

C&E
983

EXTENDED TO AUGUST 15, 2018

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

Form **990**Department of the Treasury
Internal Revenue Service

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**2016**Open to Public
InspectionA For the 2016 calendar year, or tax year beginning **OCT 1, 2016** and ending **SEP 30, 2017**B Check if applicable:
Address change
Name change
Initial return
Final return/terminated
Amended return
Application pending

C Name of organization

NORTHEAST GEORGIA HEALTH SYSTEM, INC.

Doing business as

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

743 SPRING STREET

Room/suite

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

GAINESVILLE, GA 30501-3899F Name and address of principal officer: **CAROL BURRELL****SAME AS C ABOVE**

D Employer identification number

58-1694090

E Telephone number

770-219-6646G Gross receipts \$ **96,901,129.**

H(a) Is this a group return

for subordinates? ☐ Yes ☒ NoH(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)(1) ☐ (insert no.) ☐ 4947(a)(1) or ☐ 527J Website: **WWW.NGHS.COM**K Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶L Year of formation: **1986** M State of legal domicile: **GA**

Part I Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities	TO IMPROVE THE HEALTH AND QUALITY OF LIFE OF THE PEOPLE OF NORTHEAST GEORGIA.	
	2	Check this box ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets		
	3	Number of voting members of the governing body (Part VII, line 1a)	3	15
	4	Number of independent voting members of the governing body (Part VII, line 1b)	4	12
	5	Total number of individuals employed in calendar year 2016 (Part V, line 2a)	5	9374
	6	Total number of volunteers (estimate if necessary)	6	0
	7a	Total unrelated business revenue from Part VIII, column (A), line 10	7a	63,887.
7b	Net unrelated business taxable income from Form 990-E, line 34	7b	0.	
Revenue	8	Contributions and grants (Part VIII, line 11)	Prior Year	Current Year
	9	Program service revenue (Part VIII, line 20)	0.	0.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 21)	67,310,332.	91,020,711.
	11	Other revenue (Part VIII, column (A), lines 5, 6, 7, 8, 9, 10, and 19)	2,486,459.	4,421,054.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	1,148,998.	1,250,194.
	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	70,945,789.	96,691,959.
	14	Benefits paid to or for members (Part IX, column (A), line 4)	13,795.	7,841.
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	0.	0.
	16a	Professional fundraising fees (Part IX, column (A), line 11a)	0.	0.
	16b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 0.	0.	0.
Expenses	17	Other expenses (Part IX, column (A), lines 11a 11d, 11f 24e)	34,800,690.	71,019,263.
	18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	81,562,360.	115,127,727.
	19	Revenue less expenses. Subtract line 18 from line 12	<10,616,571.>	<18,435,768.>
	20	Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	21	Total liabilities (Part X, line 26)	240,487,627.	279,675,676.
22	Net assets or fund balances. Subtract line 21 from line 20	101,406,840.	90,506,578.	
		139,080,787.	189,169,098.	

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
	BRIAN D. STEINES, CFO	8/13/18
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature
	DEBORAH O. ERNSBERGER	08/09/18
	Firm's name ▶ PYA, P. C.	Firm's EIN ▶ 62-1517792
	Firm's address ▶ 2220 SUTHERLAND AVE.	Phone no. 865-673-0844
	KNOXVILLE, TN 37919	

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

☒ Yes ☐ No

632001 11-11-18

LHA For Paperwork Reduction Act Notice, see the separate instructions.

Form 990 (2016)

SCANNED OCT 15 2018

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g-102
Schedule H

Part III Statement of Program Service Accomplishments

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

☒ X

1 Briefly describe the organization's mission:

NORTHEAST GEORGIA HEALTH SYSTEM (NGHS) WAS FORMED TO SERVE AS THE PARENT COMPANY FOR THE WHOLLY CONTROLLED NOT-FOR-PROFIT AFFILIATES:

- NORTHEAST GEORGIA MEDICAL CENTER, INC.
- THE MEDICAL CENTER FOUNDATION, INC.

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 \$ 68,204,363. including grants of \$ 7,841.) (Revenue \$ 91,020,711.)

NORTHEAST GEORGIA HEALTH SYSTEM, INC. IS THE TAX-EXEMPT PARENT OF A MULTI-ENTITY HEALTHCARE SYSTEM SERVING GAINESVILLE, GEORGIA, HALL COUNTY, AND SURROUNDING COMMUNITIES. NGHS IS RESPONSIBLE FOR STRATEGIC PLANNING, FINANCIAL MANAGEMENT, MARKETING, RESOURCE ALLOCATION AND GENERAL MANAGEMENT OVERSIGHT TO NORTHEAST GEORGIA MEDICAL CENTER, INC. AND AFFILIATED ENTITIES.

SEE SCHEDULE O FOR PROGRAM SERVICE ACCOMPLISHMENTS CONTINUATION

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 **68,204,363.**

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Part IV Checklist of Required Schedules

- 1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)?
If "Yes," complete Schedule A
- 2 Is the organization required to complete *Schedule B, Schedule of Contributors*?
- 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*
- 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*
- 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*
- 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*
- 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*
- 8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*
- 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*
- 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*
- 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*
- 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*
- 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*
- 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*
- e Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*
- 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*
- 12a Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI and XII*
- 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
- 13 Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*
- 14a Did the organization maintain an office, employees, or agents outside of the United States?
- 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*
- 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*
- 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*
- 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*
- 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*
- 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*

	Yes	No
1	X	
2		X
3		X
4	X	
5		X
6		X
7		X
8		X
9		X
10		X
11a	X	
11b		X
11c		X
11d	X	
11e	X	
11f	X	
12a		X
12b	X	
13		X
14a		X
14b		X
15		X
16		X
17		X
18		X
19		X

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Part IV Checklist of Required Schedules (continued)

	Yes	No
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>	X	
20b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	X	
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>		X
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>		X
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	X	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>		X
24b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
24c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
24d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		X
25b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>		X
26 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If "Yes," complete Schedule L, Part II</i>	X	
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>		X
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).		
28a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
28b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
28c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>		X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	X	
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	X	
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?	X	
35b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	X	
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19?	X	

Note. All Form 990 filers are required to complete Schedule O

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Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response or note to any line in this Part V ☐

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	315	
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	0	
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	X	
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	9374	
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)	X	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	X	
b	If "Yes," has it filed a Form 990-T for this year? If "No," to line 3b, provide an explanation in Schedule O	X	
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)?		X
b	If "Yes," enter the name of the foreign country: <u>See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR)</u>		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
d	If "Yes," indicate the number of Forms 8282 filed during the year		
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
8	Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?		
9	Sponsoring organizations maintaining donor advised funds.		
a	Did the sponsoring organization make any taxable distributions under section 4966?		
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter.		
a	Initiation fees and capital contributions included on Part VIII, line 12		
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities		
11	Section 501(c)(12) organizations. Enter.		
a	Gross income from members or shareholders		
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)		
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year		
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
a	Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O		
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans		
c	Enter the amount of reserves on hand		
14a	Did the organization receive any payments for indoor tanning services during the tax year?		X
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O		

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Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 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

☒ X

Section A. Governing Body and Management

	1a	1b	15	12	Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year 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.			15			
b Enter the number of voting members included in line 1a, above, who are independent				12		
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	X
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	X
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?					4	X
5 Did the organization become aware during the year of a significant diversion of the organization's assets?					5	X
6 Did the organization have members or stockholders?					6	X
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	X
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	X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:						
a The governing body?					8a	X
b Each committee with authority to act on behalf of the governing body?					8b	X
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	X

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?		X
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?	X	
b Describe in Schedule O the process, if any, used by the organization to review this Form 990		
11b		
12a Did the organization have a written conflict of interest policy? If "No," go to line 13	X	
b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
12b	X	
c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	X	
12c	X	
13 Did the organization have a written whistleblower policy?	X	
14 Did the organization have a written document retention and destruction policy?	X	
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	X	
15a	X	
b Other officers or key employees of the organization	X	
15b	X	
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?	X	
16a	X	
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?	X	
16b	X	

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 Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
☐ Own website ☐ Another's website ☒ Upon request ☐ Other (explain in Schedule O)

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

20 State the name, address, and telephone number of the person who possesses the organization's books and records: **LINDA D. NICHOLSON, VP FINANCE/CONTROLLER - 770-219-6646**
743 SPRING STREET, GAINESVILLE, GA 30501

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent ContractorsCheck 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, and 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 line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) BEN HAWKINS MEMBER	1.00	X						0.	0.	0.
(2) BENNY BAGWELL VICE CHAIR	1.00	X						0.	0.	0.
(3) DAVID HUGHS MEMBER	1.00	X						0.	0.	0.
(4) DENISE DEAL MEMBER	1.00	X						0.	0.	0.
(5) JANE SMOOT MEMBER	1.00	X						0.	0.	0.
(6) JIM MOORE MEMBER	1.00	X						0.	0.	0.
(7) JOHN CLIFTON HASTINGS, MD MEMBER, NGPG PHYSICIAN	1.00 40.00	X						842,208.	0.	44,247.
(8) JOHN NIX MEMBER	1.00	X						0.	0.	0.
(9) LETRELL SIMPSON MEMBER	1.00	X						0.	0.	0.
(10) MARTHA NESBITT MEMBER	1.00	X						0.	0.	0.
(11) MARY LYNN COYLE MEMBER AT LARGE	1.00	X						0.	0.	0.
(12) MOHAK DAVE, MD MEMBER, NGMC MEDICAL DIRECTOR	1.00 25.00	X						0.	199,826.	0.
(13) PAUL MANEY MEMBER	1.00	X						0.	0.	0.
(14) PRISCILLA STROM, MD MEMBER, NGMC MEDICAL DIR/CHIEF OF ST	1.00 15.00	X						0.	36,667.	0.
(15) R.K. WHITEHEAD CHAIR	1.00	X						0.	0.	0.
(16) SPENCE PRICE MEMBER	1.00	X						0.	0.	0.
(17) ANTHONY HERDENER VP, CFO, EXECUTIVE CONSULTANT - NGHS	40.00 1.00			X				664,003.	0.	111,316.

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 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			
(18) BRENDA SIMPSON CHIEF NURSING OFFICER - NGMC	1.00 40.00			X				257,319.	0.	20,896.
(19) BRIAN D. STEINES CFO - NGHS	40.00 1.00			X				0.	0.	0.
(20) CAROL BURRELL PRESIDENT & CEO	40.00 1.00			X				1,219,656.	0.	908,865.
(21) CHAD HATFIELD PRESIDENT - NGMC BARROW	40.00 1.00			X				0.	0.	0.
(22) CHRISTOPHER PARAVATE CHIEF INFORMATION OFFICER - NGHS	40.00 1.00			X				371,893.	0.	77,881.
(23) DANIEL TUFFY PRESIDENT OF PHYSICIAN SERVICES	40.00 1.00			X				0.	0.	0.
(24) DEBORAH WEBER CHRO & VP HUMAN RESOURCES - NGHS	40.00 1.00			X				333,710.	0.	65,836.
(25) ELYSE GATES VP REVENUE CYCLE - NGHS	40.00 1.00			X				248,042.	0.	7,726.
(26) HOWARD WALPOLE VP CLINICAL EFFECTIVENESS - NGMC	1.00 40.00			X				405,704.	0.	60,778.
1b Sub-total								4,342,535.	236,493.	1297545.
c Total from continuation sheets to Part VII, Section A								8,284,876.	0.	901,456.
d Total (add lines 1b and 1c)								12,627,411.	236,493.	2199001.

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 **75**

- 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
- 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
- 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

	Yes	No
3	X	
4	X	
5		X

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
DRAFFIN & TUCKER 2617 GILLIONVILLE ROAD, ALBANY, GA 31702	COST REPORT AND CONSULTING	1,626,726.
WILLIS INVESTMENT COUNCIL 710 GREEN STREET, GAINESVILLE, GA 30501	INVESTMENT SERVICES	780,272.
SPERDUTO & ASSOCIATES, 260 PEACHTREE STREET NW; SUITE 1601, ATLANTA, GA 30303	CONSULTING	555,018.
PREMIER INC, 5882 COLLECTIONS CENTER DRIVE, CHICAGO, IL 60693	CONSULTING	488,924.
PYA, P.C. 2220 SUTHERLAND AVE, KNOXVILLE, TN 37919	CONSULTING/AUDIT/TAX	358,611.

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 **44**

SEE PART VII, SECTION A CONTINUATION SHEETS

Form 990 (2016)

Part VIII Statement of RevenueCheck 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	1 a	Federated campaigns	1a					
	b	Membership dues	1b					
	c	Fundraising events	1c					
	d	Related organizations	1d					
	e	Government grants (contributions)	1e					
	f	All other contributions, gifts, grants, and similar amounts not included above	1f					
	g	Noncash contributions included in lines 1a-1f \$						
	h	Total. Add lines 1a-1f						
Program Service Revenue				Business Code				
	2 a	MANAGEMENT FEES	541610	43,011,442.	42,947,555.	63,887.		
	b	OPERATING REVENUE	621400	41,067,615.	41,067,615.			
	c	PS RENT FROM AFFILIATE	531120	4,740,758.	4,740,758.			
	d	OTHER OPERATING REVENUE	900099	2,200,896.	2,200,896.			
	e							
	f	All other program service revenue						
	g	Total. Add lines 2a-2f		91,020,711.				
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		4,218,700.			4,218,700.	
	4	Income from investment of tax-exempt bond proceeds						
	5	Royalties						
	6 a	Gross rents	(i) Real	(ii) Personal				
		b	Less: rental expenses	1,340,468.	90,274.			
		c	Rental income or (loss)	1,250,194.				
		d	Net rental income or (loss)			1,250,194.		1,250,194.
	7 a	Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
		b	Less: cost or other basis and sales expenses	187,492.	133,758.			
		c	Gain or (loss)	0.	118,896.			
		d	Net gain or (loss)	187,492.	14,862.	202,354.		202,354.
	8 a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18	a					
		b	Less: direct expenses	b				
		c	Net income or (loss) from fundraising events					
	9 a	Gross income from gaming activities See Part IV, line 19	a					
		b	Less: direct expenses	b				
		c	Net income or (loss) from gaming activities					
	10 a	Gross sales of inventory, less returns and allowances	a					
		b	Less: cost of goods sold	b				
		c	Net income or (loss) from sales of inventory					
	Miscellaneous Revenue			Business Code				
	11 a							
b								
c								
d	All other revenue							
e	Total. Add lines 11a-11d							
12	Total revenue. See instructions.			96,691,959.	90,956,824.	63,887.	5,671,248.	

