payments for business use of personal residence ☐ Tax idemnification and gross-up payments ☐ Health or social club dues or initiation fees ☐ Discretionary spending account ☐ Personal services (e g , maid, chauffeur, chef)			
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	**1b**		No
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, officers, including the CEO/Executive Director, regarding the items checked in line 1a?	**2**	Yes	
3	Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director Check all that apply Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III ☐ Compensation committee ☐ Written employment contract ☐ Independent compensation consultant ☐ Compensation survey or study ☐ Form 990 of other organizations ☐ Approval by the board or compensation committee			
4	During the year, did any person listed on Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization			
a	Receive a severance payment or change-of-control payment?	**4a**	Yes	
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	**4b**	Yes	
c	Participate in, or receive payment from, an equity-based compensation arrangement?	**4c**		No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III			
	Only 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.			
5	For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of			
a	The organization?	**5a**		No
b	Any related organization?	**5b**		No
	If "Yes," on line 5a or 5b, describe in Part III			
6	For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of			
a	The organization?	**6a**		No
b	Any related organization?	**6b**		No
	If "Yes," on line 6a or 6b, describe in Part III			
7	For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	**7**	Yes	
8	Were any amounts reported on Form 990, Part VII, paid or accured pursuant to a contract that was subject to the initial contract exception described in Regulations section 53 4958-4(a)(3)? If "Yes," describe in Part III	**8**		No
9	If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	**9**		

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

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

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

(A) Name and Title	**(B)** Breakdown of W-2 and/or 1099-MISC compensation			**(C)** Retirement and other deferred compensation	**(D)** Nontaxable benefits	**(E)** Total of columns (B)(i)-(D)	**(F)** Compensation in column(B) reported as deferred on prior Form 990
	(i) Base compensation	**(ii)** Bonus & incentive compensation	**(iii)** Other reportable compensation				
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
SCHEDULE J, PART I, LINE 1B	REIMBURSEMENT POLICY While WellStar Health System, INC and its affiliates do not have a written policy regarding payment or reimbursement of the items listed in SCHEDULE J, Part I, Line 1a, the organization follows IRS guidelines in the payment of any of these items to individuals listed in Form 990, Part VII, Section A These items are added as taxable wages on the individual's Form W-2 as appropriate SCHEDULE J, PART I, LINE 4A SEVERANCE PAYMENTS Pursuant to their respective employment agreements, the following groups of officers are entitled to severance payments based on their compensation at that time in the event of certain identified circumstances The severance payment periods are 24 months for Executive Vice Presidents, 18 months for Senior Vice Presidents, and 12 months for Vice Presidents The following officers received severance pay during the 2016 CALENDAR YEAR FROM EITHER THE ORGANIZATION OR A RELATED ORGANIZATION DONALD CAMPBELL, MD $ 69,282 ROBERT D JANSEN, MD 169,219 MARTIN L GUTKIN 187,853 LAURA CARAMANICA 269,240 SCHEDULE J, PART I, LINE 4B PARTICIPATION IN A SUPPLEMENTAL NON-QUALIFIED RETIREMENT PLAN During the year, Vice Presidents, Senior Vice Presidents, Executive Vice Presidents and certain physicians participated in a supplemental nonqualified retirement plan sponsored by WellStar Health System, Inc The amounts related to this plan are included in Schedule J, Part II, Column (C) The following individuals received payments from the plan included in Schedule J, Part II, Column (B) BRADFORD B NEWTON $ 28,517 BRUCE A DEAN 264,569 CANDICE L SAUNDERS 305,375 DANIEL J WOODS 88,688 DAVID W ANDERSON 120,302 JONATHAN B MORRIS, MD 362,682 JOSEPH L BRYWCZYNSKI 58,660 KEM M MULLINS 101,800 MICHELLE M ROBINSON 27,733 PETER R JUNGBLUT, MD, MBA 141,932 ROBERT M LUBITZ 50,842 ROBERT MANDLER 22,391 STEPHEN L BADGER 112,403 VALERY A AKOPOV, MD 59,881 SCHEDULE J, PART I, LINE 7 NON-FIXED PAYMENTS TO OFFICERS As part of the WellStar Executive Compensation Philosophy a performance pay plan was instituted several years ago whereby the WellStar Board of Trustees approves an annual incentive plan which consists of several performance goals or factors that upon attainment will result in payouts to eligible plan participants Those factors are (1) People & Customer Service goal for employee "Trust Index (2) Quality & Safety goal for clinical excellence and patient satisfaction, AND (3) Financial goal for attaining a positive operating margin CONFIRMATION OF ACHIEVING THESE GOALS IS TYPICALLY RECEIVED THROUGH THE ANNUAL EXTERNAL AUDIT PROCESS AND APPROVED BY THE BOARD OF TRUSTEES AT THAT TIME