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

☒ X

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21	7,841.	7,841.		
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	4,953,943.	2,863,528.	2,090,415.	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	25,127,743.	14,524,589.	10,603,154.	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits	2,531,975.	1,463,557.	1,068,418.	
10 Payroll taxes	11,486,962.	6,639,809.	4,847,153.	
11 Fees for services (non-employees)				
a Management				
b Legal	1,316,352.	760,891.	555,461.	
c Accounting	767,623.	443,709.	323,914.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees	291,514.	168,504.	123,010.	
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)	26,240,101.	15,167,565.	11,072,536.	
12 Advertising and promotion	2,578,147.	1,490,246.	1,087,901.	
13 Office expenses				
14 Information technology				
15 Royalties				
16 Occupancy	4,569,718.	2,641,434.	1,928,284.	
17 Travel	345,288.	199,587.	145,701.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	568,624.	328,682.	239,942.	
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	8,184,514.	4,730,895.	3,453,619.	
23 Insurance	7,472,972.	4,319,602.	3,153,370.	
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 SUPPLIES	4,609,454.	2,664,403.	1,945,051.	
b SOFTWARE SUPPORT	3,595,141.	2,078,099.	1,517,042.	
c RECRUITMENT	2,922,059.	1,689,038.	1,233,021.	
d BAD DEBT	1,928,799.	1,928,799.		
e All other expenses	5,628,957.	4,093,585.	1,535,372.	
25 Total functional expenses. Add lines 1 through 24e	115,127,727.	68,204,363.	46,923,364.	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 SheetCheck if Schedule O contains a response or note to any line in this Part X ☐

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	<54,777.>	1	<197,411.>
	2 Savings and temporary cash investments		2	
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	1,831,280.	4	4,890,590.
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L.		5	3,315,839.
	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 instr). Complete Part II of Sch L.		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use	132.	8	558,660.
	9 Prepaid expenses and deferred charges	0.	9	23,910.
	10a Land, buildings, and equipment, cost or other basis. Complete Part VI of Schedule D.	10a 181,197,364.		
	b Less accumulated depreciation	10b 51,028,633.	10c	130,168,731.
	11 Investments - publicly traded securities		11	
	12 Investments - other securities. See Part IV, line 11	2,164,749.	12	2,165,088.
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets	4,766,599.	14	4,435,315.
	15 Other assets. See Part IV, line 11	124,849,273.	15	134,314,954.
16 Total assets. Add lines 1 through 15 (must equal line 34).	240,487,627.	16	279,675,676.	
Liabilities	17 Accounts payable and accrued expenses	13,662,495.	17	18,579,247.
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D.		21	
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L.		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D.	87,744,345.	25	71,927,331.
	26 Total liabilities. Add lines 17 through 25.	101,406,840.	26	90,506,578.
	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		139,080,787.	27	189,169,098.
28 Temporarily restricted net assets			28	
29 Permanently restricted net assets			29	
Organizations that do not follow SFAS 117 (ASC 958), check here ☐ and complete lines 30 through 34.				
30 Capital stock or trust principal, or current funds			30	
31 Paid-in or capital surplus, or land, building, or equipment fund			31	
32 Retained earnings, endowment, accumulated income, or other funds			32	
33 Total net assets or fund balances		139,080,787.	33	189,169,098.
34 Total liabilities and net assets/fund balances		240,487,627.	34	279,675,676.

Form 990 (2016)

Part XI Reconciliation of Net Assets

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

☒

1	Total revenue (must equal Part VIII, column (A), line 12)	1	96,691,959.
2	Total expenses (must equal Part IX, column (A), line 25)	2	115,127,727.
3	Revenue less expenses Subtract line 2 from line 1	3	<18,435,768.>
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	139,080,787.
5	Net unrealized gains (losses) on investments	5	2,398,899.
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	66,125,180.
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	189,169,098.

Part XII Financial Statements and Reporting

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

☐

	Yes	No
1 Accounting method used to prepare the Form 990: ☐ Cash ☒ Accrual ☐ Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis		X
b Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both. ☐ Separate basis ☒ Consolidated basis ☐ Both consolidated and separate basis	X	
c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	X	
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?		X
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		

Form 990 (2016)

SCHEDULE A
(Form 990 or 990-EZ)

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

NORTHEAST GEORGIA HEALTH SYSTEM, INC.

Employer identification number

58-1694090

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 12, check only one box.)

- 1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
- 2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E (Form 990 or 990-EZ))
- 3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state _____
- 5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)
- 6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7 ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 8 ☐ A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 9 ☐ An agricultural research organization described in **section 170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land-grant college of agriculture (see instructions) Enter the name, city, and state of the college or university. _____
- 10 ☐ An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III.)
- 11 ☐ An organization organized and operated exclusively to test for public safety See **section 509(a)(4).**
- 12 ☒ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)** See **section 509(a)(3).** Check the box in lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g.
 - a ☐ **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization **You must complete Part IV, Sections A and B.**
 - b ☐ **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s) **You must complete Part IV, Sections A and C.**
 - c ☒ **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions) **You must complete Part IV, Sections A, D, and E.**
 - d ☐ **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions) **You must complete Part IV, Sections A and D, and Part V.**
 - e ☐ Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization
 - f Enter the number of supported organizations 1

g Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-10 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		
NORTHEAST GEORGIA MEDICAL CENTER	58-1694098	3	X		0.	0.
Total					0.	0.

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ. 632021 09-21-16 Schedule A (Form 990 or 990-EZ) 2016

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 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 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 from 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 ► ☐		

Schedule A (Form 990 or 990-EZ) 2016

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2012	(b) 2013	(c) 2014	(d) 2015	(e) 2016	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2012	(b) 2013	(c) 2014	(d) 2015	(e) 2016	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ☐						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2016 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2015 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

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

19a 33 1/3% support tests - 2016. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization ☐

b 33 1/3% support tests - 2015. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization ☐

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ☐

Part IV Supporting Organizations

(Complete only if you checked a box in line 12 on 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	X	
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).		X
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? If "Yes," answer (b) and (c) below.		X
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		
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.		
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		X
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.		
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		
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).		X
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
c Substitutions only. Was the substitution the result of an event beyond the organization's control?		
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (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		X
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).		X
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)		X
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		X
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		X
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.		X
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 10b below		X
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.)		

Part IV Supporting Organizations (continued)

11 Has the organization accepted a gift or contribution from any of the following persons?

a A person who directly or indirectly controls, either alone or together with persons described in (b) and (c)

below, the governing body of a supported organization?

b A family member of a person described in (a) above?

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

	Yes	No
11a		X
11b		X
11c		X

Section B. Type I Supporting Organizations

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

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.

	Yes	No
1		
2		

Section C. Type II Supporting Organizations

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).

	Yes	No
1		

Section D. All Type III Supporting Organizations

1 Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?

2 Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s)

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.

	Yes	No
1	X	
2	X	
3	X	

Section E. Type III Functionally Integrated Supporting Organizations

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

a ☐ The organization satisfied the Activities Test. Complete line 2 below.b ☒ The organization is the parent of each of its supported organizations. Complete line 3 below.c ☐ The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions).

2 Activities Test. Answer (a) and (b) below.

a Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? 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.

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.

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.

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.

	Yes	No
2a		
2b		
3a	X	
3b	X	

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 (explain in Part VI.) **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):		
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).		

Schedule A (Form 990 or 990-EZ) 2016

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- explain in Part VI). 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. For result greater than zero, explain in Part VI. See instructions			
6 Remaining underdistributions for 2016 Subtract lines 3h and 4b from line 1. For result greater than zero, explain in Part VI. 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			

Schedule A (Form 990 or 990-EZ) 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.)

PART IV, SECTION D, LINE 3

NORTHEAST GEORGIA HEALTH SYSTEM, INC. EXERCISES A SUBSTANTIAL DEGREE OF DIRECTION OVER THE POLICIES, PROGRAMS, AND ACTIVITIES, TO INCLUDE THE INVESTMENTS OF NORTHEAST GEORGIA MEDICAL CENTER, INC. BY APPOINTING THE MEMBERS OF ITS BOARD OF TRUSTEES.

PART IV, SECTION E, LINE 3A

NORTHEAST GEORGIA HEALTH SYSTEM, INC. HAS THE POWER TO REGULARLY APPOINT THE MEMBERS OF THE BOARD OF TRUSTEES OF NORTHEAST GEORGIA MEDICAL CENTER, INC.

PART IV, SECTION E, LINE 3B

NORTHEAST GEORGIA HEALTH SYSTEM, INC. EXERCISES A SUBSTANTIAL DEGREE OF DIRECTION OVER THE POLICIES, PROGRAMS, AND ACTIVITIES OF NORTHEAST GEORGIA MEDICAL CENTER, INC. BY APPOINTING THE MEMBERS OF ITS BOARD OF TRUSTEES.

SCHEDULE C

(Form 990 or 990-EZ)

Political Campaign and Lobbying Activities

OMB No 1545-0047

2016Open to Public
InspectionDepartment of the Treasury
Internal Revenue Service

For Organizations Exempt From Income Tax Under section 501(c) and section 527

- ▶ **Complete if the organization is described below.** ▶ **Attach to Form 990 or Form 990-EZ.**
 ▶ **Information about Schedule C (Form 990 or 990-EZ) and its instructions is at** www.irs.gov/form990

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

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

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

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

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

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

Name of organization

NORTHEAST GEORGIA HEALTH SYSTEM, INC.

Employer identification number

58-1694090

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

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

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

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

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

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

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

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

Schedule C (Form 990 or 990-EZ) 2016

LHA

632041 11-10-16

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

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

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

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals
1a Total lobbying expenditures to influence public opinion (grass roots lobbying)			
b Total lobbying expenditures to influence a legislative body (direct lobbying)			
c Total lobbying expenditures (add lines 1a and 1b)			
d Other exempt purpose expenditures			
e Total exempt purpose expenditures (add lines 1c and 1d)			
f Lobbying nontaxable amount. Enter the amount from the following table in both columns			
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:		
Not over \$500,000	20% of the amount on line 1e		
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.		
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000		
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.		
Over \$17,000,000	\$1,000,000.		
g Grassroots nontaxable amount (enter 25% of line 1f)			
h Subtract line 1g from line 1a. If zero or less, enter -0-			
i Subtract line 1f from line 1c. If zero or less, enter -0-			
j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?			

☐ Yes ☐ No

4-Year Averaging Period Under section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below.

See the separate instructions for lines 2a through 2f.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2013	(b) 2014	(c) 2015	(d) 2016	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column (e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Schedule C (Form 990 or 990-EZ) 2016

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

For each "Yes," response on lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity

	(a)		(b)
	Yes	No	Amount
1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a Volunteers?		X	
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?	X		
c Media advertisements?		X	
d Mailings to members, legislators, or the public?		X	
e Publications, or published or broadcast statements?		X	
f Grants to other organizations for lobbying purposes?		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body?	X		155,798.
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?	X		103,805.
i Other activities?	X		54,567.
j Total. Add lines 1c through 1i			314,170.
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		X	
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

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

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

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

Part IV Supplemental Information

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

PART II-B, LINE 1, LOBBYING ACTIVITIES:

NORTHEAST GEORGIA HEALTH SYSTEM, INC. PAYS MEMBERSHIP DUES TO SEVERAL PROFESSIONAL AND TRADE ASSOCIATIONS SUCH AS:

-AMERICAN COLLEGE OF HEALTHCARE

-SOCIETY FOR HUMAN RESOURCE MANAGEMENT

Part IV Supplemental Information (continued)

-FOOTHILLS OF GEORGIA SHRM CHAPTER

-GREATER HALL CHAMBER OF COMMERCE

-COLLEGE OF HEALTHCARE INFORMATION MANAGEMENT EXECUTIVES

-AMERICAN SOCIETY FOR HEALTHCARE HUMAN RESOURCES ADMINISTRATION

-AMERICAN SOCIETY FOR HUMAN RESOURCE MANAGEMENT

-GEORGIA HOSPITAL ASSOCIATION

-GEORGIA CHAMBER OF COMMERCE

-AMERICAN ACADEMY OF NURSE PRACTITIONERS

-AMERICAN SOCIETY OF ECHOCARDIOGRAPHY

-SOCIETY OF CARDIOVASCULAR ANGIOGRAPHY AND INTERVENTIONS

-MEDICAL ASSOCIATION OF GEORGIA

-AMERICAN MEDICAL ASSOCIATION

-AMERICAN COLLEGE OF PHYSICIANS

A PORTION OF THESE DUES IS DESIGNATED FOR LOBBYING ACTIVITIES BY THESE ORGANIZATIONS.

SCHEDULE D

(Form 990)

Department of the Treasury
Internal Revenue Service**Supplemental Financial Statements**▶ Complete if the organization answered "Yes" on Form 990,
Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
▶ Attach to Form 990.▶ Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2016Open to Public
Inspection

Name of the organization

NORTHEAST GEORGIA HEALTH SYSTEM, INC.

Employer identification number

58-1694090

Part I**Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.** Complete if the

organization answered "Yes" on Form 990, Part IV, line 6

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

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

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

☐ Preservation of land for public use (e.g., recreation or education)	☐ Preservation of a 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 Tax 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	▶ \$

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

Schedule D (Form 990) 2016

632051 08-29-16

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 exhibitiond ☐ Loan or exchange programsb ☐ Scholarly researche ☐ 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

c Beginning balance

d Additions during the year

e Distributions during the year

f Ending balance

	Amount
1c	
1d	
1e	
1f	

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability?

☐ Yes☐ Nob If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII ☐**Part V Endowment Funds.** Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

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

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

a Board designated or quasi-endowment ▶ _____ %

b Permanent endowment ▶ _____ %

c Temporarily restricted endowment ▶ _____ %

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

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

(i) unrelated organizations

(ii) related organizations

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

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

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

Part VI Land, Buildings, and Equipment.

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		52,756,137.		52,756,137.
b Buildings		89,203,379.	31,796,674.	57,406,705.
c Leasehold improvements		2,255,788.	1,749,697.	506,091.
d Equipment		32,215,262.	17,480,778.	14,734,484.
e Other		4,766,798.	1,484.	4,765,314.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				130,168,731.

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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. (Col. (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. (Col. (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) DEFERRED COMPENSATION	15,761,886.
(2) BOARD DESIGNATED ASSETS	78,994,894.
(3) ASSETS LIMITED AS TO USE	39,568,100.
(4) A/R DUE TO/FROM TENANTS	<9,926.>
(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	
(2) DEFERRED COMPENSATION	15,761,886.
(3) OTHER LIABILITIES	68,447.
(4) UNFUNDED PENSION	23,428,138.
(5) ESTIMATED LIABILITY FOR INSURANCE	
(6) CLAIMS	32,668,860.
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.)	

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.

PART X, LINE 2:

NORTHEAST GEORGIA HEALTH SYSTEM, INC. (NGHS), NORTHEAST GEORGIA MEDICAL CENTER, INC. (NGMC), THE MEDICAL CENTER FOUNDATION, INC., AND NORTHEAST GEORGIA PHYSICIANS GROUP, INC. (NGPG) ARE CLASSIFIED AS ORGANIZATIONS EXEMPT FROM INCOME TAXES UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE. THE INCOME FOR NGMC-BARROW AND THE HEART CENTER PASSES THROUGH TO NGHS, WHICH IS TAX EXEMPT. AS SUCH, NO PROVISION FOR INCOME TAXES HAS BEEN MADE IN THE ACCOMPANYING CONSOLIDATED FINANCIAL STATEMENTS. NORTHEAST GEORGIA HEALTH PARTNERS, LLC IS A TAXABLE ENTITY AND ACCOUNTS FOR INCOME TAXES IN ACCORDANCE WITH FINANCIAL ACCOUNTING STANDARDS BOARD'S (FASB) ACCOUNTING STANDARDS CODIFICATION (ASC) 740, INCOME TAXES (ASC 740). AT SEPTEMBER 30, 2017, MANAGEMENT DOES NOT BELIEVE THE SYSTEM HOLDS ANY

Part XIII Supplemental Information *(continued)*

UNCERTAIN TAX POSITIONS THAT WOULD REQUIRE FINANCIAL STATEMENT RECOGNITION OR DISCLOSURE UNDER ASC 740. IT IS THE SYSTEM'S POLICY TO RECOGNIZE INTEREST AND/OR PENALTIES RELATED TO INCOME TAX MATTERS AS AN OPERATING EXPENSE.

**SCHEDULE 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

NORTHEAST GEORGIA HEALTH SYSTEM, INC.