Additional Data

Software ID:
Software Version:
EIN: 58-2032904
Name: KENNESTONE HOSPITAL INC

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation (i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation	(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
1 ALAN R MUSTER MD SVP SPECIALTY DIVISION WMG	(i)	0	0	0	0	0	0	0
	(ii)	245,820	368,505	19,311	47,300	33,451	714,387	0
1 ANTHONY J BUDZINSKI EVP & CFO	(i)	0	0	0	0	0	0	0
	(ii)	627,848	261,647	25,339	47,300	29,306	991,440	0
2 ANTHONY M TRUPIANO SVP SUPPLY CHAIN	(i)	0	0	0	0	0	0	0
	(ii)	301,350	69,055	17,965	47,300	2,135	437,805	0
3 AVRIL P BECKFORD MD TRUSTEE & CHIEF PEDIATRIC OFF	(i)	0	0	0	0	0	0	0
	(ii)	251,638	281,281	-31,135	28,416	1,782	531,982	0
4 BARBARA B COREY SVP MANAGED CARE	(i)	0	0	0	0	0	0	0
	(ii)	335,504	72,393	13,097	21,392	20,314	462,700	0
5 BETH KOST SVP COMPLIANCE CHF PRIVACY OFF	(i)	0	0	0	0	0	0	0
	(ii)	295,632	55,726	12,063	22,418	15,412	401,251	0
6 BETHANY ROBERTSON VP & CHIEF LEARNING OFFICER	(i)	0	0	0	0	0	0	0
	(ii)	197,371	35,029	14,307	14,762	30,110	291,579	0
7 BETTY A BRAKOVICH VP CNO PATIENT CARE SERVICES	(i)	173,826	36,580	10,137	27,623	12,865	261,031	0
	(ii)	0	0	0	0	0	0	0
8 BRADFORD B NEWTON VP INFO TECHNOLOGY ADMIN	(i)	0	0	0	0	0	0	0
	(ii)	209,394	39,846	37,693	22,512	28,247	337,692	28,517
9 BRUCE A DEAN VP R E DEP GEN CNSL (END 1/17)	(i)	0	0	0	0	0	0	0
	(ii)	251,077	46,286	279,905	47,300	25,618	650,186	264,569
10 CANDICE L SAUNDERS PRESIDENT & CEO	(i)	0	0	0	0	0	0	0
	(ii)	1,202,152	584,908	326,046	46,319	31,262	2,190,687	305,375
11 CARRIE O PLIETZ EVP & COO HOSPITAL DIVISION	(i)	0	0	0	0	0	0	0
	(ii)	537,130	148,556	11,434	19,240	24,616	740,976	0
12 DANIEL J WOODS SVP & HOSPITAL PRESIDENT	(i)	412,173	88,922	103,940	47,300	29,590	681,925	88,688
	(ii)	0	0	0	0	0	0	0
13 DAVID W ANDERSON EVP/HR/OL/COO	(i)	0	0	0	0	0	0	0
	(ii)	481,208	223,893	143,911	47,300	27,163	923,475	120,302
14 DESPINA DEMESTIHAS DALTON FORMER VP MEDICAL AFFAIRS	(i)	0	0	0	0	0	0	0
	(ii)	260,000	50,119	9,638	45,870	27,806	393,433	0
15 DOUGLAS ARVIN CPA MBA SVP FINANCE (BEG 4/2016)	(i)	0	0	0	0	0	0	0
	(ii)	240,963	68,000	9,741	0	14,600	333,304	0
16 DOUGLAS S FOSTER VP FINANCIAL PLAN (END 6/17)	(i)	0	0	0	0	0	0	0
	(ii)	147,125	25,000	6,422	0	5,853	184,400	0
17 ELIZABETH H LOUDERMILK VP ENT INTELLIGENCE & INTGRTN	(i)	0	0	0	0	0	0	0
	(ii)	246,958	38,241	9,677	21,739	25,847	342,462	0
18 ELIZABETH PAPETTI VP OPS HOSP DIV (BEG 12/2016)	(i)	0	0	0	0	0	0	0
	(ii)	171,398	30,184	1,341	0	1,985	204,908	0
19 ELLEN LANGFORD SVP & COO	(i)	0	0	0	0	0	0	0
	(ii)	262,350	61,413	11,748	44,900	30,512	410,923	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 (i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation	(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
21 FREDA LYON VP SYSTEM EMERGENCY SERVICES	(i)	0	0	0	0	0	0	0
	(ii)	180,001	31,256	10,330	13,259	21,888	256,734	0
1 JACQUELYN A ALT VP OPERATIONS	(i)	200,000	34,722	9,393	46,183	1,418	291,716	0
	(ii)	0	0	0	0	0	0	0
2 JAMES M SWARTZ VP ACCOUNTING	(i)	0	0	0	0	0	0	0
	(ii)	223,163	41,974	8,996	18,992	26,708	319,833	0
3 JANIE MADDOX FORMER TRUSTEE	(i)	0	0	0	0	0	0	0
	(ii)	10,379	0	0	0	0	10,379	0
4 JEFFREY A COOPER VP OPERATIONS	(i)	225,014	41,484	9,495	46,886	8,790	331,669	0
	(ii)	0	0	0	0	0	0	0
5 JEFFREY L THARP MD MPH TRUSTEE & CHIEF MEDICNE SRVS	(i)	0	0	0	0	0	0	0
	(ii)	317,599	266,590	-90,278	46,626	33,051	573,588	0
6 JILL M CASE-WIRTH SVP NURSING SERVICES	(i)	0	0	0	0	0	0	0
	(ii)	343,262	77,269	15,360	46,830	11,247	493,968	0
7 JIMMY K DUNCAN VP HUMAN RESOURCES	(i)	164,986	0	6,955	20,202	10,414	202,557	0
	(ii)	0	0	0	0	0	0	0
8 JIMMY E FRANCIS VP INFO TECH OPS (END 12/16)	(i)	0	0	0	0	0	0	0
	(ii)	222,789	40,245	9,926	37,002	3,307	313,269	0
9 JOHN A BRENNAN EVP CHIEF CLNC INTG OFFICER	(i)	0	0	0	0	0	0	0
	(ii)	674,922	204,891	13,347	0	23,360	916,520	0
10 JONATHAN B MORRIS MD SVP CHIEF INFO OFF (END 3/17)	(i)	0	0	0	0	0	0	0
	(ii)	411,050	94,664	376,835	25,934	28,582	937,065	362,682
11 JOSEPH L BRYWCZYNSKI SVP HEALTH PARKS DEVELOPMENT	(i)	0	0	0	0	0	0	0
	(ii)	293,301	64,545	76,331	47,300	25,526	507,003	58,660
12 KEM M MULLINS EVP AMBULATORY & BUS DEV	(i)	0	0	0	0	0	0	0
	(ii)	500,011	223,894	116,836	23,300	30,800	894,841	101,800
13 KIMBERLY W MENEFEE SVP STRATEGIC COMM DEVELOP	(i)	0	0	0	0	0	0	0
	(ii)	307,070	73,247	14,395	29,300	22,063	446,075	0
14 KRISTEN S TRICE VP DIAGNOSTIC OUTREACH	(i)	0	0	0	0	0	0	0
	(ii)	171,400	25,582	8,573	10,179	26,810	242,544	0
15 KRISTYN M GREIFER MD VP POP MGMT (END 6/2016)	(i)	0	0	0	0	0	0	0
	(ii)	164,970	7,500	5,317	2,100	5,197	185,084	0
16 LAURA CARAMANICA FRMR VP CNO PATIENT CARE SRVS	(i)	10,770	8,600	271,681	7,159	1,792	300,002	0
	(ii)	0	0	0	0	0	0	0
17 LEO E REICHERT EVP & GENERAL COUNSEL	(i)	0	0	0	0	0	0	0
	(ii)	549,786	241,549	17,179	29,300	35,380	873,194	0
18 MARTIN L GUTKIN FORMER VP FIN & HOSP CFO	(i)	15,654	14,311	192,000	0	2,841	224,806	0
	(ii)	0	0	0	0	0	0	0
19 MARY L TAVERNARO VP HUMAN RESOURCES OPERATIONS	(i)	0	0	0	0	0	0	0
	(ii)	238,222	42,513	10,287	28,907	22,461	342,390	0

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

(A) Name and Title		(B)(i) Base Compensation	(B)(ii) Bonus & incentive compensation	(B)(iii) Other reportable compensation	(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
41 MICHAEL G PAUL VP FACILITIES ENG SUPPORT SVCS	(i)	193,378	32,370	12,072	7,555	25,228	270,603	0
	(ii)	0	0	0	0	0	0	0
1 MICHELLE M ROBINSON VP MKTNG /PR/INTERNAL COMM	(i)	0	0	0	0	0	0	0
	(ii)	213,429	40,470	37,638	15,756	28,128	335,421	27,733
2 MONTE A WILSON SVP HOSP PRES & POST ACUTE SVC	(i)	329,641	52,294	11,387	0	26,203	419,525	0
	(ii)	0	0	0	0	0	0	0
3 PAUL DOUGLASS MD TRUSTEE & PHYSICIAN	(i)	0	0	0	0	0	0	0
	(ii)	317,284	9,755	2,674	14,135	6,220	350,068	0
4 PETER R JUNGBLUT MD MBA SVP & MEDICAL DIRECTOR	(i)	0	0	0	0	0	0	0
	(ii)	332,259	50,250	154,660	47,300	30,557	615,026	141,932
5 REYNOLD J JENNINGS MD CHIEF STRATEGY OFF (END 1/17)	(i)	0	0	0	0	0	0	0
	(ii)	37,500	250,415	760	0	79	288,754	0
6 RICHARD S SIEGEL VP CARDIOLOGY & CVM ADMIN	(i)	0	0	0	0	0	0	0
	(ii)	299,416	60,155	12,752	44,675	14,121	431,119	0
7 ROBERT D JANSEN MD FORMER EVP & PRES MED GROUP	(i)	0	0	0	0	0	0	0
	(ii)	0	0	169,219	0	0	169,219	0
8 ROBERT J DECOUX VP CORPORATE MED STAFF SVCS	(i)	0	0	0	0	0	0	0
	(ii)	180,086	34,799	9,217	22,036	25,668	271,806	0
9 ROBERT M LUBITZ VP MEDICAL AFFAIRS	(i)	387,816	113,194	60,784	47,300	4,075	613,169	50,842
	(ii)	0	0	0	0	0	0	0
10 ROBERT MANDLER VP DIAG OUTREACH (END 1/17)	(i)	0	0	0	0	0	0	0
	(ii)	223,912	38,881	44,527	46,646	17,172	371,138	22,391
11 ROBIN G BOEHRINGER VP TOTAL REWARDS	(i)	0	0	0	0	0	0	0
	(ii)	185,699	22,056	7,904	16,979	8,840	241,478	0
12 SANDRA LUCIUS VP INFO TECHNOLOGY APPS	(i)	0	0	0	0	0	0	0
	(ii)	216,590	40,958	12,599	46,550	2,595	319,292	0
13 SEAN P TURNER VP REVENUE CYCLE MANAGEMENT	(i)	0	0	0	0	0	0	0
	(ii)	269,888	62,153	9,736	21,724	29,369	392,870	0
14 SNEHAL H DOSHI VP SYSTEM PHARMACIST	(i)	0	0	0	0	0	0	0
	(ii)	190,008	36,852	10,927	22,230	24,322	284,339	0
15 STEPHEN L BADGER SVP CHIEF ADMIN OFFICER	(i)	0	0	0	0	0	0	0
	(ii)	464,744	157,297	125,897	47,300	23,662	818,900	112,403
16 STEVEN OWEIDA MD FORMER TRUSTEE	(i)	0	0	0	0	0	0	0
	(ii)	43,587	0	0	0	0	43,587	0
17 TE RUSTY DURHAM FORMER TRUSTEE	(i)	0	0	0	0	0	0	0
	(ii)	11,192	0	0	0	0	11,192	0
18 TOM BONIECKI VP MUSCULSKELETAL NEURO	(i)	0	0	0	0	0	0	0
	(ii)	153,941	8,391	2,285	30,397	33,943	228,957	0
19 VALERY A AKOPOV MD SVP HOSPITAL DIVISION WMG	(i)	0	0	0	0	0	0	0
	(ii)	433,132	115,323	81,987	29,300	26,754	686,496	59,811