Employer identification number

58-1694090

Part I Financial Assistance and Certain Other Community Benefits at Cost

- 1a** Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a
- b** If "Yes," was it a written policy?
 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**
- 2** 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 _____ %
- 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 _____ %
- 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"?
- 5a** Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?
- b** If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?
- c** If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?
- 6a** Did the organization prepare a community benefit report during the tax year?
- b** If "Yes," did the organization make it available to the public?

	Yes	No
1a	X	
1b	X	
3a	X	
3b	X	
4	X	
5a	X	
5b	X	
5c		X
6a	X	
6b	X	

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

	(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
Financial Assistance and Means-Tested Government Programs						
a Financial Assistance at cost (from Worksheet 1)			1508324.		1508324.	1.33%
b Medicaid (from Worksheet 3, column a)			5224895.	2754459.	2470436.	2.18%
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d Total Financial Assistance and Means-Tested Government Programs			6733219.	2754459.	3978760.	3.51%
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)		2,957	79,063.	363.	78,700.	.07%
f Health professions education (from Worksheet 5)						
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)			10,641.		10,641.	.01%
j Total. Other Benefits		2,957	89,704.	363.	89,341.	.08%
k Total. Add lines 7d and 7j		2,957	6822923.	2754822.	4068101.	3.59%

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 NGMC BARROW, LLCLine 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?	X	
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	X	
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		X
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 <u>20</u>		
5 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted		
6a Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C		
6b 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		
7 Did the hospital facility make its CHNA report widely available to the public?		
If "Yes," indicate how the CHNA report was made widely available (check all that apply)		
a ☐ Hospital facility's website (list url) _____		
b ☐ Other website (list url) _____		
c ☐ Made a paper copy available for public inspection without charge at the hospital facility		
d ☐ Other (describe in Section C)		
8 Did the hospital facility adopt an implementation strategy to meet the significant community health needs identified through its most recently conducted CHNA? If "No," skip to line 11		
9 Indicate the tax year the hospital facility last adopted an implementation strategy. <u>20</u>		
10 Is the hospital facility's most recently adopted implementation strategy posted on a website?		
a If "Yes," (list url) _____		
b If "No," is the hospital facility's most recently adopted implementation strategy attached to this return?		
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)?		X
b If "Yes" to line 12a, did the organization file Form 4720 to report the section 4959 excise tax?		
c If "Yes" to 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 NGMC BARROW, LLC

	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?	X	
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 <u>150</u> % and FPG family income limit for eligibility for discounted care of <u>300</u> %		
b ☐ Income level other than FPG (describe in Section C)		
c ☐ Asset level		
d ☐ Medical indigency		
e ☐ Insurance status		
f ☐ Underinsurance status		
g ☒ Residency		
h ☐ Other (describe in Section C)		
14 Explained the basis for calculating amounts charged to patients?	X	
15 Explained the method for applying for financial assistance?	X	
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?	X	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply):		
a ☒ The FAP was widely available on a website (list url): <u>WWW.NGHS.COM</u>		
b ☒ The FAP application form was widely available on a website (list url): <u>WWW.NGHS.COM</u>		
c ☒ A plain language summary of the FAP was widely available on a website (list url): <u>WWW.NGHS.COM</u>		
d ☒ The FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
e ☒ The FAP application form was available upon request and without charge (in public locations in the hospital facility and by mail)		
f ☒ A plain language summary of the FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
g ☒ Individuals were notified about the FAP by being offered a paper copy of the plain language summary of the FAP, by receiving a conspicuous written notice about the FAP on their billing statements, and via conspicuous public displays or other measures reasonably calculated to attract patients' attention		
h ☒ Notified members of the community who are most likely to require financial assistance about availability of the FAP		
i ☒ The FAP, FAP application form, and plain language summary of the FAP were translated into the primary language(s) spoken by LEP populations		
j ☐ Other (describe in Section C)		

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Part V Facility Information (continued)**Billing and Collections**Name of hospital facility or letter of facility reporting group NGMC BARROW, LLC

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 nonpayment?
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?
- 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

	Yes	No
17	X	
18		
19		X
20		

Policy Relating to Emergency Medical Care

21. Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that required the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?

	Yes	No
21	X	

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)

Schedule H (Form 990) 2016

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.

PART V, SECTION B, LINE 3

NGMC BARROW WAS ACQUIRED BY NORTHEAST GEORGIA HEALTH SYSTEM IN JANUARY

2017. PRIOR TO THE ACQUISITION, NGMC BARROW WAS NOT CONSIDERED A

TAX-EXEMPT HOSPITAL. NGHS DID NOT CONDUCT A COMMUNITY HEALTH NEEDS

ASSESSMENT (CHNA) FOR NGMC BARROW PRIOR TO THE FISCAL YEAR END 9-30-17

DUE TO THE SHORT DURATION BETWEEN ACQUISITION DATE AND FISCAL YEAR END.

HOWEVER, NGHS IS IN THE PROCESS OF CONDUCTING AND PUBLISHING A CHNA FOR

NGMC BARROW AND TRANSITION TO FUNCTIONING AS A TAX-EXEMPT HOSPITAL.

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

PART I, LINE 3C:

PATIENTS WHO ARE DETERMINED TO BE INDIGENT BASED UPON CRITERIA-BASED METHODS (E.G. PROPENSITY TO PAY/HEALTH SCORE, PARTICIPATION IN LOW INCOME GOVERNMENT PROGRAM) MAY BE PRESUMPTIVELY ELIGIBLE FOR ASSISTANCE PROVIDING THEY COOPERATE WITH SCREENING FOR OTHER FINANCIAL ASSISTANCE RESOURCES (E.G. MEDICAID, DISABILITY), AS APPLICABLE.

PART I, LINE 6A:

THE COMMUNITY BENEFIT REPORT IS PUBLISHED BY NORTHEAST GEORGIA HEALTH SYSTEM AND INCLUDES PROGRAMS FOR NORTHEAST GEORGIA MEDICAL CENTER AND ITS AFFILIATES, INCLUDING NGMC BARROW. THE REPORT IS AVAILABLE ON THE ORGANIZATION'S WEBSITE (WWW.NGHS.COM) AS WELL AS IN ITS ANNUAL COMMUNICARE MAGAZINE.

PART I, LINE 7:

CHARITY CARE COST WAS CALCULATED APPLYING AN OVERALL COST-TO-CHARGE RATIO (CCR) TO PATIENT CHARGES FROM HOSPITAL ACTIVITIES. THE CCR FOR THE PATIENT CHARGES WAS COMPUTED PURSUANT TO WORKSHEET 2 IN THE SCHEDULE H

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

INSTRUCTIONS. THE CCR FOR THE UNREIMBURSED MEDICAID SERVICES WAS ALSO
COMPUTED USING A CCR COMPUTED PURSUANT TO WORKSHEET 2 IN THE SCHEDULE H
INSTRUCTIONS.

IN ADDITION, NGHS HAS MULTIPLE ACTIVITIES WITHIN THE ORGANIZATION THAT DO
NOT FALL UNDER THE OPERATIONS OF THE HOSPITAL, NGMC BARROW. THE
INSTRUCTIONS FOR SCHEDULE H, PART I, LINE 7, COLUMN (F) STATE THAT THE
PERCENTAGE IS TO BE CALCULATED USING THE TOTAL EXPENSES FROM FORM 990,
PART IX, LINE 25, COLUMN (A) LESS BAD DEBT EXPENSE. THEREFORE, THE
REPORTED PERCENTAGES ARE RELATIVE TO ALL NGHS EXPENSES, NOT JUST THE
EXPENSES ATTRIBUTABLE TO THE HOSPITAL OPERATIONS OF NGMC BARROW.

A CALCULATION OF THE PERCENT OF TOTAL EXPENSE THAT RELATES TO COMMUNITY
BENEFIT ACTIVITIES USING THE \$22,119,403 OF HOSPITAL EXPENSES SOLELY
ASSOCIATED WITH NGMC BARROW RESULTS IN A PERCENTAGE OF 18.4%. THIS IS A
MORE ACCURATE REFLECTION OF THE PERCENT OF EXPENSES WITHIN NGMC BARROW
THAT ARE APPLIED TO COMMUNITY BENEFIT.

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.
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PART I, LN 7 COL(F):

THE BAD DEBT EXPENSE INCLUDED ON FORM 990, PART IX, LINE 24, COLUMN D, BUT
SUBTRACTED FOR PURPOSES OF CALCULATING THE PERCENTAGE IN THIS COLUMN IS
\$1,928,799.

PART II, COMMUNITY BUILDING ACTIVITIES:

DR. MONICA NEWTON, CO-CHAIR OF NGMC'S COMMUNITY HEALTH NEEDS ASSESSMENT
(PERFORMED FOR NGMC GAINESVILLE AND BRASELTON), SUCCESSFULLY PRESENTED A
PARTNERSHIP PROPOSAL TO BARROW COUNTY'S ELEMENTARY SCHOOL PRINCIPALS IN
MARCH TO IMPLEMENT "TAR WARS" IN FOURTH AND FIFTH GRADES IN FALL 2018.
TAR WARS IS A TOBACCO-FREE EDUCATION PROGRAM FOR FOURTH AND FIFTH GRADE
STUDENTS DEVELOPED BY THE AMERICAN ACADEMY OF FAMILY PHYSICIANS. THE GOAL
IS TO REDUCE TOBACCO USE AMONG YOUNG PEOPLE AND BEGIN A DISCUSSION ABOUT
CHANGING CULTURE. DATA FROM NGMC'S COMMUNITY HEALTH NEEDS ASSESSMENT
SHOWED THAT BETWEEN 2008 AND 2012, BARROW COUNTY HAD A LUNG CANCER
INDICATOR VALUE OF 87.9, WELL ABOVE ITS NEIGHBOR GWINNETT COUNTY'S VALUE
OF 54.1 AND THE STATE BENCHMARK OF 68.8, ACCORDING TO THE NATIONAL CANCER
INSTITUTE.

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.
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PART III, LINE 2:

PATIENT ACCOUNTS RECEIVABLE ARE REDUCED BY AN ESTIMATED ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS. IN EVALUATING THE COLLECTABILITY OF ACCOUNTS RECEIVABLE, NORTHEAST GEORGIA HEALTH SYSTEM (THE SYSTEM) ANALYZES ITS PAST HISTORY AND IDENTIFIES TRENDS FOR EACH OF ITS MAJOR PAYER SOURCES OF REVENUE TO ESTIMATE THE APPROPRIATE ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS AND PROVISION FOR BAD DEBTS. MANAGEMENT REGULARLY REVIEWS DATA ABOUT THESE MAJOR PAYER SOURCES OF REVENUE IN EVALUATING THE SUFFICIENCY OF THE ESTIMATED ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS.

THE SYSTEM'S ESTIMATED ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS INCREASED FROM APPROXIMATELY 21% OF GROSS PATIENT ACCOUNTS RECEIVABLE AT SEPTEMBER 30, 2016 TO APPROXIMATELY 22% OF GROSS PATIENT ACCOUNTS RECEIVABLE AT SEPTEMBER 30, 2017. THE SYSTEM'S BAD DEBT WRITE-OFFS WERE APPROXIMATELY \$114,139,000 AND \$122,193,000 FOR THE YEARS ENDED SEPTEMBER 30, 2017 AND 2016, RESPECTIVELY. AMOUNTS OF CHARGES RELATED TO CHARITY CARE WERE APPROXIMATELY \$179,030,000 AND \$131,129,000 FOR THE YEARS ENDED SEPTEMBER

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.
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30, 2017 AND 2016, RESPECTIVELY, WHICH ARE NET OF INDIGENT CARE TRUST FUND PROCEEDS OF APPROXIMATELY \$6,347,000 AND \$4,811,000 IN 2017 AND 2016, RESPECTIVELY. UNDER AN AGREEMENT WITH THE GEORGIA DEPARTMENT OF COMMUNITY HEALTH DIVISION OF MEDICAL ASSISTANCE (GEORGIA MEDICAID), THE HOSPITAL AUTHORITY OF HALL COUNTY AND THE CITY OF GAINESVILLE THROUGH NORTHEAST GEORGIA MEDICAL CENTER PAYS INTO AN INDIGENT CARE TRUST FUND AND IS THEN ELIGIBLE TO RECEIVE INDIGENT CARE TRUST FUND PAYMENTS.

PART III, LINE 4:

BAD DEBT EXPENSE REPORTED ON LINE 2 REPRESENTS GROSS CHARGES WRITTEN OFF DURING THE FISCAL YEAR NET OF ANY RECOVERIES. THE ORGANIZATION'S FINANCIAL STATEMENTS CONTAIN A FOOTNOTE REGARDING BAD DEBTS ON PAGE 15-16.

PART III, LINE 8:

THE MEDICARE COSTS SHOWN ON LINE 6 WERE COMPUTED USING THE COST TO CHARGE RATIO REFLECTED IN THE ORGANIZATION'S MEDICARE COST REPORT.

PART III, LINE 9B:

632100 11-02-16

Schedule H (Form 990) 2016

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
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PATIENTS WHO ARE DETERMINED TO BE INDIGENT, DETERMINED BY CRITERIA-BASED METHODS, SUCH AS PROPENSITY TO PAY OR HEALTH SCORES, PARTICIPATION IN LOW INCOME GOVERNMENT ASSISTANCE PROGRAMS, ETC. MAY BE PRESUMPTIVELY ELIGIBLE FOR ASSISTANCE, PROVIDING THEY COOPERATE WITH SCREENING FOR OTHER FINANCIAL ASSISTANCE RESOURCES (E.G. MEDICAID OR DISABILITY), AS APPLICABLE.

PART VI, LINE 2:

NGMC BARROW, ORIGINALLY KNOWN AS BARROW REGIONAL MEDICAL CENTER, JOINED NORTHEAST GEORGIA HEALTH SYSTEM IN JANUARY 2017. A REGION-WIDE COMMUNITY HEALTH NEEDS ASSESSMENT, INCLUDING BARROW AND SURROUNDING COUNTIES, WAS CONDUCTED IN 2016. HOWEVER, NGMC DID NOT ACQUIRE BARROW REGIONAL MEDICAL CENTER UNTIL JANUARY 2017.

PART VI, LINE 3:

EACH BILLING CYCLE STATEMENT CONTAINS CONTACT INFORMATION FOR FINANCIAL ASSISTANCE INFORMATION. A PLAIN LANGUAGE SUMMARY IS PROVIDED AT DAY 90. DURING THE 240 DAYS PRIOR TO PLACEMENT WITH A COLLECTION AGENCY, REGULAR

Part VI Supplemental Information

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PHONE CALLS ARE MADE THAT INCLUDE ORAL NOTIFICATION OF FINANCIAL ASSISTANCE POLICY AND HOW TO OBTAIN ASSISTANCE WITH THE APPLICATION PROCESS. APPLICATIONS WILL BE ACCEPTED UP TO DAY 240. WITH AGGREGATED MULTIPLE EPISODE PATIENT ACCOUNTS, FOR PURPOSES OF MEASURING 120 AND 240 DAYS, THE FIRST POST-CHARGE BILLING STATEMENT WILL BE USED.

PART VI, LINE 4:

POPULATION: FROM 2010 TO 2016, THE HEALTH SYSTEM'S TOTAL SERVICE AREA (TSA) POPULATION GREW 1.6% PER YEAR ON AVERAGE COMPARED TO THE STATE OF GEORGIA AT 0.9% AND THE U.S. AT 0.8%. POPULATION FOR THE TSA IN 2016 IS ESTIMATED TO BE 881,876 REPRESENTING A TOTAL GROWTH RATE OF 9.7% SINCE 2010, COMPARED TO THE STATE OF GEORGIA'S GROWTH (5.7%) AND THE U.S. (4.8%) OVER THE SAME TIME PERIOD. THE TSA'S POPULATION GROWTH RATE IS PROJECTED TO OUTPACE GEORGIA AND THE U.S. THROUGH AT LEAST 2021, THUS CONTINUING TO DRIVE ABOVE AVERAGE DEMAND FOR HEALTH CARE SERVICES. SOURCE: U.S. CENSUS BUREAU; ESRI, INC.

HOUSEHOLD INCOME AND HOME VALUES: MEDIAN HOUSEHOLD INCOME FOR THE TSA IS

632100 11-02-16

Schedule H (Form 990) 2016

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
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CURRENTLY \$55,943 COMPARED TO THE STATE OF GEORGIA AT \$50,384. THE MEDIAN HOME VALUE FOR THE TSA IS CURRENTLY \$197,128 COMPARED TO THE STATE OF GEORGIA AT \$161,440. THE NGHS SERVICE AREA HAS BEEN CONSISTENTLY HIGHER THAN THE STATE OF GEORGIA ON THESE METRICS. SOURCE: U.S. CENSUS BUREAU; ESRI, INC.

EMPLOYMENT: THE UNEMPLOYMENT RATE FOR THE NGHS TOTAL SERVICE AREA WAS 5.2% IN 2016 COMPARED WITH THE STATE OF GEORGIA AT 6.3% AND THE U.S. AT 5.9%. FOR AT LEAST THE LAST 10 YEARS, THE TSA HAS CONSISTENTLY EXPERIENCED AN ANNUAL UNEMPLOYMENT RATE BELOW THOSE OF GEORGIA AND THE U.S. SOURCE: U.S. BUREAU OF LABOR STATISTICS; ESRI, INC.

PART VI, LINE 5:

NORTHEAST GEORGIA HEALTH SYSTEM, INC.'S BOARD OF DIRECTORS IS COMPRISED OF 15 MEMBERS AND REPRESENTS THE COMMUNITIES DIRECTLY SERVED BY THE ORGANIZATION; NGMC BARROW HAS A MANAGEMENT BOARD COMPRISED OF SIX MEMBERS. BOARD MEMBERS PROVIDE LEADERSHIP THAT SUPPORTS THE ORGANIZATION'S MISSION TO IMPROVE THE HEALTH OF THE COMMUNITY.

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.
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PHYSICIANS AT NGMC BARROW UNDERGO AN EXTENSIVE CREDENTIALING PROCESS PRIOR TO BEING GRANTED MEDICAL STAFF PRIVILEGES. THE MEDICAL CENTER CONDUCTS PHYSICIAN MANPOWER STUDIES TO DETERMINE THE NUMBER OF PHYSICIANS NEEDED BY SPECIALTY TO MEET COMMUNITY NEED. INFORMATION FROM THESE STUDIES IS USED TO HELP GUIDE DECISIONS FOR PHYSICIAN RECRUITMENT.

ALL REVENUES IN EXCESS OF EXPENSES ARE REINVESTED INTO HEALTHCARE SERVICES FOR THE COMMUNITY AND NO PROFITS ACCRUE TO INDIVIDUAL INVESTORS. THE MEDICAL CENTER'S POLICY ON FINANCIAL ASSISTANCE (FORMERLY KNOWN AS THE CHARITY CARE POLICY) HELPS ENSURE ACCESS TO HOSPITAL SERVICES TO LOW INCOME PATIENTS, I.E.: PATIENTS WITH A FAMILY INCOME OF UP TO AND INCLUDING/EQUAL TO 150% OF THE FEDERAL POVERTY GUIDELINES QUALIFY FOR A 100% CHARITY ADJUSTMENT, WHICH MEANS THAT THEIR QUALIFYING SERVICES ARE FREE. ADDITIONALLY, PATIENTS WITH A FAMILY INCOME OF 151-300% QUALIFY FOR DISCOUNTED CARE ON A SLIDING SCALE, WHICH THE MOST THAT A PATIENT WOULD PAY IS THE MEDICARE RATE.

Part VI Supplemental Information

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PART VI, LINE 6:

NGMC BARROW IS A SINGLE-MEMBER LIMITED LIABILITY COMPANY WHOLLY OWNED BY NORTHEAST GEORGIA HEALTH SYSTEM. OTHER AFFILIATES INCLUDE NGMC, NORTHEAST GEORGIA PHYSICIANS GROUP, THE MEDICAL CENTER FOUNDATION, NORTHEAST GEORGIA HEALTH PARTNERS, RIVER PLACE MEDICAL OFFICE PLAZA I, AND THE HEART CENTER, LLC.

THE MISSION OF NORTHEAST GEORGIA HEALTH SYSTEM AND ALL RELATED AFFILIATES IS TO "IMPROVE THE HEALTH OF THE COMMUNITY IN ALL WE DO." AS A NOT-FOR-PROFIT HOSPITAL, NGMC BARROW TREATS PATIENTS REGARDLESS OF THEIR ABILITY TO PAY AND IS ACCOUNTABLE TO BARROW COUNTY FOR THE PROVISION OF CHARITABLE SERVICES TO THE COMMUNITY.

NGMC PROVIDES ACUTE AND SPECIALTY INPATIENT AND OUTPATIENT SERVICES FOR A REGIONAL COMMUNITY OF OVER 18 COUNTIES AND RECEIVES NO LOCAL TAX SUPPORT FROM ANY OF THOSE COUNTIES FOR OPERATIONS OR INDIGENT CARE.

THE MEDICAL CENTER FOUNDATION HELPS SUPPORT THE MISSION OF NORTHEAST

Part VI Supplemental Information

Provide the following information.

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GEORGIA HEALTH SYSTEM THROUGH FUNDRAISING INITIATIVES THAT IMPROVE SERVICES OFFERED AT NGMC, AS WELL HEALTH-FOCUSED SERVICES IN THE COMMUNITY.

NORTHEAST GEORGIA HEALTH PARTNERS WORKS TO BUILD COLLABORATIVE RELATIONSHIPS BETWEEN HOSPITALS, PHYSICIANS AND OTHER HEALTHCARE PROVIDERS, EMPLOYERS AND THE EMPLOYEES THEY REPRESENT THROUGH INSURANCE PRODUCTS THAT HELP SUPPORT PATIENT ACCESS TO HEALTHCARE SERVICES THROUGHOUT THE REGION.

RIVER PLACE MEDICAL OFFICE PLAZA 1 IS A MEDICAL OFFICE BUILDING THAT IS HOME TO AN URGENT CARE CENTER, IMAGING CENTER, OUTPATIENT REHABILITATION CENTER, FULL SERVICE LAB AND MANY PRIVATE PHYSICIAN PRACTICES REPRESENTING MORE THAN 20 MEDICAL SPECIALTIES, IMPROVING ACCESS TO CARE IN THE SOUTHERN REGION SERVED BY NORTHEAST GEORGIA HEALTH SYSTEM.

NORTHEAST GEORGIA PHYSICIANS GROUP IS A MULTI-SPECIALTY GROUP WITH MORE THAN 350 PHYSICIANS, PHYSICIAN ASSISTANTS, NURSE PRACTITIONERS AND OTHER CLINICAL STAFF PROVIDING HEALTHCARE SERVICES AT 65 LOCATIONS THROUGHOUT

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.
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NORTHEAST GEORGIA, WHICH FURTHER IMPROVES THE COMMUNITY ACCESS TO CARE FOR THE REGION OF OVER 18 COUNTIES.

NORTHEAST GEORGIA HEALTH SYSTEM VOLUNTEERS AND AUXILIANS ARE PEOPLE OF ALL AGES WHO GIVE OF THEMSELVES TO MAKE A DIFFERENCE IN THE LIVES OF OTHERS. THE MEDICAL CENTER AUXILIARY IS COMMITTED TO INVOLVING DEDICATED VOLUNTEERS TO IMPROVE THE SERVICES OF THE HEALTH SYSTEM. VOLUNTEERS CONTRIBUTE TIME AND COMPASSIONATE SERVICE ASSISTING WITH NON-MEDICAL DUTIES AS THEY PROVIDE COMFORT AND SUPPORT TO PATIENTS, FAMILY MEMBERS AND VISITORS.

THE AFFILIATION BETWEEN NORTHEAST GEORGIA MEDICAL CENTER'S HEART AND VASCULAR SERVICES AND THE HEART CENTER OF NORTHEAST GEORGIA MEDICAL CENTER ENSURES PATIENTS HAVE ACCESS TO THE LATEST CARDIOVASCULAR TECHNOLOGY AND RECEIVE TOP QUALITY CARE FROM TOP PHYSICIANS. THIS GROUP HAS SEVERAL OFFICES THROUGHOUT THE NORTHEASTERN PART OF GEORGIA AND PROVIDES ALL CARDIOVASCULAR SUBSPECIALTY CARE, INCLUDING GENERAL INVASIVE AND INTERVENTIONAL CARDIOLOGY, CONGESTIVE HEART FAILURE, ELECTROPHYSIOLOGY,

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PERIPHERAL VASCULAR INTERVENTIONS AND WOMEN'S CARDIOVASCULAR HEALTH
PROGRAMS.

PART VI, LINE 7, LIST OF STATES RECEIVING COMMUNITY BENEFIT REPORT:

GA

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest
Compensated Employees

► Complete if the organization answered "Yes" on Form 990, Part IV, line 23.

► Attach to Form 990.

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

OMB No 1545-0047

2016

Open to Public
Inspection

Name of the organization

NORTHEAST GEORGIA HEALTH SYSTEM, INC.

Employer identification number

58-1694090

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- | | |
|--|---|
| ☐ First-class or charter travel | ☐ Housing allowance or residence for personal use |
| ☐ Travel for companions | ☐ Payments for business use of personal residence |
| ☐ Tax indemnification and gross-up payments | ☐ Health or social club dues or initiation fees |
| ☐ Discretionary spending account | ☐ Personal services (such as, maid, chauffeur, chef) |

b If any of the boxes on 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

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked on line 1a?

3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.

- | | |
|---|---|
| ☒ Compensation committee | ☒ Written employment contract |
| ☒ Independent compensation consultant | ☒ Compensation survey or study |
| ☒ Form 990 of other organizations | ☒ Approval by the board or compensation committee |

4 During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization

a Receive a severance payment or change-of-control payment?

b Participate in, or receive payment from, a supplemental nonqualified retirement plan?

c Participate in, or receive payment from, an equity-based compensation arrangement?

If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III

Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.

5 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

a The organization?

b Any related organization?

If "Yes" on line 5a or 5b, describe in Part III

6 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

a The organization?

b Any related organization?

If "Yes" on line 6a or 6b, describe in Part III

7 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described on lines 5 and 6? If "Yes," describe in Part III

8 Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III

9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

	Yes	No
1b		
2	X	
4a		X
4b	X	
4c		X
5a		X
5b		X
6a		X
6b		X
7		X
8		X
9		

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

Schedule J (Form 990) 2016

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 aren't 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				
(1) JOHN CLIFTON HASTINGS, MD MEMBER, NGPG PHYSICIAN	(i) 819,806.	0.	22,402.	9,275.	34,972.	886,455.	0.
(ii) 0.	0.	0.	0.	0.	0.	0.	0.
(2) MOHAK DAVE, MD MEMBER, NGMC MEDICAL DIRECTOR	(i) 0.	0.	0.	0.	0.	0.	0.
(ii) 0.	0.	0.	0.	0.	0.	0.	0.
(3) ANTHONY HERDENER VP, CFO, EXECUTIVE CONSULTANT - NGHS	(i) 454,779.	150,026.	59,198.	89,779.	21,537.	775,319.	0.
(ii) 0.	0.	0.	0.	0.	0.	0.	0.
(4) BRENDA SIMPSON CHIEF NURSING OFFICER - NGMC	(i) 201,698.	48,428.	7,193.	6,591.	14,305.	278,215.	0.
(ii) 0.	0.	0.	0.	0.	0.	0.	0.
(5) CAROL BURRELL PRESIDENT & CEO	(i) 885,401.	275,956.	58,299.	897,040.	11,825.	2,128,521.	0.
(ii) 0.	0.	0.	0.	0.	0.	0.	0.
(6) CHRISTOPHER PARAVATE CHIEF INFORMATION OFFICER - NGHS	(i) 311,390.	58,873.	1,630.	44,456.	33,425.	449,774.	0.
(ii) 0.	0.	0.	0.	0.	0.	0.	0.
(7) DEBORAH WEBER CHRO & VP HUMAN RESOURCES - NGHS	(i) 277,138.	34,433.	22,139.	41,461.	24,375.	399,546.	0.
(ii) 0.	0.	0.	0.	0.	0.	0.	0.
(8) ELYSE GATES VP REVENUE CYCLE - NGHS	(i) 188,792.	58,737.	513.	6,199.	1,527.	255,768.	0.
(ii) 0.	0.	0.	0.	0.	0.	0.	0.
(9) HOWARD WALPOLE VP CLINICAL EFFECTIVENESS - NGMC	(i) 327,122.	19,839.	58,743.	48,552.	12,226.	466,482.	0.
(ii) 0.	0.	0.	0.	0.	0.	0.	0.
(10) JOHN WILLIAMSON PRESIDENT - NGMC BRASELTON	(i) 323,821.	74,146.	20,590.	66,415.	29,370.	514,342.	30,107.
(ii) 0.	0.	0.	0.	0.	0.	0.	0.
(11) LINDA NICHOLSON VP FINANCE/CONTROLLER - NGHS	(i) 204,246.	62,522.	13,209.	65,364.	30,705.	376,046.	19,861.
(ii) 0.	0.	0.	0.	0.	0.	0.	0.
(12) LOUIS SMITH JR. PRESIDENT - NGMC GAINESVILLE	(i) 541,273.	90,750.	8,148.	72,851.	33,128.	746,150.	0.
(ii) 0.	0.	0.	0.	0.	0.	0.	0.
(13) MELISSA TYMCUK CHIEF OF STAFF	(i) 113,005.	17,415.	18,272.	8,647.	21,988.	179,327.	0.
(ii) 0.	0.	0.	0.	0.	0.	0.	0.
(14) ROY GRIFFIN, JR. VP FINANCIAL PLANNING & DECISION SUP	(i) 133,744.	40,619.	2,949.	2,823.	18,487.	198,622.	0.
(ii) 0.	0.	0.	0.	0.	0.	0.	0.
(15) SAMUEL JOHNSON, MD VP MEDICAL AFFAIRS & CMO - NGHS	(i) 407,664.	101,408.	25,524.	58,502.	29,005.	622,103.	41,301.
(ii) 0.	0.	0.	0.	0.	0.	0.	0.
(16) SONJA MCLENDON VP CHIEF OF OPER. EXCELLENCE - NGHS	(i) 271,839.	127,393.	1,423.	42,715.	32,468.	475,838.	17,600.
(ii) 0.	0.	0.	0.	0.	0.	0.	0.