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation (i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation	(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
61 VARMA RAMESWAR MD VP PEDIATRIC OPS (BEG 10/2016)	(i)	0	0	0	0	0	0	0
	(ii)	175,485	17,885	3,642	39,573	11,764	248,349	0
1 WANDA Y ROBINSON FORMER VP COMPLIANCE	(i)	0	0	0	0	0	0	0
	(ii)	82,021	42,652	5,436	3,867	6,970	140,946	0
2 YVETTE BREWER MD VP PRIMARY CARE (BEG 12/2016)	(i)	0	0	0	0	0	0	0
	(ii)	165,601	24,319	2,522	31,192	20,254	243,888	0
3 EDUARDO ESTRELLA ASSOC DIR - OB GYN PROGRAM GME	(i)	254,987	115,695	1,935	23,625	30,466	426,708	0
	(ii)	0	0	0	0	0	0	0
4 JOANNE Z ZHU DIR - TRANSITIONAL YR PRGM GME	(i)	228,135	115,447	2,426	22,687	21,990	390,685	0
	(ii)	0	0	0	0	0	0	0
5 LOUIS LOVETTAVP GME/DIO	(i)	331,190	38,709	4,736	47,298	31,799	453,732	0
	(ii)	0	0	0	0	0	0	0
6 PERRY G BUSBEE MD PHYSICIAN GROUP	(i)	231,190	80,986	4,086	29,220	30,225	375,707	0
	(ii)	0	0	0	0	0	0	0
7 ZENOBIA W JONESFOSTER ASSOC DIR - INTERNAL MED GME	(i)	242,885	120,071	2,128	20,927	2,084	388,095	0
	(ii)	0	0	0	0	0	0	0

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SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or 990-EZ or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.
▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2016

Open to Public Inspection

Name of the organization
KENNESTONE HOSPITAL INC

Employer identification number

58-2032904

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART III, LINE 4A	PROGRAM SERVICE ACCOMPLISHMENTS WELLSTAR HEALTH SYSTEM IS A VERTICALLY INTEGRATED HEALTH CARE DELIVERY SYSTEM WHICH PROVIDES THROUGH AFFILIATED BUSINESS ORGANIZATIONS A FULL SPECTRUM OF HEALTH SERVICES, INCLUDING WELLNESS PROGRAMS, PHYSICIAN OFFICE VISITS, OUTPATIENT CARE, INPATIENT CARE, AND POST-ACUTE SERVICES SUCH AS HOME HEALTH, HOSPICE AND LONG-TERM NURSING CARE THE SYSTEM THROUGH ITS AFFILIATED BUSINESS ORGANIZATIONS OPERATES 11 HOSPITALS (KENNESTONE, COBB, PAULDING MEDICAL, DOUGLAS, WINDY HILL, ATLANTA MEDICAL CENTER DOWNTOWN AND SOUTH, NORTH FULTON, SPALDING, SYLVAN GROVE AND WEST GEORGIA), MULTIPLE PHYSICIAN OFFICES, PRIMARY CARE CENTERS, OUTPATIENT CARE FACILITIES, A NURSING HOME AND OTHER HEALTH RELATED SERVICES INCLUDING TWO INPATIENT HOSPICE FACILITIES THE SYSTEM IS SUPPORTED FINANCIALLY BY A FUNDRAISING ORGANIZATION, WELLSTAR FOUNDATION, INC THE SERVICE AREA FOR THE SYSTEM ENCOMPASSES PARTS OF THE NORTHWESTERN, CENTRAL AND WESTERN SECTIONS OF THE STATE OF GEORGIA - THE PRIMARY AREA BEING IN BARTOW, CHEROKEE, COBB, DOUGLAS, PAULDING, FULTON, BUTTS, SPALDING AND TROUP COUNTIES APPROXIMATELY MORE THAN 90% OF INPATIENT DISCHARGES AND OUTPATIENTS SERVED ARE FROM THE AFOREMENTIONED COUNTIES THE WELLSTAR VISION IS TO DELIVER WORLD CLASS HEALTHCARE OUR MISSION IS TO CREATE AND DELIVER HIGH QUALITY HOSPITAL, PHYSICIAN AND OTHER HEALTHCARE RELATED SERVICES THAT IMPROVE THE HEALTH AND WELL-BEING OF THE INDIVIDUALS AND COMMUNITIES WE SERVE HISTORY IN 1993, WHAT WAS THEN KNOWN AS THE COBB HEALTH SYSTEM, THE KENNESTONE REGIONAL HEALTH CARE SYSTEM, AND THE DOUGLAS GENERAL HOSPITAL AFFILIATED TO FORM THE NORTHWEST GEORGIA HEALTH SYSTEM PAULDING MEMORIAL MEDICAL CENTER AFFILIATED WITH NORTHWEST GEORGIA HEALTH SYSTEM IN 1994 IN 1994, THE NORTHWEST GEORGIA HEALTH SYSTEM HELPED FORM THE PROMINA HEALTH SYSTEM AND CHANGED ITS NAME TO PROMINA NORTHWEST HEALTH SYSTEM IN 1998, PROMINA NORTHWEST HEALTH SYSTEM CHANGED ITS NAME TO WELLSTAR HEALTH SYSTEM WELLSTAR DISASSOCIATED FROM AND BECAME TOTALLY INDEPENDENT OF PROMINA IN 1999 IN 2016 WELLSTAR ACQUIRED ATLANTA MEDICAL CENTER, NORTH FULTON HOSPITAL, SPALDING HOSPITAL, SYLVAN GROVE HOSPITAL AND WEST GEORGIA MEDICAL CENTER WELLSTAR HEALTH SYSTEM IS A PARENT CORPORATION, WHICH PROVIDES OVERALL COORDINATION INCLUDING GOVERNING BODY TO ITS 11 AFFILIATES - COBB HOSPITAL, INC , - CHS FOUNDATION, INC (INVESTMENT MANAGEMENT), - DOUGLAS HOSPITAL INC , - KENNESTONE HOSPITAL, INC , - PAULDING MEDICAL CENTER, INC , - WELLSTAR FOUNDATION INC , - WELLSTAR ATLANTA MEDICAL CENTER, INC , - WELLSTAR NORTH FULTON HOSPITAL, INC , - WELLSTAR SPALDING REGIONAL HOSPITAL, INC , - WELLSTAR SYLVAN GROVE HOSPITAL, INC , - WELLSTAR WEST GEORGIA HEALTH SERVICES, INC