Part III Supplemental Information

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

PART I, LINE 4B:**PART I, LINE 4B - EMPLOYER CONTRIBUTION TO 457(F) EXECUTIVE RETIREMENT BENEFIT PLAN**

ANTHONY M. HERDENER \$ 54,803

TRACY M. VARDEMAN \$ 34,966

LINDA NICHOLSON \$ 25,052

CAROL H. BURRELL \$ 851,311

SAMUEL O. JOHNSON \$ 49,226

JOHN A. WILLIAMSON \$ 39,115

SONJA MCLENDON \$ 33,440

CHRISTOPHER PARAVATE \$ 36,947

DEBORAH WEBER \$ 33,109

HOWARD T. WALPOLE \$ 39,276

LOUIS SMITH, JR. \$ 63,576

CAROL H. BURRELL, PRESIDENT AND CEO OF NORTHEAST GEORGIA HEALTH SYSTEM, INC., BEGAN HER CAREER AT NORTHEAST GEORGIA HEALTH SYSTEM IN 1999. SHE WAS PROMOTED TO PRESIDENT AND CEO IN JULY 2011. HER FIRST FULL YEAR AS CEO WAS

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.

COMPLETED IN 2012 WHICH IS REFLECTED IN HER PAY AND DEFERRED COMPENSATION.
THE CONTRIBUTION TO THE 457(F) EXECUTIVE RETIREMENT PLAN ON HER BEHALF FOR
2016 (\$851,311) WAS COMPUTED BASED ON HER AGE, LENGTH OF EMPLOYMENT, AND
CURRENT POSITION WITH NORTHEAST GEORGIA HEALTH SYSTEM, INC. IN ADDITION,
BEGINNING IN DECEMBER 2016, NORTHEAST GEORGIA HEALTH SYSTEM, INC. INVESTED
IN A JOINTLY-OWNED SPLIT DOLLAR LIFE INSURANCE PLAN FOR MS. BURRELL. THE
ASSET VALUE AS OF SEPTEMBER 30, 2017 IS \$3,231,604 AND IS REPORTED ON FORM
990, PART X, LINE 15, OTHER ASSETS.

EMPLOYER PAYMENT FROM 457(F) PLAN (INCLUDING VESTED EARNINGS ON PREVIOUSLY
REPORTED COMPENSATION):

ANTHONY HERDENER \$ 54,803

TRACY M. VARDEMAN \$ 25,227

JOHN A. WILLIAMSON \$ 31,436

LINDA NICHOLSON \$ 20,738

SAMUEL O. JOHNSON \$ 43,124

SONJA MCLENDON \$ 18,377

SCHEDULE L

(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions With Interested Persons

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.

▶ Attach to Form 990 or Form 990-EZ.

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

OMB No 1545-0047

2016

Open To Public
Inspection

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NORTHEAST GEORGIA HEALTH SYSTEM, INC.

Employer identification number

58-1694090

Part I Excess Benefit Transactions (section 501(c)(3), section 501(c)(4), and 501(c)(29) organizations only)

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

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

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

▶ \$

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

▶ \$

Part II Loans to and/or From Interested Persons.

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

(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	(d) Loan to or from the organization?		(e) Original principal amount	(f) Balance due	(g) In default?		(h) Approved by board or committee?		(i) Written agreement?	
			To	From			Yes	No	Yes	No	Yes	No
CHAD HATFIELD	PRESIDENT	SIGN-ON		X	10,000.	3,333.		X	X		X	
BRIAN D. STEINE	VP & CFO	SIGN-ON/		X	65,080.	56,944.		X	X		X	
DANIEL TUFFY	PRESIDENT	SIGN-ON		X	25,000.	23,958.		X	X		X	
CAROL BURRELL	PRESIDENT	SEE PART		X	3,600,000.	3,231,604.		X	X		X	
Total						▶ \$ 3,315,839.						

Part III Grants or Assistance Benefiting Interested Persons.

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

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

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule L (Form 990 or 990-EZ) 2016

SEE PART V FOR CONTINUATIONS

Part IV Business Transactions Involving Interested Persons.

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

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

Part V Supplemental Information

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

SCHEDULE L, PART II, LOANS TO AND FROM INTERESTED PERSONS:

(A) NAME OF PERSON: CHAD HATFIELD

(B) RELATIONSHIP WITH ORGANIZATION: PRESIDENT - NGMC BARROW

(C) PURPOSE OF LOAN: SIGN-ON ADVANCE PURSUANT TO WRITTEN PROMISSORY NOTE
AND APPLICABLE INTEREST

(A) NAME OF PERSON: BRIAN D. STEINES

(B) RELATIONSHIP WITH ORGANIZATION: VP & CFO - NGHS

(C) PURPOSE OF LOAN: SIGN-ON/RELOCATION PURSUANT TO WRITTEN PROMISSORY
NOTE AND APPL. INTEREST

(A) NAME OF PERSON: DANIEL TUFFY

(B) RELATIONSHIP WITH ORGANIZATION: PRESIDENT OF PHYSICIAN SERVICES

(C) PURPOSE OF LOAN: SIGN-ON ADVANCE PURSUANT TO WRITTEN PROMISSORY NOTE
AND APPLICABLE INTEREST

(A) NAME OF PERSON: CAROL BURRELL

(B) RELATIONSHIP WITH ORGANIZATION: PRESIDENT & CEO

(C) PURPOSE OF LOAN: SEE PART V

Part V Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule L (see instructions)

PART II**EXPLANATION FOR NON-RECOURSE SPLIT DOLLAR TRANSACTION WITH CAROL****BURRELL, PRESIDENT & CEO:**

NGHS PROVIDES SUPPLEMENTAL RETIREMENT BENEFITS THROUGH AN ALTERNATIVE FUNDING ARRANGEMENT THE INTERNAL REVENUE SERVICE (IRS) REFERS TO AS COLLATERAL ASSIGNMENT SPLIT DOLLAR (CASD). ALTHOUGH THE IRS REQUIRES REPORTING IN THE LOAN SECTION OF SCHEDULE L, CASD IS NOT AN ACTUAL LOAN AND NO FUNDS ARE TRANSFERRED TO THE EXECUTIVE. RATHER, THE "LOAN" TREATMENT APPLIES BECAUSE, AFTER THE EXECUTIVE HAS RECEIVED RETIREMENT BENEFITS, NGHS WILL RECOVER ALL OF ITS OUTLAYS PLUS INTEREST. THE RECOVERY RIGHT IS A KEY ADVANTAGE OF CASD FOR THE ORGANIZATION. RATHER THAN PAYING RETIREMENT BENEFITS TO THE EXECUTIVE THAT WOULD NEVER BE RECOVERED, UNDER CASD NGHS WILL RECOVER NOT ONLY ITS OUTLAYS, BUT ALSO CONSIDERATION FOR THE TIME VALUE OF MONEY.

CASD WORKS AS FOLLOWS. NGHS DEPOSITS FUNDS INTO A CASH VALUE LIFE INSURANCE POLICY ON THE EXECUTIVE'S LIFE. DURING LIFE, TO THE EXTENT THE EXECUTIVE FULFILLS SERVICE AND VESTING REQUIREMENTS, THE EXECUTIVE CAN BORROW AGAINST VALUES IN THE POLICY TO SUPPLEMENT RETIREMENT INCOME. POLICY PERFORMANCE IS CLOSELY MONITORED. IF POLICY PERFORMANCE LAGS, THE EXECUTIVE'S BORROWING RIGHTS ARE REDUCED TO PROTECT NGHS'S RECOVERY RIGHTS.

AT THE EXECUTIVE'S DEATH, THE POLICY DEATH PROCEEDS ARE FIRST USED TO REPAY NGHS ITS DEPOSITS PLUS COMPOUNDED INTEREST (AT THE IRS LONG-TERM APPLICABLE FEDERAL RATE). THE EXECUTIVE'S BENEFICIARY THEN RECEIVES ANY PROJECTED RETIREMENT BORROWING THE EXECUTIVE DID NOT ACCESS DURING

Part V Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule L (see instructions).

LIFE.

A COPY OF THE REPRESENTATION UNDER 26 CFR SECTION 1.7872-15(D)(2) AS
SIGNED BY MS. BURRELL HAS BEEN ATTACHED TO FORM 990.

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

NORTHEAST GEORGIA HEALTH SYSTEM, INC.

Employer identification number
58-1694090

FORM 990, PART III, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

- NORTHEAST GEORGIA PHYSICIANS GROUP, INC.

NGHS DIRECTS THESE AFFILIATES IN THEIR PROGRAM SERVICES BY ENGAGING IN
STRATEGIC PLANNING, FINANCIAL MANAGEMENT, MARKETING, RESOURCE
ALLOCATION, AND GENERAL MANAGEMENT OVERSIGHT. NGHS IS ALSO THE SOLE
OWNER OF NGMC BARROW, LLC, A 56-BED HOSPITAL LOCATED IN WINDER,
GEORGIA.

FORM 990, PART III, LINE 4A, PROGRAM SERVICE ACCOMPLISHMENTS:

NORTHEAST GEORGIA HEALTH SYSTEM, INC. (NGHS) IS A GEORGIA,
NOT-FOR-PROFIT CORPORATION THAT PROVIDES HEALTHCARE SERVICES TO THE
RESIDENTS OF NORTHEAST GEORGIA PRIMARILY THROUGH THE OPERATION OF ITS
AFFILIATES INCLUDING NORTHEAST GEORGIA MEDICAL CENTER, INC. (NGMC),
WHICH IS ALSO A GEORGIA, NOT-FOR-PROFIT CORPORATION. NGMC OPERATES A
557-LICENSED BED INPATIENT FACILITY IN GAINESVILLE AND A 100-LICENSED
BED INPATIENT FACILITY IN BRASELTON.

IN JANUARY 2017, NGHS ACQUIRED NGMC BARROW, LLC ("BARROW"), A 56-BED
HOSPITAL LOCATED IN WINDER, GEORGIA.

TOGETHER, NGMC GAINESVILLE, NGMC BRASELTON AND BARROW PROVIDE A
COMPREHENSIVE RANGE OF ACUTE CARE AND SPECIALTY SERVICES AND SERVE THE
AREA'S LOW-INCOME, UNINSURED, UNDERINSURED AND OTHER VULNERABLE
POPULATIONS. NGMC GAINESVILLE SERVES AS THE REGIONAL SAFETY NET
HOSPITAL, WITH APPROXIMATELY HALF OF ITS PATIENTS COMING FROM OUTSIDE
OF HALL COUNTY. NGMC GAINESVILLE, BRASELTON AND BARROW REINVEST ALL

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule O (Form 990 or 990-EZ) (2016)

632211 08-25-16

Name of the organization

NORTHEAST GEORGIA HEALTH SYSTEM, INC.

Employer identification number

58-1694090

FUNDS IN EXCESS OF OPERATING EXPENSES INTO HEALTHCARE SERVICES FOR THE COMMUNITY. NGHS RECEIVES NO TAX REVENUE FROM HALL OR OTHER COUNTIES SERVED, AND SERVICES ARE FUNDED BY REVENUE GENERATED FROM OPERATIONS.

LOCATED IN GEORGIA'S FASTEST GROWING REGION, THE 67-YEAR-OLD HOSPITAL, NGMC GAINESVILLE, HAS EXPANDED CONSIDERABLY IN RECENT YEARS TO MEET DEMAND, INVESTING A QUARTER OF A BILLION DOLLARS TO UPDATE ITS AGING PLANT AND ANOTHER \$200 MILLION-PLUS TO BUILD THE NGMC BRASELTON CAMPUS AND EXPAND ITS SERVICES TO INCLUDE OBSTETRICS AND RADIATION THERAPY.

NGMC GAINESVILLE & BRASELTON

ACCORDING TO THE 2017 HOSPITAL QUALITY RATINGS STUDY BY CARECHEX, NGMC IS RATED AS GEORGIA'S #1 HEART HOSPITAL (FOR THE TWELFTH YEAR IN A ROW) AND GEORGIA'S #1 HOSPITAL FOR PULMONARY CARE AND WOMEN'S HEALTH. NGMC GAINESVILLE IS ALSO IN THE TOP 9% IN THE NATION FOR CANCER CARE AND IN THE TOP 10% IN THE NATION FOR PNEUMONIA CARE, STROKE CARE, AND SURGICAL CARE. NGMC GAINESVILLE AND BRASELTON CAMPUSES HAVE BEEN RECOGNIZED AS "GEORGIA SAFE TO SLEEP HOSPITALS" BY THE GEORGIA DEPARTMENT OF PUBLIC HEALTH.

IN 2017, NGMC GAINESVILLE AND BRASELTON PROVIDED CHARITY CARE TO HALL COUNTY RESIDENTS AT A COST OF \$19.9 MILLION WITH ANOTHER \$18.8 MILLION TO REGIONAL RESIDENTS OUTSIDE OF HALL COUNTY. UNLIKE A NUMBER OF NOT-FOR-PROFIT HOSPITALS, NGMC RECEIVES NO LOCAL TAX REVENUE FROM HALL COUNTY, OR ANY OTHER COUNTIES, TO SUPPORT OPERATIONS OR CARE PROVIDED TO INDIGENT RESIDENTS. NGMC'S CHARITY CARE POLICY PROVIDES FINANCIAL ASSISTANCE UP TO 300 PERCENT OF THE POVERTY LEVEL - DOUBLE THE AMOUNT GENERALLY PROVIDED BY OTHER HOSPITALS ACROSS THE STATE.

Name of the organization

NORTHEAST GEORGIA HEALTH SYSTEM, INC.

Employer identification number

58-1694090

THE HOSPITAL IS A KEY PARTICIPANT AND FISCAL SPONSOR IN PROGRAMS AIMED AT TREATING LOW-INCOME AND UNINSURED PATIENTS, INCLUDING THE GOOD NEWS CLINICS, THE LARGEST FREE HEALTH CARE CLINIC IN GEORGIA, AND HEALTH ACCESS INITIATIVE (HAI), A LOCAL SERVICE THAT MATCHES FINANCIALLY ELIGIBLE PATIENTS TO SPECIALTY PHYSICIANS AND PROVIDES ACCESS TO CARE, AMONG OTHER SERVICES.

ADDITIONALLY:

- SINCE 2000, NGMC GAINESVILLE HAS PROVIDED NEARLY THREE TIMES THE AMOUNT OF INDIGENT AND CHARITY CARE SET FORTH IN REQUIREMENTS BY THE GEORGIA DEPARTMENT OF COMMUNITY HEALTH FOR SUCCESSFUL PASSAGE OF A CERTIFICATE OF NEED FOR NEW SERVICES, AND, UNLIKE MANY GEORGIA NOT-FOR-PROFIT HOSPITALS HELD TO THE SAME REQUIREMENTS, NGMC DOES NOT RECEIVE TAX FUNDING FROM ITS LOCAL COUNTY TO HELP FUND INDIGENT CARE TO AREA RESIDENTS.

- NGMC IS THE PRIMARY HOSPITAL FOR LOW-INCOME PATIENTS IN GAINESVILLE-HALL COUNTY AND THROUGHOUT THE REGION IN COUNTIES SUCH AS BANKS, RABUN, UNION AND WHITE, WHERE MANY KEY MEDICAL SPECIALTIES ARE NOT AVAILABLE.

- NGMC GAINESVILLE IS NUMBER 5 IN TOP HOSPITALS FOR NET UNCOMPENSATED CARE (\$50.8 M) PROVIDED IN GEORGIA BASED ON STATE FISCAL YEAR (JULY 1 - JUNE 30) 2017 INDIGENT CARE TRUST FUND (ICTF) TOTAL HOSPITAL SPECIFIC DIPROPORTIONATE SHARE HOSPITAL (DSH) LIMITS; MANY OF THE HOSPITALS ON THE LIST RECEIVED LOCAL TAX DOLLARS WHILE NGMC DID NOT.

Name of the organization

NORTHEAST GEORGIA HEALTH SYSTEM, INC.