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Return Reference	Explanation
SERVICES	WELLSTAR HEALTH SYSTEM IS ABLE TO OFFER A FULL RANGE OF HEALTHCARE SERVICES THROUGH ITS AF FILIATES THE SERVICES OFFERED INCLUDE BUT ARE NOT LIMITED TO - MOST MAJOR INPATIENT CLIN ICAL SERVICES, - OUTPATIENT SERVICES, - DIAGNOSTIC AND THERAPEUTIC SERVICES, - ANCILLARY A ND SUPPORT SERVICES, - URGENT CARE SERVICES, - HOME HEALTH SERVICES, - SKILLED NURSING SER VICES AND - HOSPICE SERVICES THE SYSTEM INCLUDES A RESIDENTIAL FACILITY ON THE KENNESTONE HOSPITAL CAMPUS, CALLED ATHERTON PLACE ATHERTON PLACE ALSO HOUSES AN ASSISTED LIVING UNI T AS AN ADDITIONAL LEVEL OF CARE THE 11 HOSPITAL LOCATIONS ARE ACUTE CARE FACILITIES WITH INPATIENT, OUTPATIENT, AND EMERGENCY SERVICES PAULDING MEDICAL CENTER IS HOME TO A FULL CARE NURSING HOME, PAULDING NURSING CENTER AND WEST GEORGIA MEDICAL CENTER ALSO HOME TO TW O FULL CARE NURSING HOMES COBB HOSPITAL IS HOME TO A HOME HEALTH AGENCY AND A RESIDENTIAL HOSPICE FACILITY CALLED TRANQUILITY FOR THOSE PATIENTS IN THE END STAGES OF LIFE KENNEST ONE HOSPITAL ALSO OPENED A RESIDENTIAL HOSPICE FACILITY NOT FAR FROM ITS MAIN CAMPUS THE SYSTEM IS COMPLIMENTED WITH APPROXIMATELY 250 PHYSICIAN PRACTICES AND SEVERAL URGENT CARE CENTERS THE SYSTEM IS THUS ABLE TO PROVIDE A COMPLETE CONTINUUM OF CARE FOR THE COMMUNITY IT SERVES THE FOLLOWING STATEMENTS OF COMMUNITY BENEFIT AND PROGRAM SERVICE ACCOMPLISHME NTS REPRESENT SYSTEM-WIDE ACTIVITY FOR WELLSTAR HEALTH SYSTEM, INC (THE "SYSTEM") - EIN 5 8-1649541 ALL AFFILIATED ENTITIES OF THE SYSTEM EXCEPT THE PHYSICIAN HOSPITAL ORGANIZATIO N (EIN 58-2116179) OPERATE AS CHARITABLE ORGANIZATIONS CONSISTENT WITH THE REQUIREMENTS OF INTERNAL REVENUE CODE SECTION 501(C)(3) AND THE "COMMUNITY BENEFIT STANDARD" OF IRS REVEN UE RULING 69-545 THE FOLLOWING EXCERPT FROM THE AUDITED FINANCIAL STATEMENTS IDENTIFIES A BROAD OVERVIEW OF THE CHARITABLE PURPOSE FOR THE SYSTEM "THE SYSTEM MAINTAINS RECORDS TO IDENTIFY AND MONITOR THE LEVEL OF CHARITY CARE IT PROVIDES THROUGH ITS AFFILIATES THESE RECORDS INCLUDE THE AMOUNT OF CHARGES FOREGONE FOR SERVICES AND SUPPLIES FURNISHED UNDER I TS CHARITY CARE POLICY IN FISCAL YEAR 2017 AND 2016, WELLSTAR AFFILIATE HOSPITALS MADE $2 51 9 MILLION AND $147 9 MILLION, RESPECTIVELY, IN PROVIDER PAYMENTS AND RECOGNIZED SUCH PA YMENTS AS A REDUCTION IN NET PATIENT SERVICE REVENUE IN THE ACCOMPANYING COMBINED FINANCIA L STATEMENTS THE SYSTEM ALSO PARTICIPATES IN CERTAIN GOVERNMENTAL INSURANCE PROGRAMS, INC LUDING MEDICARE AND MEDICAID UNDER THESE PROGRAMS, THE SYSTEM PROVIDES CARE TO PATIENTS A T PAYMENT RATES WHICH ARE DETERMINED BY THE FEDERAL AND STATE GOVERNMENTS, REGARDLESS OF T HE SYSTEM'S ACTUAL CHARGES IN MOST CASES, THESE PROGRAMS PAY THE SYSTEM AT AMOUNTS WHICH ARE LESS THAN ITS COST OF PROVIDING SERVICES THE SYSTEM OFFERS MANY WELLNESS AND EDUCATIO NAL SERVICES AT LITTLE OR NO COST TO THE COMMUNITY HEALTH FAIRS ARE HELD THROUGHOUT THE Y EAR AT CONVENIENT LOCATIONS, PROVIDING VARIOUS HEALTH SCREENINGS, SUCH AS CHOLESTEROL AND GLUCOSE FINGERSTICKS, BLOOD PR

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SERVICES	ESSURE SCREENINGS, BONE DENSITY AND BMI WEIGHT ASSESSMENTS A LARGE NUMBER OF EDUCATIONAL PROGRAMS ARE OFFERED FOR ALL AGES THESE PROGRAMS INCLUDE SCHOOL HEALTH PROGRAMS FOR ELEME NTARY AND MIDDLE SCHOOL STUDENTS, SPEAKING ABOUT WELLNESS SEMINARS, NUTRITION CONSULTING A ND CPR AND FIRST-AID CLASSES THE COSTS OF THESE SERVICES ARE INCLUDED IN OPERATING EXPENS ES THE PHYSICIANS OF THE SYSTEM MAKE SIGNIFICANT CONTRIBUTIONS TO IMPROVE THE HEALTH STAT US OF THE COMMUNITY, INCLUDING INVOLVEMENT IN MANY COMMUNITY ACTIVITIES PROMOTING HEALTH A WARENESS AND IMPROVEMENT, EMERGENCY ROOM CARE, AND DELIVERY OF CARE TO THE INDIGENT POPULA TION OF THE SYSTEM'S SERVICE AREA THE SYSTEM ALSO MADE SIGNIFICANT CONTRIBUTIONS TO THE N URSING PROGRAM AT A LOCAL UNIVERSITY THIS FINANCIAL SUPPORT HAS HELPED TO GROW THE PROGRA M, WHICH BENEFITS THE SYSTEM AS WELL AS THE COMMUNITY THE SYSTEM AND ALL BUT ONE OF ITS A FFILIATES HAVE BEEN RECOGNIZED AS ORGANIZATIONS EXEMPT FROM FEDERAL INCOME TAX UNDER INTER NAL REVENUE CODE SECTION 501(A) AS ORGANIZATIONS DESCRIBED IN SECTION 501(C)(3) AND, THERE FORE, RELATED INCOME IS GENERALLY NOT SUBJECT TO FEDERAL OR STATE INCOME TAXES ONE OF THE SYSTEM'S AFFILIATES IS A CONTROLLED FOREIGN CORPORATION NOT SUBJECT TO FEDERAL INCOME TAX THE PHYSICIAN HOSPITAL ORGANIZATION (EIN 58-2116179) IS A TAXABLE AFFILIATE OF THE SYSTE M AND FILES IRS FORM 1120 US CORPORATION INCOME TAX RETURN "

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FINANCIAL & DATA STATISTICS	SERVICES PROVIDED SYSTEM-WIDE LICENSED BEDS 2,775 ADULT DISCHARGES 112,334 NEWBORN DISCHA RGES 13,754 EMERGENCY ROOM VISITS 684,560 SURGERIES - 68950 CATH LAB/PACEMAKERS/EP 17,643 NON-ED O/P RADIOLOGY PROCEDURES 464,275 MED/SURG SHORT STAY CASES - 1401 GI LAB PROCEDURE S 11,721 RADIOLOGY ONCOLOGY PROCEDURES 36,315 COMMUNITY BENEFITS - WELLSTAR HEALTH SYSTEM PARTICIPATES AND COLLABORATES WITH PATIENTS AND RESIDENTS IN MEETING HEALTH NEEDS AND IMPR OVING THE OVERALL QUALITY OF LIFE IN THE COMMUNITY THIS IS ESPECIALLY IMPORTANT IN RESPON DING TO THE NEEDS OF THE UNDERSERVED REGARDLESS OF THE SYSTEM'S ABILITY TO GENERATE A POSI TIVE MARGIN SOME SERVICES WOULD POSSIBLY BE DISCONTINUED IF BASED ON A PURELY FINANCIAL B ASIS THE FOLLOWING ARE SOME EXAMPLES OF THE SYSTEM'S SERVICES THAT PROVIDE COMMUNITY BENE FITS (AND A MONETARY VALUE OF THOSE BENEFITS IF KNOWN) CLINICS WELLSTAR IS AFFILIATED WI TH SEVERAL CLINICS WHICH PROVIDE FREE OR SLIDING SCALE HEALTH SERVICES TO PERSONS WHO CANN OT AFFORD TO PAY OR THOSE WHO ARE NOT EXPECTED TO PAY COMMUNITY HEALTH/EDUCATION WELLSTA RS COMMUNITY EDUCATION & OUTREACH DEPARTMENT PROVIDES FREE BROCHURES ON A VARIETY OF HEALT H-RELATED ISSUES WELLSTAR PROVIDES SUPPORT GROUPS AND EDUCATIONAL OPPORTUNITIES TO THE CO MMUNITY ON A VARIETY OF TOPICS INCLUDING MEN'S AND WOMEN'S HEALTH ISSUES, CARDIAC HEALTH, NUTRITION, CANCER, DIABETES, ETC SOME OF THESE OPPORTUNITIES ARE PROVIDED FREE OF CHARGE OR AT A MINIMAL FEE WELLSTAR ALSO PROVIDES FREE OR LOW-COST SCREENINGS ON HEALTH ISSUES SUCH AS BLOOD PRESSURE, CHOLESTEROL SCREENINGS, GLUCOSE SCREENINGS AND MANY OTHERS COMMUN ITY EDUCATION AND OUTREACH PROVIDES HEALTH AND WELLNESS PROGRAMS AND SERVICES ACROSS ALL W ELLSTAR MARKETS REACHING OVER 200,000 PEOPLE ANNUALLY SOME OF THE MORE SPECIFIC PROGRAM/D EPARTMENTS ARE DOCUMENTED AS FOLLOWS SCHOOL HEALTH PROGRAM THIS PROGRAM TEACHES SCHOOL C HILDREN ABOUT HEALTH AND SAFETY TOPICS TO INCLUDE NUTRITION, PHYSICAL ACTIVITY, HEALTHY HY GIENE, BIKE AND PEDESTRIAN SAFETY AND MORE THE PROGRAMS ARE TAUGHT IN ELEMENTARY SCHOOLS (GRADES K-5) AND MIDDLE SCHOOLS (GRADES 6-8) IN COBB, CHEROKEE, PAULDING AND DOUGLAS COUNT IES SAFE KIDS SAFE KIDS COBB COUNTY IS COMMITTED TO REDUCING AND PREVENTING ACCIDENTAL I NJURIES TO CHILDREN AGES 14 AND UNDER IN COBB COUNTY SAFE KIDS COBB COUNTY WORKS TOWARD T HIS GOAL THROUGH YOUTH AND ADULT EDUCATION AND THE DISTRIBUTION OF SAFETY EQUIPMENT TO FAM ILIES IN NEED WITH THE HELP OF THE LEAD AGENCIES OF WELLSTAR COBB AND DOUGLAS PUBLIC HEAL TH, SAFE KIDS COBB COUNTY HOSTS SAFETY EDUCATION EVENTS AND DISTRIBUTES SAFETY EDUCATION M ATERIALS AND EQUIPMENT INCLUDING CAR AND BOOSTER SEATS, BICYCLE/WHEEL SAFETY, POISON PREV ENTION, HOME SAFETY, AND WATER SAFETY MOST OF THE EVENTS ARE FREE AND OPEN TO THE PUBLIC THE IMPORTANT MESSAGE TAUGHT AT THESE EVENTS IS THAT SAFETY BEGINS WITH THE PARENTS AND C AREGIVERS WITH THIS PROGRAM ABOUT 700 CAR SEATS WERE PRESENTED TO FAMILIES IN NEED, AND 1 ,200 INFANT CAR SEATS CHECKED

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FINANCIAL & DATA STATISTICS	AT NEARLY 150 CAR SEAT EVENTS WOMEN & CHILDREN RESOURCE CENTERS THE WOMEN'S AND CHILDREN 'S RESOURCE CENTER AT COBB, DOUGLAS, AND KENNESTONE HOSPITALS PROVIDE MUCH NEEDED SUPPORT FOR MOTHERS AND THEIR NEWBORN BABIES THROUGH PHONE CALLS, BREASTFEEDING CLASSES, AND OTHER EDUCATIONAL OPPORTUNITIES THESE PROGRAMS DEMONSTRATE WELLSTARS COMMITMENT TO THE HEALTH AND WELL-BEING OF THE NEW MOTHERS AND THEIR BABIES IN OUR COMMUNITY IN FY2017 THE UNREIMB URSED COSTS ASSOCIATED WITH THE PROGRAM TOTALED APPROXIMATELY $ 350,000 AND MORE THAN 2,50 0 PARENTS PARTICIPATED IN PRENATAL AND CHILDBIRTH PROGRAMS THE GOOD LIFE CLUB WELLSTAR P ROVIDES A SPECIAL PROGRAM FOR AREA RESIDENTS--50 AND OLDER CALLED THE GOOD LIFE CLUB THIS PROGRAM PROMOTES HEALTH, WELLNESS, AND AN ACTIVE LIFESTYLE THROUGH CLASSES, SCREENINGS AN D OTHER OPPORTUNITIES A SMALL MEMBERSHIP FEE INCLUDES - HEALTH AND WELLNESS EDUCATION AN D PROGRAMS - A QUARTERLY NEWSLETTER, - FREE HEALTH SCREENINGS, - DISCOUNTED PARKING AT HOS PITALS AND OTHER RETAIL DISCOUNTS - TRAVEL DISCOUNTS THE GOOD LIFE CLUB CURRENTLY HAS MORE THAN 2,000 MEMBERS COMMUNITY ACTIVITIES - WELLSTAR HAS PARTNERED WITH A LOCAL COLLEGE, K ENNESAW STATE UNIVERSITY ("KSU") TO DEVELOP EDUCATIONAL AND ON-SITE TRAINING PROGRAMS WHIC H WILL HOPEFULLY IMPROVE THE CURRENT AND FUTURE HEALTH OF OUR COMMUNITY MANY OF THE NURSE S IN THE SYSTEM ARE TRAINED THROUGH THE NURSING PROGRAM OFFERED BY KSU WELLSTAR IS ALSO A FFILIATED WITH THE CHATTAHOOCHEE TECHNICAL COLLEGE- NORTH METRO CAMPUS'S RADIOLOGIC TECHNO LOGY PROGRAM WELLSTAR SERVES AS THE CLINICAL AFFILIATE FOR THE STUDENTS IN THIS TWO-YEAR PROGRAM THE STUDENTS TRAIN AT WELLSTAR'S HOSPITALS AND OUTPATIENT FACILITIES THE PROGRAM RECEIVED ACCREDITATION FROM THE JOINT REVIEW COMMITTEE ON EDUCATION IN RADIOLOGIC TECHNOL OGY THE GOAL IS TO HAVE TRAINED STUDENTS WHO CAN SUBSEQUENTLY CONTRIBUTE TO THE HEALTH OF THE COMMUNITY WE SERVE SPONSORSHIPS - WELLSTAR PARTICIPATES AS A SPONSOR IN MANY EVENTS WITHIN THE COMMUNITY RELATED TO THE HEALTH AND WELL-BEING OF ITS RESIDENTS THE AMERICAN H EART ASSOCIATION, AMERICAN CANCER SOCIETY, AMERICAN LUNG ASSOCIATION, THE AMERICAN DIABETE S ASSOCIATION, MARCH OF DIMES, AS WELL AS NUMEROUS LOCAL ORGANIZATIONS ARE JUST A FEW OF T HE RECIPIENTS OF EVENTS SPONSORED BY WELLSTAR MANY EMPLOYEES ALSO VOLUNTEER AND PARTICIPA TE IN SOME OF THE EVENTS HELD BY THESE ORGANIZATIONS SUCH AS WALKS, FUNDRAISERS AND SCREEN INGS IN FY2017 THE TOTAL UNCOMPENSATED AND OTHER COMMUNITY BENEFITS PROVIDED BY WELLSTAR WAS OVER $ 780 MILLION COMMITMENT TO THE COMMUNITY PARTICIPATION IN COALITIONS - $ 602,4 00 COMMUNITY HEALTH EDUCATION - $ 455,000 UNIVERSITY & COLLEGE PARTNERSHIPS - $ 504,000 HE ALTH CARE SUPPORT - $ 8,077,000 MEDICAID SHORTFALLS (UNCOMPENSATED COSTS) - $ 78,000,000 U NREIMBURSED COMMUNITY FINANCIAL AID (CHARITY & INDIGENT) GROSS CHARGES FOR THE YEAR - $1, 244,000,000 UNREIMBURSED SERVICES (AT COST) - $ 251,912,000 INVESTMENTS OF EXCESS FUNDS BA CK INTO INFRASTRUCTURE AND COM

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FINANCIAL & DATA STATISTICS	MUNITY WELLSTAR SYSTEM-WIDE FOR FY2016 - $ 132,000,000 WELLSTAR CONTINUES TO PARTICIPATE IN THE CENTER FOR MEDICARE AND MEDICAID SERVICES (CMS) MEDICARE SAVINGS PROGRAM AS AN ACCO UNTABLE CARE ORGANIZATION (ACO) WELLSTARS ACO IS THE LARGEST ACO IN GEORGIA INCLUDING 50, 000 MEMBERS AND 1,400 PHYSICIANS THE ACO HAS BEEN RECOGNIZED AS ONE OF THE TOP 100 ACOS I N THE COUNTRY THE PROGRAM HAS BEEN SUCCESSFUL THROUGH A FOCUS ON WELLNESS AND THE IMPROVE D MANAGEMENT OF CHRONIC ILLNESSES AND THE RELATED COORDINATION OF CARE, TO ENSURE PATIENTS , ESPECIALLY CHRONICALLY ILL, GET THE RIGHT CARE AT THE RIGHT TIME TO MAINTAIN THEIR OPTIM AL HEALTH, AND AVOID THE NEED FOR HIGH-COST EMERGENCY AND HOSPITAL CARE