Employer identification number

58-1694090

NGMC SERVES AS A FINANCIAL ENGINE FOR THE LOCAL ECONOMY. IN 2016 (LATEST NUMBERS AVAILABLE), NGMC GAINESVILLE AND BRASELTON CAMPUSES SURPASSED THE \$1.75 BILLION MARK IN LOCAL AND STATE ECONOMIC IMPACT, ACCORDING TO A REPORT BY THE GEORGIA HOSPITAL ASSOCIATION WHICH APPLIED AN ECONOMIC MULTIPLIER TO THE HOSPITAL'S DIRECT EXPENDITURES TO ACCOUNT FOR THE "RIPPLE" EFFECT THE HOSPITAL'S SPENDING HAS ON OTHER SECTORS OF THE LOCAL AND STATE ECONOMIES. THE REPORT FOUND THAT THROUGH ITS ECONOMIC IMPACT, NGMC SUSTAINED MORE THAN 18,000 FULL-TIME JOBS THROUGHOUT THE REGION AND THE STATE.

UNDER IRS LAW, A TAX-EXEMPT ORGANIZATION, CLASSIFIED AS A 501(C)(3) CHARITY, IS REQUIRED TO: HAVE A MISSION THAT WILL BENEFIT ITS COMMUNITY; REINVEST ALL SURPLUS FUNDS IN THE ORGANIZATION IN A WAY THAT BENEFITS THE COMMUNITY; COMPENSATE EXECUTIVES, CONTRACTORS AND OTHER EMPLOYEES IN ACCORDANCE WITH FAIR MARKET VALUE; REMAIN ACCOUNTABLE TO THE COMMUNITY; REFRAIN FROM PARTICIPATING IN POLITICAL CAMPAIGNS FOR OR AGAINST CANDIDATES AND/OR LOBBY AS A SUBSTANTIAL PART OF ITS ACTIVITIES; AND REMAIN FINANCIALLY ACCOUNTABLE TO THE COMMUNITY BY NOT ALLOWING ANY PORTION OF ITS NET EARNINGS TO BENEFIT ANY PRIVATE SHAREHOLDER OR INDIVIDUAL.

AS A NOT-FOR-PROFIT HOSPITAL, NGMC CARRIES ADDITIONAL RESPONSIBILITIES, AS ESTABLISHED BY THE IRS IN 1965:

OPERATE A FULL-TIME EMERGENCY ROOM (ER) THAT IS AVAILABLE TO ALL PEOPLE, REGARDLESS OF THEIR ABILITY TO PAY;

- NGMC GAINESVILLE OPERATES THE 2ND BUSIEST ER IN GEORGIA (ACCORDING TO

Name of the organization

NORTHEAST GEORGIA HEALTH SYSTEM, INC.

Employer identification number

58-1694090

THE 2016 ANNUAL HOSPITAL QUESTIONNAIRE SURVEY). IN FY17, 20% OF ALL
NGMC GAINESVILLE AND BRASELTON ER VISITS WERE MADE BY SELF-PAY
PATIENTS.

PROVIDE NON-EMERGENCY SERVICES TO ANYONE ABLE TO PAY AND MEDICALLY
NECESSARY SERVICES TO ANYONE IN THE NGHS SERVICE AREA NOT ABLE TO PAY;

- NORTHEAST GEORGIA HEALTH SYSTEM PROVIDES HIGH QUALITY, ADVANCED
SPECIALTY AND PRIMARY HEALTHCARE SERVICES TO THE NORTHEAST GEORGIA
COMMUNITY, SERVING 1 MILLION PEOPLE IN MORE THAN 18 COUNTIES. IN FY17,
NGMC'S PAYOR MIX AT GAINESVILLE AND BRASELTON WAS 60%
MEDICARE/MEDICAID, 32% COMMERCIAL INSURANCE AND 8% SELF-PAY.

PARTICIPATE IN MEDICAID AND MEDICARE;

- 60% OF PATIENTS SERVED BY NGMC GAINESVILLE AND BRASELTON IN FY17 WERE
MEDICAID AND MEDICARE PATIENTS.

CREATE A GOVERNING BOARD THAT IS REPRESENTATIVE OF THE COMMUNITY IT
SERVES;

- MORE THAN 80 COMMUNITY MEMBERS ARE ACTIVELY INVOLVED IN GOVERNANCE
THROUGH NORTHEAST GEORGIA HEALTH SYSTEM, NGMC AND OTHER SUBSIDIARY
BOARDS AND COMMITTEES.

ALLOW MEDICAL STAFF PRIVILEGES TO ANY PROFESSIONAL WHO IS QUALIFIED AND
APPLIES;

Name of the organization

NORTHEAST GEORGIA HEALTH SYSTEM, INC.

Employer identification number

58-1694090

- NGMC HAS A MEDICAL STAFF OF MORE THAN 760 PHYSICIANS REPRESENTING
 NUMEROUS ADVANCED SPECIALTIES SUCH AS GYNECOLOGIC ONCOLOGY,
 ELECTROPHYSIOLOGY, CARDIAC SURGERY, CRITICAL CARE MEDICINE, SURGICAL
 TRAUMA, NEONATOLOGY, PERINATOLOGY AND TELEMEDICINE.

REINVEST SURPLUS FUNDS IN OPERATIONS.

- AS NOT-FOR-PROFIT ORGANIZATIONS, THE REVENUE GENERATED BY NGMC AND
 ITS PARENT ORGANIZATION, NORTHEAST GEORGIA HEALTH SYSTEM, ABOVE
 OPERATING EXPENSES IS REINVESTED INTO THE COMMUNITY. EXAMPLES INCLUDE
 CONSTRUCTION OF NEW MEDICAL FACILITIES, SUCH AS THE HOSPITAL IN
 BRASELTON OFFERING 24/7 EMERGENCY ROOM SERVICES NOT PREVIOUSLY
 AVAILABLE TO LOCAL RESIDENTS; INVESTMENTS IN ADVANCED MEDICAL
 TECHNOLOGY SUCH AS ROBOTIC SURGICAL SYSTEMS AND STATE OF THE ART
 RADIATION THERAPY EQUIPMENT; AND DEVELOPMENT OF THE ONLY LEVEL 2 TRAUMA
 CENTER IN NORTHEAST GEORGIA.

NGMC PARTICIPATES IN THE INDIGENT CARE TRUST FUND (ICTF), A PROGRAM
 ESTABLISHED IN 1990, WHICH EXPANDS MEDICAID ELIGIBILITY AND SERVICES,
 SUPPORTS RURAL HEALTH CARE FACILITIES THAT SERVE THE MEDICALLY INDIGENT
 AND FUNDS PRIMARY HEALTH CARE PROGRAMS FOR MEDICALLY INDIGENT
 GEORGIANS. GEORGIA'S DISPROPORTIONATE SHARE HOSPITAL (DSH) PROGRAM IS
 FUNDED THROUGH THE ICTF AND ASSISTS HOSPITALS AND OTHER HEALTH
 PROVIDERS THAT CARE FOR HIGH PROPORTIONS OF MEDICAID, UNINSURED AND/OR
 LOW-INCOME PATIENTS.

IN 2017, NGMC RECEIVED \$6.3 MILLION IN NET FUNDS ALLOCATED THROUGH THE
 MEDICAID DSH (ICTF) PROGRAM TO PARTIALLY OFFSET A FINANCIAL LOSS OF

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\$50.8 MILLION IN COST THE MEDICAL CENTER INCURRED TREATING UNINSURED AND MEDICAID PATIENTS. IN ADDITION, NGMC RECEIVED \$3.5 MILLION IN NET FUNDS ALLOCATED THROUGH THE MEDICAID UPPER PAYMENT LIMIT (UPL) PROGRAM TO ADJUST MEDICAID PAYMENTS UPWARD TO MATCH MEDICARE PAYMENT LEVELS.

NGMC GAINESVILLE AND BRASELTON VALUE COOPERATIVE EFFORTS WITH COMMUNITY ORGANIZATIONS AND OTHER HEALTHCARE PROVIDERS TO IMPROVE THE HEALTH STATUS OF AREA RESIDENTS. THE ORGANIZATIONS DEMONSTRATE THIS THROUGH MANY PARTNERSHIPS RANGING FROM SERVING AS LEAD AGENCY OF SAFE KIDS GAINESVILLE/HALL COUNTY, TO PARTNERING WITH OTHER ORGANIZATIONS SUCH AS GOOD NEWS CLINICS AND THE PUBLIC HEALTH DEPARTMENT TO REACH AT-RISK POPULATIONS IN NEED OF HEALTH CARE.

IN FY17, NGMC GAINESVILLE AND BRASELTON PROVIDED OVER \$6.7 MILLION IN COMMUNITY BENEFIT PROGRAMS/OUTREACH. HEALTH EDUCATION WAS PROVIDED THROUGH FREE COMMUNITY LECTURES, SCREENINGS, VARIOUS SUPPORT GROUPS AND THE SEMI-ANNUAL HEALTH MAGAZINE, COMMUNICARE. NGMC ALSO OFFERED MANY COMMUNITY EDUCATION SEMINARS ON TOPICS RANGING FROM HEALTH AND NUTRITION TO WOMEN'S HEALTH EDUCATION AND MORE, AS WELL AS SEMINARS FOR HEALTH PROFESSIONALS IN THE COMMUNITY, REGION AND STATE. IN ADDITION, NGMC PROVIDED SUPPORT TO OTHER LOCAL NON-PROFIT ORGANIZATIONS THAT SERVE THE COMMUNITY.

WHAT DRIVES NGMC'S COMMUNITY HEALTH IMPROVEMENT ACTIVITIES?

NGMC, WITH INPUT FROM THE COMMUNITY, COMPLETED A COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA) IN 2016. THE ASSESSMENT FOCUSED MAINLY ON THE NEEDS OF THE COMMUNITY'S MOST VULNERABLE POPULATIONS, PARTICULARLY THOSE WITH LOW-INCOMES WHO ARE UNINSURED. INPUT FROM THE COMMUNITY WAS GATHERED

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THROUGH FOCUS GROUPS AND INTERVIEWS. FOCUS GROUP PARTICIPANTS AND INTERVIEWEES INCLUDED COMMUNITY LEADERS, PUBLIC HEALTH EXPERTS AND THOSE REPRESENTING THE NEEDS OF MINORITY, UNDERSERVED AND INDIGENT POPULATIONS. INPUT WAS ALSO RECEIVED FROM AN INTERNAL NGMC BOARD LEVEL WORKGROUP AND SENIOR LEADERSHIP WHO VALIDATED, REFINED AND EXPANDED THE LIST OF HEALTH NEEDS NGMC WOULD ADDRESS. THE STUDY CULMINATED IN THE IDENTIFICATION OF THE FOLLOWING 5 PRIORITY HEALTH NEEDS ACROSS THE REGION: SEPTICEMIA, ACCESS TO CARE, DIABETES, CANCER AND INJURY.

THE 5 HEALTH PRIORITIES FIT HAND-IN-GLOVE WITH OUR STRATEGIC DIRECTION AS AN ORGANIZATION. WORKING TOGETHER, FROM SENIOR MANAGEMENT TO BOARD LEVEL, TO THE BEDSIDE AND COMMUNITY PARTNERS, NGMC HAS IMPLEMENTED A PLAN TO IMPROVE THE OUTCOMES OF THESE HEALTH NEEDS OVER A 3 YEAR PERIOD. THE ACTIONS AND OUTCOMES OF THIS PLAN ARE BEING TRACKED TO MONITOR IMPROVEMENTS AND IDENTIFY OPPORTUNITIES WITH EACH PRIORITY HEALTH NEED.

GO TO [HTTPS://WWW.NGHS.COM/COMMUNITY-BENEFIT-RESOURCES](https://www.nghs.com/community-benefit-resources) FOR UPDATES AND FULL REPORTS.

THE FOLLOWING CONTAINS HIGHLIGHTS OF COMMUNITY BENEFIT ACTIVITIES PROVIDED BY NGMC IN FY17, OFTEN PARTNERING WITH OTHER ORGANIZATIONS AND INDIVIDUALS IN THE COMMUNITY:

PARTNERING TO REACH THE UNINSURED: NGMC WORKS COOPERATIVELY WITH OTHER AREA HEALTHCARE PROVIDERS TO CARE FOR AREA RESIDENTS, PARTICULARLY THE INDIGENT POPULATION. PARTNERS INCLUDE, BUT ARE NOT LIMITED TO, NGMC, THE NORTHEAST GEORGIA PHYSICIANS GROUP (NGPG) PRIMARY CARE CLINIC AT

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HALL COUNTY HEALTH DEPARTMENT, THE NORTHEAST GEORGIA DIAGNOSTIC CLINIC, THE LONGSTREET CLINIC, MEDLINK (FEDERALLY QUALIFIED HEALTH CENTER), AREA PHYSICIANS AND INDIGENT CLINICS SUCH AS GOOD NEWS CLINICS IN GAINESVILLE AND GOOD SHEPHERD CLINIC OF DAWSON COUNTY.

GOOD NEWS CLINICS (GNC): NGMC PROVIDES FUNDING TO GNC (THE LARGEST FREE CLINIC IN GEORGIA) THAT HELPS PROVIDE MEDICATIONS, MEDICAL SUPPLIES AND OTHER SUPPORT. FOUNDED IN 1992, GNC IS A CHRISTIAN MINISTRY THAT PROVIDES MEDICAL AND DENTAL CARE TO THE INDIGENT AND UNINSURED POPULATION AT NO CHARGE. FORTY-SIX PHYSICIANS, 9 MID-LEVEL PROVIDERS AND 43 DENTISTS VOLUNTEER TO TREAT PATIENTS AT GNC. IN ADDITION, 332 SPECIALIST PHYSICIANS VOLUNTEER TO TREAT PATIENTS IN THEIR OFFICES THROUGH REFERRALS FROM GNC, NGPG PRIMARY CARE CLINIC AT THE HALL COUNTY HEALTH DEPARTMENT AND PHYSICIANS IN HALL COUNTY. IN FY17, NEARLY \$500,000 WAS DONATED TO HELP GNC PROVIDE CARE TO INDIGENT PATIENTS WHO WERE AT OR BELOW 150% OF THE FEDERAL POVERTY GUIDELINES AND DID NOT QUALIFY FOR OTHER PROGRAMS. TO PROVIDE INTEGRATION BETWEEN GNC, NGHS, AND OTHER PROVIDERS IN THE COMMUNITY, NGMC THROUGH ITS FOUNDATION IS WORKING TO HELP SUPPORT THE IMPLEMENTATION OF A HIGH-LEVEL ELECTRONIC MEDICAL RECORD SYSTEM TO IMPROVE COORDINATION OF CARE AND OUTCOMES FOR THIS VULNERABLE PATIENT POPULATION.

EVA JOHNSON, NGMC NURSE PRACTITIONER AND HEART FAILURE DISEASE MANAGER, HELPED ESTABLISH AND NOW RUNS THE HEART FAILURE CLINIC AT GNC. EVA WAS AWARDED THE SAM POOLE COMMUNITY VOLUNTEER OF THE YEAR AWARD FOR HER TIRELESS WORK WITH THE CLINIC. THIS PROJECT HAS BEEN EXTREMELY SUCCESSFUL, HOLDING THE 30-DAY HOSPITAL READMISSIONS TO ONE PATIENT IN 2017.

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NGPG PRIMARY CARE CLINIC AT THE HALL COUNTY HEALTH DEPARTMENT: NGMC

FUNDS AND STAFFS A PRIMARY CARE CLINIC AT THE HALL COUNTY HEALTH

DEPARTMENT TO IMPROVE ACCESS TO PRIMARY HEALTHCARE SERVICES FOR

LOW-INCOME PEOPLE IN OUR COMMUNITY. IN FY17, NGMC CONTRIBUTED

\$1,070,096 TO THIS CLINIC.