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AWARDS, RECOGNITION AND ACCOMPLISHMENTS	WELLSTAR HEALTH SYSTEM (WELLSTAR) WAS RECOGNIZED FOR DIVERSITY IN THE WORKPLACE DIVERSITY MAGAZINE LISTS WELLSTAR AS ONE OF ITS 50 BEST PLACES FOR WOMEN AND DIVERSE MANAGERS TO WO RK WELLSTAR WEST GEORGIA MEDICAL CENTER (WGMC) WAS NAMED TO BECKER HOSPITAL REVIEW'S 2016 LIST OF "100 GREAT COMMUNITY HOSPITALS " WGMC IS ONE OF ONLY THREE COMMUNITY HOSPITALS IN GEORGIA TO RECEIVE THIS HONOR WELLSTAR KENNESTONE REGIONAL MEDICAL CENTER RECEIVED THE P RESTIGIOUS AMERICAN ACADEMY OF MEDICAL SURGICAL NURSED PRISM AWARD THIS HONOR RECOGNIZED EXCEPTIONAL NURSING PRACTICE, LEADERSHIP AND OUTCOMES IN HOSPITAL MEDICAL-SURGICAL UNITS A CROSS THE COUNTRY KENNESTONE REGIONAL MEDICAL CENTER IS JUST ONE OF 14 HOSPITALS TO RECEI VE THIS HONOR IN 2016 AND THE ONLY ONE IN THE STATE OF GEORGIA US NEWS AND WORLD REPORT N AMED WELLSTAR KENNESTONE REGIONAL MEDICAL CENTER TO ITS ANNUAL LISTING OF BEST REGIONAL HO SPITALS RANKING IT THIRD IN GEORGIA WELLSTAR DOUGLAS HOSPITAL WAS DESIGNATED AS A REMOTE TREATMENT STROKE CENTER BY THE OFFICE OF EMS AND TRAUMA IN THE GEORGIA DEPARTMENT OF PUBLI C HEALTH BECOMING ONE OF THE FIRST HOSPITALS IN THE STATE TO GARNER THE RECOGNITION WELLS TAR EARNED A SPOT IN THE DAVE THOMAS FOUNDATION FOR ADOPTIONS 100 BEST ADOPTION-FRIENDLY W ORKPLACES THIS IS THE SYSTEMS FIFTH TIME ON THE FOUNDATIONS TOP 100 LIST WELLSTAR OFFERS FULL-TIME TEAM MEMBERS 120 HOURS AND ELIGIBLE PART-TIME TEAM MEMBERS 60 HOURS OF PAID LEA VE IN ADDITION, WELLSTAR OFFERS TEAM MEMBERS A MAXIMUM OF $19,000 PER FINALIZED ADOPTION ($20,000 PER FAMILY LIFETIME AMOUNT) EMPLOYEE RECRUITING AND COMMITMENT TO PROPER WORK-LI FE BALANCE OF PERSONAL AND PROFESSIONAL TIME ARE IMPORTANT TO THE DESIGNATION OF THIS AWAR D WELLSTAR WAS NAMED TO WORKING MOTHER 100 BEST COMPANIES LIST FOR THE 9TH TIME FOR ITS C OMMITMENT TO PROGRESSIVE WORKPLACE PROGRAMS, INCLUDING ADVANCEMENT OF WOMEN, FLEXIBILITY, CHILD CARE AND PAID PARENTAL LEAVE WELLSTAR WAS NAME TO THE 2016 BEST PLACES TO WORK FOR WOMEN LIST BY GREAT PLACES TO WORK COBB HOSPITAL WAS DESIGNATED A BABY-FRIENDLY HOSPITAL BY BABY-FRIENDLY USA ONLY 5 OTHER GEORGIA HOSPITALS HOLD THIS DESIGNATION GEORGIA TREND MAGAZINE NAMED WELLSTAR WGMC THE NUMBER 1 LARGE HOSPITAL IN THE STATE FIVE OF WELLSTAR HE ALTH SYSTEMS HOSPITALS HAVE BEEN GRANTED THREE-YEAR ACCREDITATION WITH THE GOLD COMMENDATI ON BY THE COMMISSION ON CANCER(COC), A QUALITY PROGRAM BY THE AMERICAN COLLEGE OF SURGEONS THIS IS THE HIGHEST HONOR AWARDED TO A CANCER PROGRAM TO EARN THIS ACCREDITATION THE PR OGRAM MUST MEET OR EXCEED COCS QUALITY CARE STANDARDS, BE EVALUATED EVERY THREE YEARS AND SHOW EXCELLENCE IN THE DELIVERY OF PATIENT CENTERED CARE WELLSTAR CANCER NETWORK ALSO REC EIVED NATIONAL DISTINCTION BY BEING GRANTED A THREE- YEAR ACCREDITATION BY THE COC THIS I S THE HIGHEST HONOR AWARDED TO A CANCER PROGRAM WELLSTAR KENNESTONE REGIONAL MEDICAL CENT ER AND WELLSTAR ATLANTA MEDICAL CENTER RECEIVED THE PLATINUM HONOR BY THE US DEPARTMENT OF HEALTH AND HUMAN SERVICES HEA

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AWARDS, RECOGNITION AND ACCOMPLISHMENTS	LTH RESOURCES AND SERVICES ADMINISTRATION FOR THEIR CONTINUED EFFORTS TO PROMOTE ORGAN DON OR REGISTRATION OTHER HOSPITALS HONORED INCLUDED WELLSTAR COBB, DOUGLAS, NORTH FULTON, WE ST GEORGIA MEDICAL CENTER AND PAULDING HOSPITALS THE PARTNERSHIP FOR HEALTH AND ACCOUNTAB ILITY(PHA) AN AFFILIATE OF THE GEORGIA HOSPITAL ASSOCIATION, RECENTLY PRESENTED ITS QUALIT Y AND PATIENT SAFETY AWARD TO SEVERAL WELLSTAR HOSPITALS AS WELL AS TO THE SYSTEM ITSELF THESE AWARDS RECOGNIZE GEORGIA HEALTHCARE ORGANIZATIONS FOR ACHIEVEMENT IN REDUCING THE RI SK OF MEDICAL ERRORS AND IMPROVING PATIENT SAFETY AND MEDICAL OUTCOMES WELLSTAR SPALDING REGIONAL HOSPITAL WON FIRST PLACE IN THE HOSPITALS WITH 100-299 BEDS CATEGORY FOR ITS HELP ME, DONT HURT ME REDUCING CAUTIS PROJECT WELLSTAR COBB HOSPITAL WON SECOND PLACE IN THE HOSPITALS WITH GREATER THAN 300 BEDS CATEGORY FOR ITS INTERDISCIPLINARY MODEL BEDSIDE MEDI CATION DELIVERY TO REDUCE 30-DAY READMISSION RATES PROJECT WELLSTAR DOUGLAS HOSPITAL WON THIRD PLACE IN THE HOSPITALS WITH 100-299 BEDS CATEGORY FOR ITS MISSION NOT IMPOSSIBLE ST RATEGIES TO DECREASE CLOSTRIDUM DIFFICILE PROJECT IN THE HOSPITALS/HEALTH SYSTEMS CATEGOR Y, WELLSTAR HEALTH SYSTEM EARNED FIRST PLACE FOR ITS OUTPATIENT SURGERY CENTER PRE-OP THRO UGHPUT PROJECT, WHICH IMPROVED THE SAFETY OF PATENTS UNDERGOING CT-SCANS WELLSTAR COBB HO SPITAL WAS ALSO PRESENTED WITH A CIRCLE OF EXCELLENCE AWARD, AN HONOR GIVEN TO HOSPITALS A ND HEALTH SYSTEMS THAT HAVE DEMONSTRATED A SUSTAINED COMMITMENT TO QUALITY AND PATIENT SAF ETY EVERY YEAR THE ATLANTA BUSINESS CHRONICLE PUBLISHES ITS LIST OF THE 100 MOST INFLUENT IAL LEADERS IN GEORGIAS HEALTHCARE INDUSTRY SEVEN MEMBERS OF WELLSTAR HEALTH SYSTEMS SENI OR LEADERSHIP TEAM WERE INCLUDED IN THE 2017 LIST WELLSTAR KENNESTONE REGIONAL MEDICAL CE NTERS CARDIAC PROGRAM IS ONE OF ONLY TWO PROGRAMS IN THE UNITED STATES TO RECEIVE THE JOIN T COMMISSION GOLD SEAL DISEASE-SPECIFIC CERTIFICATION FOR HEART-VALVE, CORONARY ARTERY BYP ASS SURGERY (CABS) AND CONGESTIVE HEART FAILURE WELLSTAR WEST GEORGIA MEDICAL CENTER WAS NAMED ONE OF THE NATIONS 100 TOP HOSPITALS BY TRUVEN HEALTH ANALYTICS TRUVEN IS A LEADING PROVIDER OF INFORMATION AND SOLUTIONS THAT SUPPORT HEALTHCARE COST AND QUALITY IMPROVEMEN T WELLSTAR COBB HOSPITALS INTENSIVE CARE UNIT WAS HONORED WITH THE BEACON AWARD FOR EXCEL LENCE BY THE AMERICAN ASSOCIATION OF CRITICAL CARE NURSES THE BEACON AWARD HONORS INDIVID UAL HOSPITAL UNITS THAT DISTINGUISH THEMSELVES BY IMPROVING EVERY FACET OF PATIENT CARE W ELLSTAR PAULDING HOSPITAL RECEIVED TWO BRILLIANCE AWARDS FROM VIZIENT MIDSOUTH THE HOSPIT AL WAS RECOGNIZED FOR INNOVATION AND EXCELLENCE IN CLINICAL CARE FOR PATIENTS WITH COPD AN D DIABETES TWO OF WELLSTAR KENNESTONE REGIONAL MEDICAL CENTERS NURSES HAVE BEEN NAMED AS TWO OF THE TOP 10 NURSES IN GEORGIA BY THE ATLANTA JOURNAL CONSTITUTION WELLSTARS SUPPLY CHAIN SERVICES WAS RECOGNIZED AS A BEST PERFORMER BY THE ECRI INSTITUTE, A NONPROFIT ORGAN IZATION THAT USES RESEARCH TO

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AWARDS, RECOGNITION AND ACCOMPLISHMENTS	DISCOVER WHICH MEDICAL PROCEDURES, DRUGS AND PROCESSES ARE BEST TO ENABLE IMPROVED PATIENT CARE THIS AWARD IS GIVEN FOR DEMONSTRATING EXCELLENCE IN OVERALL SPEND MANAGEMENT THE W OUND CARE CENTER AT WELLSTAR WEST GEORGIA MEDICAL CENTER HAS BEEN RECOGNIZED WITH A CENTER OF DISTINCTION AWARD FOR CLINICAL EXCELLENCE BY HEALOGICS, THE NATIONS LEADING AND LARGES T WOUND CARE MANAGEMENT COMPANY THE CENTER FOR COMPANIES THAT CARE RECENTLY NAMED WELLSTA R TO ITS HONOR ROLL FOR THE 10TH YEAR IN A ROW THIS HONOR FOCUSES ON WELLSTARS EFFORT TO OFFERING WORKLIFE SERVICES THAT CREATE A CULTURE OF INCLUSION AND ASSISTANCE FOR TEAM MEMB ERS UTILIZING SERVICES THAT PROVIDE A BALANCE BETWEEN WORK AND HOME LIFE THE PURPOSE OF T HE AWARD IS TO RECOGNIZE MEMBER ORGANIZATIONS THAT HAVE ACHIEVED A CERTAIN LEVEL OF EXCELL ENCE ACROSS THREE KEY FOCUS AREAS- FINANCIAL AND OPERATIONAL EXCELLENCE, CLINICAL QUALITY EXCELLENCE AND INNOVATION WELLSTAR WAS NAMED ONE OF BEST AND BRIGHTEST COMPANIES TO WORK FOR BY WSBTV2, BIZ 1190AM-WAFS, CORPI MAGAZINE, BAUDVILLE, BASIC AND THE ORSUS GROUP THIS AWARD IS GIVEN TO COMPANIES THAT DISTINGUISH THEMSELVES AS HAVING THE MOST INNOVATIVE AND THOUGHTFUL APPROACH TO HUMAN RESOURCES WELLSTAR HEALTH SYSTEM WAS A WINNER OF THE LEADER SHIP IN EXCELLENCE AWARD BY VIZIENT MIDSOUTH, A MEMBER ALLIANCE FOR NOT FOR PROFIT HEALTHC ARE PROVIDERS THE PURPOSE OF THIS AWARD IS TO RECOGNIZE ORGANIZATIONS THAT HAVE ACHIEVED A CERTAIN LEVEL OF EXCELLENCE ACROSS THREE KEY FOCUS AREAS- FINANCIAL AND OPERATIONAL EXCE LLENCE, CLINICAL QUALITY EXCELLENCE AND INNOVATION

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FORM 990, PART I, LINES 7A & 7B	UNRELATED BUSINESS INCOME KENNESTONE HOSPITAL, INC GENERATED NO UNRELATED BUSINESS INCOME ("UBI") FOR THE REPORTING PERIOD AS A RESULT THE FILED 990-T SHOWS NO ACTIVITY IF SUBSEQUENT REVIEW OF THE BOOKS REVEALS ANY UNREPORTED UBI WE WILL FILE AN AMENDED RETURN FOR TAX PERIOD ENDED JUNE 30, 2017

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FORM 990, PART IV, LINE 12B	AUDITED FINANCIAL STATEMENTS Kennestone Hospital, Inc is audited on an annual basis by an outside auditing firm, KPMG, and as part of that audit a consolidated financial statement is issued for all of WellStar Health System, Inc and its CONTROLLED Affiliates The inde pendent auditors report includes the accounts of Wellstar and its controlled affiliates, W ELLSTAR Kennestone Hospital, Inc , WELLSTAR Cobb Hospital, Inc , WELLSTAR Douglas Hospital , Inc , WELLSTAR Paulding Medical Center, Inc , WELLSTAR ATLANTA MEDICAL CENTER, INC , WEL LSTAR NORTH FULTON HOSPITAL, INC , WELLSTAR SPALDING REGIONAL HOSPITAL, INC , WELLSTAR SYL VAN GROVE HOSPITAL, INC , WELLSTAR WEST GEORGIA HEALTH SERVICES, INC , WELLSTAR WEST GEORG IA MEDICAL CENTER, INC , Wellstar Foundation, Inc , WELLSTAR WEST GEORGIA FOUNDATION, INC , VERNON WOODS RETIREMENT COMMUNITY, INC , CHS Foundation, Inc , Community Assurance Compa ny, Ltd , various Wellstar owned physician practices, a hospice facility, a nursing facili ty, home health business, and entities for infusion therapy and durable medical equipment All significant intercompany accounts and transactions have been eliminated in combinatio n The Board of Trustees of Wellstar HEALTH SYSTEM, INC has the authority to approve appo intments of the members of the board of trustees of all affiliate corporations FORM 990, PART IV, LINE 24A TAX EXEMPT BOND REPORTING For purposes of the Form 990 reporting, Wellst ar Health System, Inc (EIN 58-1649541) will list all tax-exempt bonds issued since Januar y 1, 2003 on Schedule K as it typically allocates the proceeds of the bonds to members of the Obligated Group (including the hospitals and physician group) Kennestone Hospital, In c will report this tax exempt bond liability on FORM 990, Part X, Line 25 Other Liabiliti es-Due to WHS, Inc FORM 990, PART VI, SECTION A, LINE 7B POWERS OF THE BOARD As per the A rticles of Incorporation, the sole member of the organization is Wellstar Health System, I nc , a GEORGIA nonprofit corporation As sole member, Wellstar Health System, Inc holds c ertain powers of election and approval in connection with the governing body of the organi zation These powers are presented in detail in the governing documents which the company makes available to the public upon request FORM 990, PART VI, SECTION B, LINE 11B BOARD R EVIEW OF FORM 990 Internal staff prepareS the organization's Form 990 Before filing the r eturn with the Internal Revenue Service an external accounting firm, PricewaterhouseCooper s LLP, reviews and sign-offs on the completed return of each organization The current yea r Form 990 is then reviewed by the Finance Committee along with a question and answer sess ion A motion is then made by the Finance committee to approve the returns and present to the full board copies of the forms in an electronic (pdf format) version as well as a hard copy The organization's CFO or designee subsequently signs the return for either manual or electronic filing by the ap