PRENATAL CARE PROGRAM AT THE HEALTH DEPARTMENT: NGMC, THE LONGSTREET

CLINIC, AND HALL COUNTY HEALTH DEPARTMENT PARTNER TO IMPROVE BIRTH

OUTCOMES BY INCREASING EARLY PRENATAL CARE FOR LOW-INCOME, UNINSURED

AND UNDER-INSURED PREGNANT WOMEN VIA THE HEALTH DEPARTMENT'S PRIMARY

CARE CLINIC. YEARLY COST TO NGMC IS APPROXIMATELY \$200,000.

INDIGENT PATIENT FUND: AT NGMC, FINANCIAL ASSISTANCE IS PROVIDED FOR

INDIGENT PATIENTS TO OBTAIN URGENTLY NEEDED DISCHARGE MEDICATIONS AND

TRANSPORTATION. INDIVIDUALS ELIGIBLE FOR THESE FUNDS ARE PATIENTS WHOSE

NEEDS CANNOT BE MET THROUGH PRIMARY INSURANCE, THEIR OWN PERSONAL

FUNDS, GOVERNMENT PROGRAMS OR OTHER CHARITABLE SERVICES. THIS HELPS TO

ENSURE MEDICATION COMPLIANCE AND MAXIMIZE CONDITIONS FOR RECOVERY AND

RECUPERATION. THE MEDICAL CENTER FOUNDATION PROVIDES FUNDING FOR THIS.

CHARITY CARE: NGMC'S CHARITY CARE POLICY REMOVES BARRIERS FOR

LOW-INCOME POPULATIONS WITHIN OUR SERVICE AREA BEGINNING WITH FREE,

MEDICALLY NECESSARY CARE FOR PATIENTS WHOSE GROSS FAMILY INCOME IS 0 TO

150% OF THE FEDERAL POVERTY LEVEL (FPL) ADJUSTED FOR FAMILY SIZE.

FURTHER, PATIENTS FROM OUR SERVICE AREA, WHOSE FPL IS FROM 151 TO 300%,

MAY QUALIFY FOR AN ADJUSTMENT EQUIVALENT TO THE HOSPITAL'S MEDICARE

REIMBURSEMENT RATE PLUS AN ADDITIONAL 40% DISCOUNT TO THE MEDICARE

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REIMBURSEMENT RATE.

TOTAL CHARITY CARE COST FOR FY17: \$19.9 MILLION FOR HALL COUNTY WITH ANOTHER \$18.8 MILLION FOR REGIONAL RESIDENTS OUTSIDE OF HALL COUNTY.

NGMC VOLUNTEERS: IN FY17, 748 NGMC VOLUNTEERS CONTRIBUTED 68,961 VOLUNTEER HOURS, EQUIVALENT TO 41 FULL TIME EMPLOYEES AND A VALUE OF OVER \$1.6 MILLION TO THE ORGANIZATION. WHILE THESE FIGURES ARE NOT INCLUDED IN THE QUANTITATIVE PORTION OF THE COMMUNITY BENEFIT REPORT, THEY SHOW THE DEPTH OF SUPPORT THE COMMUNITY GIVES NGMC. 130 TEENS PARTICIPATED IN THE TEEN VOLUNTEER PROGRAM IN 2017. THE TEENS REPRESENTED 28 DIFFERENT SCHOOLS WITHIN THE AREA.

ENCOURAGING MEDICAL VOLUNTEERING: NGMC PROVIDES INFORMATION AT PHYSICIAN ORIENTATION TO ENCOURAGE PHYSICIANS TO STEP UP TO VOLUNTEER OPPORTUNITIES THROUGH LOCAL FREE CLINICS (GNC IN GAINESVILLE AND HELPING HAND CLINIC IN CLEVELAND) AS WELL AS HEALTH ACCESS. NGPG ALSO ENCOURAGES PHYSICIANS TO GIVE OF THEIR TIME VOLUNTEERING AT THESE LOCATIONS. THROUGH VARIOUS PHYSICIAN LEADERSHIP COUNCILS, NGMC'S CANCER SERVICES PROGRAM ENCOURAGES ITS PHYSICIANS TO ACTIVELY PARTICIPATE IN COMMUNITY OUTREACH, INCLUDING EDUCATIONAL SEMINARS, SCREENINGS, CANCER PREVENTION OPPORTUNITIES AND OTHER OUTREACH WITH THE PURPOSE OF IMPROVING PATIENT CARE, QUALITY, ACCESS AND PROGRAMMATIC EXCELLENCE OF CANCER SERVICES WITHIN THE COMMUNITY.

FINANCIAL NAVIGATORS: NGMC HAS FINANCIAL ASSISTANCE COUNSELORS WHO HELP PATIENTS BECOME INSURED, BE IT THROUGH MEDICAID, PEACHCARE OR OTHER PROGRAMS. THIS TEAM FOCUSES ON BEING ADVOCATES FOR UNINSURED AND

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UNDER-INSURED PATIENTS, AIDING THEM IN FINDING VIABLE MEANS TO ACCESS CARE. THEY FIND THE BEST SOLUTIONS FOR HELPING PATIENTS APPLY FOR MEDICAID OR DISABILITY, ACCESSING HEALTHCARE EXCHANGES OR PROCESSING CHARITY APPLICATIONS WHEN APPROPRIATE.

PATIENT NAVIGATORS: NGMC ALSO HAS A CANCER PATIENT NAVIGATION PROGRAM. THIS PROGRAM PROVIDES CANCER PATIENTS WITH GUIDANCE THROUGHOUT THEIR CANCER JOURNEY, AND THEY ARE SEEN AS A "LIVING RESOURCE DIRECTORY" FOR PATIENTS.

CLINICAL RESEARCH: IN FY17, ALL ONGOING CLINICAL TRIAL RESEARCH PROGRAMS AT NGHS WERE REORGANIZED UNDER THE OVERSIGHT OF THE NEW NGMC OFFICE OF RESEARCH. NGMC'S ONCOLOGY RESEARCH PROGRAM, THROUGH THE GEORGIA NCORP (NATIONAL CANCER INSTITUTE COMMUNITY ONCOLOGY RESEARCH PROGRAM), RECEIVED RECOGNITION AS A HIGH PERFORMING RESEARCH SITE MEMBER. GEORGIA NCORP PROVIDES GEORGIANS WITH ACCESS TO STATE-OF-THE-ART CANCER PREVENTION, SCREENING, CONTROL, TREATMENT AND POST TREATMENT TRIALS IN 41 LOCATIONS THROUGHOUT THE STATE. NGMC WAS RECOGNIZED FOR RESULTS IN MEETING OR EXCEEDING OUR GOALS FOR PROVIDING PATIENTS ACCESS TO CANCER RESEARCH TRIALS. NGMC'S CARDIOLOGY RESEARCH PROGRAM WAS RECOGNIZED BY MAJOR SPONSORS AS A TOP ENROLLING SITE THROUGH PARTICIPATION IN PHARMACEUTICAL AND DEVICE CLINICAL TRIALS IN CARDIOLOGY WITH OUTCOMES THAT HAVE THE POTENTIAL TO IMPROVE THE STANDARD OF CARE FOR PATIENTS THROUGHOUT THE U.S. AND AROUND THE WORLD.

PARTNERING IN THE COMMUNITY

PARTNERSHIP FOR A DRUG FREE HALL (DFH): AS PART OF THE BEHAVIORAL HEALTH ISSUES BEING ADDRESSED IN HALL COUNTY, MUCH PROGRESS HAS BEEN

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ACHIEVED IN FY17 WITH REGARD TO THE OPIOID EPIDEMIC AFFECTING SO MANY COUNTIES ACROSS THE REGION AND OUR NATION. HALL COUNTY'S RESPONSE TO THIS EPIDEMIC IS THE COLLABORATIVE PARTNERSHIP FOR A DRUG FREE HALL. MODELED AFTER A PARTNERSHIP FORMED IN GWINNETT COUNTY LED BY SENATOR RENEE UNTERMAN, SHE, ALONG WITH DEB BAILEY, EXECUTIVE DIRECTOR OF GOVERNMENTAL AFFAIRS AT NGHS, DALLAS GAY, FORMER NGHS BOARD MEMBER, AND JUDY BROWNELL, DIRECTOR OF PREVENTION AT CENTER POINT, PULLED TOGETHER A DIVERSE GROUP OF AGENCIES IN HALL COUNTY TO FORM THIS PARTNERSHIP. OTHER NGHS REPRESENTATIVES FROM COMMUNITY HEALTH IMPROVEMENT AND LAURELWOOD ALSO ACTIVELY SERVE ON THIS COMMITTEE.

DFH IS DEDICATED TO PROVIDING THE PEOPLE OF HALL COUNTY WITH INFORMATION, RESOURCES AND ACTIONS TO ADDRESS DRUG ABUSE. INFORMATION AND RESOURCES CAN BE FOUND AT [HTTP://DRUGFREEHALL.ORG](http://DRUGFREEHALL.ORG). THE FOLLOWING ACTIVITIES HAVE COME FROM THIS COLLABORATION AND ARE AVAILABLE TO THE COMMUNITY:

- NOT MY FAMILY, A SERIES OF FORUMS DIRECTED AT FAMILIES AND INDIVIDUALS WAS LAUNCHED TO PROVIDE AWARENESS, EDUCATION AND LOCAL RESOURCES. IN SEPTEMBER 2017, THE FIRST FORUM WAS HELD IN GAINESVILLE AT THE BRENAU DOWNTOWN CENTER WHERE OVER 450 PEOPLE ATTENDED. ATTENDEES RANGED FROM PROFESSIONALS TO STUDENTS TO FAMILIES AND FRIENDS, AND THIS SERIES CONTINUES IN 2018.

- PARENT SUPPORT GROUP FOR PARENTS/GUARDIANS WHO HAVE LOST A CHILD DUE TO OVERDOSE OR DRUG-RELATED INJURIES, AS WELL AS PARENTS WITH A CHILD WHO IS STRUGGLING WITH ADDICTION IS AVAILABLE TO THE COMMUNITY.

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- 3 STEPS TO SAVE A LIFE, A TRAINING PROGRAM DESIGNED TO EQUIP THE GENERAL PUBLIC WITH LIFESAVING INFORMATION TO PREVENT OVERDOSE DEATHS, WAS LAUNCHED. IN 2018, THIS TOOL WILL BE AVAILABLE IN A FREE APP, (CURRENTLY AVAILABLE AT WWW.OORESCUE.COM).

- ENGAGEMENT IN LOCAL SCHOOLS AND UNIVERSITY SYSTEMS SUCH AS WITH THE UNIVERSITY OF NORTH GEORGIA WAS EXPANDED. IN ADDITION TO THIS, DFH IN COLLABORATION WITH THE HALL COUNTY FAMILY CONNECTION NETWORK (HCFNCN), PLANNED A 2018 YOUTH EMPOWERMENT SUMMIT TO EDUCATE UP TO 100 SIXTH GRADERS ABOUT THE DANGERS OF ALCOHOL AND DRUGS, AS WELL AS, LEADERSHIP SKILLS AND REFUSAL STRATEGIES. THROUGH THIS SUMMIT, A YOUTH ADVISORY COUNCIL WILL BE DEVELOPED.

- S.T.A.R.T. (STUDENTS TOGETHER ACHIEVING RESPONSIBILITY & TOLERANCE), A YOUTH ADVISORY COUNCIL, WILL BE AN ADVISORY GROUP OF YOUTH LEADERS WHO WORK IN PARTNERSHIP WITH THEIR PEERS, LOCAL LEADERS AND COMMUNITY ORGANIZATIONS IN HALL COUNTY. AS PART OF THIS COUNCIL, MEMBERS WILL LEARN ABOUT CURRENT ISSUES FACING YOUTH, DEVELOP AND STRENGTHEN LEADERSHIP SKILLS, PROVIDE INPUT ABOUT CURRENT ISSUES FACING YOUTH, INTERACT WITH LOCAL COMMUNITY LEADERS, SERVE AS YOUTH ADVOCATES AND AMBASSADORS FOR HALL COUNTY, PARTICIPATING IN TEAM BUILDING ACTIVITIES, VOLUNTEER PROJECTS AND COMMUNITY SERVICE.

- NGMC'S EMERGENCY DEPARTMENTS HAVE BEEN CHOSEN BY THE GEORGIA COUNCIL ON SUBSTANCE ABUSE TO PARTICIPATE IN A TWO-YEAR, GRANT-FUNDED PILOT PROJECT TO HELP PATIENTS WHO EXPERIENCE AN OPIOID-RELATED OVERDOSE. THE ED-CARES PROGRAM CONNECTS PEOPLE WHO HAVE BEEN ADMITTED TO EMERGENCY ROOMS FOR AN OPIOID-RELATED OVERDOSE WITH TRAINED PEER

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RECOVERY COACHES. THIS PEER SUPPORT PLAYS AN IMPORTANT ROLE IN HELPING PEOPLE AVOID ANOTHER OVERDOSE AND ENCOURAGING THEM TO SEEK TREATMENT. THE PROGRAM WAS CREATED IN RESPONSE TO THE INCREASING NUMBER OF OVERDOSE FATALITIES AND SEEKS TO CURTAIL THAT TREND BY BETTER CONNECTING PEOPLE AT HIGH-RISK WITH COMMUNITY SUPPORT AND SERVICES. NGMC IS THE ONLY HOSPITAL SYSTEM IN GEORGIA TO PROVIDE THIS SUPPORT, WHICH IS PROVIDED IN ALL THREE EMERGENCY DEPARTMENTS (AT GAINESVILLE, BRASELTON AND BARROW).

- GEORGIA CONTINUES TO BENEFIT FROM PROJECT DAN (DEATHS AVOIDED BY NALOXONE), AN EFFORT TO EQUIP FIRST RESPONDERS WITH THE DRUG NALOXONE/NARCAN WHICH CAN QUICKLY REVERSE OVERDOSES FROM OPIOIDS OR HEROIN. THE MEDICAL CENTER FOUNDATION'S 2015 MEDICAL CENTER OPEN BENEFITED THE MEDICAL ASSOCIATION OF GEORGIA FOUNDATION'S 'THINK ABOUT IT' CAMPAIGN THAT FUNDED PROJECT DAN. UNTIL RECENTLY, NALOXONE WAS ONLY AVAILABLE BY PRESCRIPTION, BUT THANKS TO A STANDING ORDER SIGNED BY GOVERNOR DEAL ON DECEMBER 14, 2016, THE JEFFREY DALLAS GAY ACT, NALOXONE CAN NOW BE DISPENSED OVER-THE-COUNTER BY PHARMACISTS ACROSS GEORGIA, MAKING IT ACCESSIBLE TO PARENTS AND OTHER LAY CITIZENS WHO MAY BE THE FIRSTHAND WITNESSES TO OVERDOSES. THROUGH PROJECT DAN, NORTHEAST GEORGIA HEALTH SYSTEM HAS TRAINED MORE THAN 5,000 PEOPLE IN 98 AGENCIES ACROSS 53 COUNTIES ON THE USE OF NALOXONE. ALTHOUGH, THERE IS NO OFFICIAL REPORTING PROCESS TO CAPTURE ALL LIVES SAVED, WE DO KNOW THAT 27 LIVES HAVE BEEN SAVED IN HALL COUNTY AND OVER 80 IN OUR SERVICE AREA WITH NALOXONE KITS PROVIDED TO FIRST RESPONDERS THROUGH PROJECT DAN.