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FORM 990, PART IV, LINE 12B	propriate due date FORM 990, PART VI, SECTION B, LINE 12C CONFLICT OF INTEREST POLICY Our conflict of interest policy requires all covered persons to annually review the policy an d then complete, sign and return the Conflicts of Interest Survey and Attestation to the C ompliance Office The Policy requires an on-going disclosure obligation in the event a con flict arises during the year The following is our process to regularly and consistently m onitor and enforce the policy Compliance identifies all covered persons who must complete the Survey and Attestation Compliance verifies that the Survey and Attestation is distri buted to these persons Compliance verifies that these persons return a fully completed an d signed Survey and Attestation Compliance reviews each completed and signed Survey and A ttestation to identify all conflicts listed in the document All conflicts, potential conf licts and incidences of non-compliance are referred to the Chief Compliance Officer The C CO takes appropriate action to completely resolve all identified conflicts and incidences of non-compliance FORM 990, PART VI, SECTION B, LINES 15A & 15B COMPENSATION OF OFFICERS Wellstar HEALTH SYSTEM, INC engages the Hay Group to work with the governing board to rev iew and recommend executive compensation The executive compensation process at Wellstar i s overseen by a committee of independent trustees, which follows a board-approved executiv e compensation philosophy The compensation committee consists of five trustees as well as the CEO in an advisory role and not a voting member Further in committee discussions abo ut the compensation for the Chief Executive Officer, The CEO will recuse him/herself from that process and is a non-voting committee member for discussions on all other officers T he executive compensation philosophy empowers the committee to oversee the executive compe nsation process and administer the executive compensation program on behalf of the full bo ard of trustee of Wellstar, provided, however, the full Board of Trustees evaluates and ap proves the compensation of the Chief Executive Officer The philosophy requires annual dis closure of the committee's actions and decisions to the full board, which it has done The committee is guided by the board-approved philosophy Overall, the philosophy is intended to reward for organizational and individual performance When performance is at a predete rmined targeted level, the compensation is intended to be at or around the median of compe nsation paid to similar positions at similar organizations (the "market") Wellstar's exec utive compensation philosophy defines the market as being comprised of comparable not-for- profit health care delivery systems, i e , not-for-profit organizations similar in complex ity and scale to Wellstar To assist the committee in fulfilling its duties, the committee engaged the Hay Group to provide market compensation data to compare to the Wellstar posi tions whose compensation the c

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART IV, LINE 12B	ommittee oversees The committee uses this data to provide context when making decisions i n administering the compensation program Accurate minutes of the committee's discussion a nd decisions are recorded during each committee meeting, and reviewed and approved by the full Board of Trustees at its next scheduled meeting FORM 990, PART VI, SECTION C, LINE 1 9 DOCUMENTS MADE AVAILABLE TO THE PUBLIC The organization and its subsidiaries are subject to the Open Records Law in the State of Georgia Therefore, by law, citizens are permitte d to inspect and copy its governing documents, policies and financial statements as may be requested from time to time Additionally, the organization's Form 990 is made readily av ailable on the Guidestar website Periodically, the organization publishes its financial p erformance in the local newspaper for citizens to review, and it also publishes a communit y benefit report once a year for distribution to the public FORM 990, PART VII OFFICERS H OURS WORKED The officers devote their time to all of the organizations within Wellstar Hea lth System that are listed in Schedule R, Part II As such, the total hours worked by the officers across all organizations exceeds 40 hours a week FORM 990, PART VII & FORM 990, SCHEDULE J COMPENSATION All compensation amounts reported on Form 990, Part V, Part VII, a nd Part IX as well as Schedule J represent compensation provided to individuals that provi de services to the organization Likewise, the number of employees reported on Form 990 re present the number of individuals providing services to the organization All Federal empl oyment tax responsibilities for these individuals (including Federal Employment Tax report ing responsibilities) are handled by Wellstar Health System, Inc (EIN 58-1649541) FORM 9 90, PART XI, LINE 9 OTHER CHANGES IN NET ASSETS For the reporting period Kennestone Hospit al, Inc had a change in net assets of ($239,629,677) related to transfers to affiliates a s part of the allocation of income statement and balance sheet transactions over the year

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
KENNESTONE HOSPITAL INC

Employer identification number

58-2032904

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

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

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

See Additional Data Table

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate allocations? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
(1) COBB SOUTH PARKING DECK 793 SAWYER ROAD MARIETTA, GA 300622222 75-2999669	Parking	GA	NA	N/A								
(2) KENNESTONE EAST PARKING DECK LLC 793 SAWYER ROAD MARIETTA, GA 30060 20-0537100	PARKING	GA	NA	N/A								
(3) GRIFFIN IMAGING LLC 793 SAWYER ROAD MARIETTA, GA 300622222	IMAGING CENTER	GA	NA	N/A								
(4) TENET EMSSPALDING 911 LLC 793 SAWYER ROAD MARIETTA, GA 300622222	OFF BLDG/EMS CTR	GA	NA	N/A								
(5) NORTH FULTON PARKING DECK LP 793 SAWYER ROAD MARIETTA, GA 300622222	PARKING	GA	NA	N/A								

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity? Yes	(i) No
(1) Community Assurance Co 3rd Fl Barclays House Shedden Rd George Town CJ 58-1649541	Insurance	CJ	WHS INC	C CORP					
(2)WEST GEORGIA HEALTH PHYSICIANS INC 793 SAWYER ROAD MARIETTA, GA 300622222 27-5125341	PHYSICIAN PRAC	GA	WGHS INC	C CORP					

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		Yes	No
1 During the tax year, did the orgranization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?			
a Receipt of **(i)** interest, **(ii)**annuities, **(iii)** royalties, or**(iv)** rent from a controlled entity	1a		No
b Gift, grant, or capital contribution to related organization(s)	1b		No
c Gift, grant, or capital contribution from related organization(s)	1c		No
d Loans or loan guarantees to or for related organization(s)	1d		No
e Loans or loan guarantees by related organization(s)	1e		No
f Dividends from related organization(s)	1f		No
g Sale of assets to related organization(s)	1g		No
h Purchase of assets from related organization(s)	1h		No
i Exchange of assets with related organization(s)	1i		No
j Lease of facilities, equipment, or other assets to related organization(s)	1j		No
k Lease of facilities, equipment, or other assets from related organization(s)	1k	Yes	
l Performance of services or membership or fundraising solicitations for related organization(s)	1l		No
m Performance of services or membership or fundraising solicitations by related organization(s)	1m		No
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n		No
o Sharing of paid employees with related organization(s)	1o		No
p Reimbursement paid to related organization(s) for expenses	1p	Yes	
q Reimbursement paid by related organization(s) for expenses	1q		No
r Other transfer of cash or property to related organization(s)	1r		No
s Other transfer of cash or property from related organization(s)	1s		No

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

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

Part VI **Unrelated Organizations Taxable as a Partnership** Complete if the organization answered "Yes" on Form 990, Part IV, line 37.

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

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	**No**			**Yes**	**No**		**Yes**	**No**	

Part VII **Supplemental Information**

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

Additional Data

Software ID:
Software Version:
EIN: 58-2032904
Name: KENNESTONE HOSPITAL INC

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	No
(1) 793 SAWYER ROAD MARIETTA, GA 300622222 58-1649540	Foundation	GA	501(C)(3)	12 II	WHS Inc	Yes	
(1) 793 SAWYER ROAD MARIETTA, GA 300622222 58-0968382	Healthcare	GA	501(C)(3)	3	WHS Inc	Yes	
(2) 793 SAWYER ROAD MARIETTA, GA 300622222 58-2026750	Healthcare	GA	501(C)(3)	3	WHS Inc	Yes	
(3) 793 SAWYER ROAD MARIETTA, GA 300622222 58-2095884	Healthcare	GA	501(C)(3)	3	WHS Inc	Yes	
(4) 793 SAWYER ROAD MARIETTA, GA 300622222 58-1627413	Foundation	GA	501(C)(3)	12 II	WHS Inc	Yes	
(5) 793 SAWYER ROAD MARIETTA, GA 300622222 58-1649541	Healthcare	GA	501(C)(3)	12 II	NA		No
(6) 793 SAWYER ROAD MARIETTA, GA 300622222 81-0837031	HEALTHCARE	GA	501(C)(3)	3	WHS INC	Yes	
(7) 793 SAWYER ROAD MARIETTA, GA 300622222 81-0851756	HEALTHCARE	GA	501(C)(3)	3	WHS INC	Yes	
(8) 793 SAWYER ROAD MARIETTA, GA 300622222 81-0864789	HEALTHCARE	GA	501(C)(3)	3	WHS INC	Yes	
(9) 793 SAWYER ROAD MARIETTA, GA 300622222 20-5497622	HEALTHCARE	GA	501(C)(3)	12 II	WHS INC	Yes	
(10) 793 SAWYER ROAD MARIETTA, GA 300622222 20-5497506	HEALTHCARE	GA	501(C)(3)	3	WGHS INC	Yes	
(11) 793 SAWYER ROAD MARIETTA, GA 300622222 58-2575049	HEALTHCARE	GA	501(C)(3)	10	WGHS INC	Yes	
(12) 793 SAWYER ROAD MARIETTA, GA 300622222 20-0936376	FOUNDATION	GA	501(C)(3)	12 II	WGHS INC	Yes	
(13) 793 SAWYER ROAD MARIETTA, GA 300622222 81-0875069	HEALTHCARE	GA	501(C)(3)	3	WHS INC	Yes	
(14) 1514 VERNON ROAD LAGRANGE, GA 30240 58-1303478	FOUNDATION	GA	501(C)(3)	7	WGHS INC	Yes	