- IN FY17, THE GEORGIA COMPOSITE MEDICAL BOARD PROPOSED REQUIRED

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PHYSICIAN EDUCATION ADDRESSING CONTROLLED SUBSTANCE PRESCRIBING GUIDELINES. NGMC HAS FOR MANY YEARS PARTICIPATED IN SEEKING SOLUTIONS TO THE TREMENDOUS OPIOID EPIDEMIC IN OUR COMMUNITY AND OUR STATE. IN AN EFFORT TO BETTER EDUCATE PHYSICIANS ON THIS ALARMING HEALTH CRISIS, THE GEORGIA COMPOSITE MEDICAL BOARD MET AND PROPOSED AMENDMENTS TO THE GEORGIA COMPOSITE MEDICAL BOARD RULES WHICH ADD CONTINUING EDUCATION REQUIREMENTS FOR PHYSICIANS TO ADDRESS CONTROLLED SUBSTANCE PRESCRIBING GUIDELINES AND RECOGNIZING SIGNS OF ABUSE OR MISUSE. THE UPDATED RULING WAS SET TO TAKE EFFECT JANUARY 1, 2018. DETAILS CAN BE FOUND AT THE MEDICAL ASSOCIATION OF GEORGIA'S WEBSITE AT WWW.MAG.ORG.

NGMC IS ACTIVELY INVOLVED IN VISION 2030 (WWW.VISION2030.ORG). THIS COMMUNITY-WIDE PROGRAM IS SPONSORED BY THE GREATER HALL CHAMBER OF COMMERCE AND PARTICIPATION IS OPEN TO EVERYONE IN THE COMMUNITY. AN NGMC EMPLOYEE CURRENTLY SERVES ON THE BOARD OF VISION 2030 WHICH FOCUSES ON THE CREATION OF A CULTURE OF COMMUNITY WELLNESS, THE SUPPORT AND MAINTENANCE OF LIFELONG LEARNING, THE BUILDING OF AN ECONOMY AROUND EMERGING LIFE SCIENCES, THE ENCOURAGEMENT OF INNOVATIVE GROWTH/INFRASTRUCTURE DEVELOPMENT AND THE PROMOTION OF CULTURAL INTEGRATION.

NGMC IS ALSO AN ACTIVE PARTNER ON OTHER CHAMBER COMMITTEES SUCH AS THE HEALTHCARE COMMITTEE AND THE HEALTH INITIATIVE CONSORTIUM. NGMC IS ALSO A PARTNER IN HALLMARK, WHICH IS A COMMUNITY INVESTMENT PLAN THAT ADDRESSES ECONOMIC DEVELOPMENT, EDUCATION, GOVERNMENT AND COMMUNITY DEVELOPMENT THROUGH PARTNERSHIP.

TWO NGMC REPRESENTATIVES SERVE ON THE HALL COUNTY FAMILY CONNECTION

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NETWORK (HCFCN). HCFCN ADOPTED TEEN PREGNANCY PREVENTION AND COMMUNITY-WIDE RESOURCE MAPPING IN PARTNERSHIP WITH UNITED WAY AS ITS TWO FOCUS AREAS IN FY17. HCFCN IS A COLLABORATIVE WHICH SERVES AS THE LOCAL DECISION-MAKING BODY, BRINGING COMMUNITY PARTNERS TOGETHER TO DEVELOP, IMPLEMENT AND EVALUATE PLANS THAT ADDRESS THE SERIOUS CHALLENGES FACING THE CHILDREN AND FAMILIES IN OUR COUNTY, IN ADDITION TO INCREASING AWARENESS AND KNOWLEDGE OF EXISTING PROGRAMS AND SERVICES AVAILABLE TO FAMILIES AND CHILDREN IN HALL COUNTY. ITS VISION IS THAT EVERY CHILD HAS THE OPPORTUNITY TO REACH HIS OR HER FULL POTENTIAL FOR GOOD HEALTH, BE SECURE FROM ABUSE AND NEGLECT AND BECOME A LITERATE, PRODUCTIVE, ECONOMICALLY SELF-SUFFICIENT MEMBER OF OUR COMMUNITY.

A MEMBER OF NGMC'S BARIATRIC SERVICE LINE SERVES ON HALL COUNTY SCHOOL SYSTEM'S WELLNESS COUNCIL.

THE MEDICAL CENTER FOUNDATION (MCF) RAISES FUNDS TO BENEFIT THE COMMUNITY.

THE MCF IS THE FUNDRAISING ARM OF NGMC AND RAISES FUNDS TO IMPROVE THE HEALTH OF THE COMMUNITY. THE FOUNDATION'S OPERATING EXPENSES ARE SUPPORTED BY NGMC SO THAT DONATED FUNDS CAN BE USED TO SUPPORT NGMC PROJECTS AND COMMUNITY HEALTH IMPROVEMENT INITIATIVES. THE FOLLOWING ARE ITEMS OF INTEREST TO NOTE:

- SINCE 1997, APPROXIMATELY \$3.8 MILLION HAS BEEN RAISED FOR COMMUNITY HEALTH IMPROVEMENT PROJECTS THROUGH THE MEDICAL CENTER OPEN, A COMMUNITY GOLF TOURNAMENT.

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- THE 2016 MEDICAL CENTER OPEN GOLF TOURNAMENT, WHICH WAS HELD IN FY17, RAISED \$282,454 TO FUND THREE HOMES AND A NEIGHBORHOOD PLAYGROUND FOR HABITAT FOR HUMANITY OF HALL COUNTY, LOCATED IN ITS SIGNATURE SUBDIVISION, COPPER GLEN. OVER 100 COMMUNITY VOLUNTEERS, 225 SPONSORS AND 216 PLAYERS MADE THE TOURNAMENT A SUCCESS! NGMC SENIOR LEADERSHIP AND EMPLOYEES HELPED CONSTRUCT THE HOMES THROUGH THREE NGMC BUILD DAYS THAT BENEFITTED THREE DESERVING FAMILIES.

- THROUGH THE EMPLOYEE GIVING CLUB KNOWN AS W.A.T.C.H. (WE ARE TARGETING COMMUNITY HEALTHCARE), MEMBERS HAVE DONATED MORE THAN \$8.8 MILLION TO SUPPORT THE HEALTHY JOURNEY CAMPAIGN SINCE THE PROGRAM'S INCEPTION IN 1999.

INVESTING IN OUR YOUTH

SAFE KIDS COALITION WORKS TO KEEP KIDS SAFE: THE GAINESVILLE-HALL COUNTY SAFE KIDS COALITION, LED BY NGMC, IS PART OF SAFE KIDS WORLDWIDE, THE FIRST AND ONLY NATIONAL ORGANIZATION DEDICATED SOLELY TO THE PREVENTION OF UNINTENTIONAL CHILDHOOD INJURY, WHICH IS THE NATION'S NUMBER ONE KILLER OF CHILDREN AGES 14 AND UNDER. THIS PROGRAM PROVIDES AFFORDABLE SAFETY EQUIPMENT SUCH AS CAR SEATS, BIKE HELMETS, AND LIFE JACKETS TO AREA CHILDREN IN NEED. WORKING WITH A COALITION MADE UP OF LAW ENFORCEMENT, AREA SCHOOLS, COMMUNITY VOLUNTEERS AND OTHERS, SAFE KIDS PROVIDES EDUCATIONAL MATERIALS AND PROGRAMS THAT TEACH CHILDREN AND THEIR PARENTS HOW TO AVOID ACCIDENTS AND INJURIES. SAFE KIDS CONTINUED THE WORK OF INJURY PREVENTION FOR FAMILIES IN THE HALL COUNTY COMMUNITY IN 2017 THANKS TO THE SUPPORT OF MCF AND THE MEDICAL CENTER AUXILIARY PROCEEDS FROM MARKETPLACE (AN ANNUAL FUNDRAISING EVENT OF THE MEDICAL CENTER AUXILIARY, WHICH BENEFITS HEALTHCARE SERVICES OF NGMC).

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IN FY17, MEMBERS OF THE GAINESVILLE-HALL COUNTY SAFE KIDS COALITION PROVIDED OVER 76 PROGRAMS AND EVENTS THAT REACHED AN ESTIMATED 9,643 CHILDREN AND THEIR FAMILY MEMBERS, TEACHERS AND CAREGIVERS. THROUGH THESE PROGRAMS, OVER 4,201 SAFETY DEVICES WERE DISTRIBUTED TO FAMILIES IN NEED OF THEM.

EDUCATION AND SUPPORT FOR SENIORS

GETTING OLDER AND BETTER WORKSHOPS: OVER 220 PEOPLE PARTICIPATED IN THE GETTING OLDER AND BETTER WORKSHOPS HELD IN SEPTEMBER IN GAINESVILLE AND BRASELTON. THIS EVENT WAS SPONSORED BY THE MEDICAL CENTER AUXILIARY, PROVIDED BY NGMC AND FEATURED THE TOPIC "LET'S TALK ABOUT STROKE: SIGNS, TREATMENT, AND LOWERING YOUR RISK." FEATURED SPEAKERS WERE ANTOINE LEFLORE, MD., EMERGENCY MEDICINE PHYSICIAN FROM NORTHEAST GEORGIA HEALTH SYSTEM, SHAENA BLEVINS, MD., STROKE MEDICAL DIRECTOR FROM NORTHEAST GEORGIA MEDICAL CENTER AND NGPG NEUROLOGY, JENNIFER SWEIGART, INPATIENT NEUROLOGY PHYSICIAN ASSISTANT FROM NORTHEAST GEORGIA PHYSICIANS GROUP NEUROLOGY AND HEATHER WILSEY, PHYSICAL THERAPIST AND OUTPATIENT SUPERVISOR FROM THE REHABILITATION INSTITUTE OF NORTHEAST GEORGIA MEDICAL CENTER.

SUPPORT OF COMMUNITY EFFORTS TO IMPROVE HEALTH

NGMC EMPLOYEES ARE VERY ACTIVE IN THE COMMUNITY, VOLUNTEERING AT GNC, IN THEIR CHURCHES ON MISSION TRIPS AND FOR COMMUNITY AGENCIES SUCH AS THE HUMANE SOCIETY AND HABITAT FOR HUMANITY. WHEN IT COMES TO SUPPORTING MCF'S EMPLOYEE GIVING CLUB, W.A.T.C.H., OVER 3,500 EMPLOYEES DONATED ABOUT \$745,000 IN 2017.

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AMERICAN CANCER SOCIETY, AMERICAN HEART ASSOCIATION, AND MARCH OF

DIMES: NGMC EMPLOYEES TURNED OUT IN FULL FORCE FOR COMMUNITY EVENTS

SUCH AS THE AMERICAN HEART WALK, MARCH FOR BABIES AND RELAY FOR LIFE,

AVERAGING PARTICIPATION OF 300 EMPLOYEES PER EVENT.

BLOOD DRIVES: IN FY17, NGMC HOSTED 22 DRIVES, RESULTING IN 484 DONORS

AND OVER 404 PINTS OF BLOOD.

UNITED WAY PACESETTER & MORE: NGMC HAS PARTNERED WITH UNITED WAY TO

ENGAGE EMPLOYEES AND LEADERS IN THE COMMUNITY. NGHS EMPLOYEES

CONTRIBUTED \$76,415 TO UNITED WAY AS A PACESETTER COMPANY. THREE NGMC

EMPLOYEES SERVE ON THE UNITED WAY BOARD; DR. SAM JOHNSON, CHIEF MEDICAL

OFFICER AT NGHS, SERVES AS CHAIRMAN ON ONE HALL UNITED AGAINST POVERTY.

IN AN EFFORT TO IMPROVE SCHOOL READINESS AND LITERACY FOR OUR

COMMUNITY'S CHILDREN, NGMC HAS PARTNERED WITH THE UNITED WAY OF HALL

COUNTY'S READ LEARN SUCCEED INITIATIVE TO PRODUCE A CHILDREN'S BOOK.

PRINTED IN ENGLISH AND SPANISH, "WELCOME TO THE WORLD," PROVIDES

EDUCATION ABOUT THE IMPORTANCE OF READING TO CHILDREN EVERY DAY, FOR AT

LEAST 15 MINUTES, STARTING AT BIRTH. THE BOOK ALSO INCLUDES KEEPSAKE

PAGES FOR BABY'S FIRST FOOTPRINTS AND HANDPRINTS. FUNDED BY THE

MEDICAL CENTER AUXILIARY, THIS BOOK IS GIVEN TO ALL BABIES BORN AT NGMC

GAINESVILLE AND NGMC BRASELTON.

TRAINING AND EDUCATION FOR HEALTHCARE PROFESSIONALS: NGMC CONTINUES TO

SERVE AS A "PIPELINE" TO HELP GET MORE QUALIFIED PEOPLE INTERESTED IN

HEALTHCARE POSITIONS AND HELP PROVIDE TRAINING AND EDUCATION TO

STUDENTS. THIS TRAINING AND EDUCATION IS DONE THROUGH A VARIETY OF

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AVENUES FROM JOB SHADOWING TO THE NURSE EXTERN PROGRAM AND PHARMACY RESIDENCY PROGRAM, AS WELL AS SIGNIFICANT SUPPORT TO FOOTHILLS AREA HEALTH EDUCATION CENTERS.

GRADUATE MEDICAL EDUCATION (GME): NORTHEAST GEORGIA MEDICAL CENTER'S GME PROGRAM IS DESIGNED TO TRAIN RESIDENTS TO BE LEADERS IN THE MEDICAL FIELD AS WELL AS IN THE COMMUNITY. MEDICAL STUDENTS WILL RECEIVE HANDS-ON TRAINING IN ONE OF SIX MEDICAL SPECIALTIES: INTERNAL MEDICINE, FAMILY MEDICINE, GENERAL SURGERY, OB/GYN, PSYCHIATRY AND EMERGENCY MEDICINE. NGMC EXPECTS THIS PROGRAM TO GROW TO 170 RESIDENTS BY 2024, WHICH WOULD MAKE THIS PROGRAM ONE OF THE LARGEST IN THE STATE, AND EXPECTS ITS FIRST STUDENTS IN 2019.

DR. ANTONIO RIOS, CHIEF PHYSICIAN EXECUTIVE FOR NGPG, WAS ELECTED CHAIRMAN OF THE GEORGIA BOARD FOR PHYSICIAN WORKFORCE. ON THIS BOARD, DR. RIOS WILL BE COMMITTED TO FURTHERING THE BOARD'S MISSION TO IDENTIFY THE PHYSICIAN WORKFORCE NEEDS OF GEORGIA COMMUNITIES AND TO MEET THOSE NEEDS THROUGH THE SUPPORT AND DEVELOPMENT OF MEDICAL EDUCATION PROGRAMS. DR. RIOS ALSO SERVES ON THE GOOD NEWS CLINICS AND DISTRICT 2 PUBLIC HEALTH BOARDS.

NORTHEAST GEORGIA STEMI (S-T SEGMENT ELEVATION MYOCARDIAL INFARCTION) SUMMIT: HOSTED EACH YEAR BY NGMC, THE NORTHEAST GEORGIA STEMI SUMMIT BRINGS TOGETHER PARAMEDICS, EMS STAFF, AND DOCTORS FROM ACROSS THE STATE. THEY MEET TO DISCUSS THE STATE OF THE NORTHEAST GEORGIA REGIONAL STEMI SYSTEM, A COLLABORATIVE EFFORT PROVIDING CRITICAL CARE AND RAPID RESPONSE IN 18 COUNTIES ACROSS THE REGION TO PEOPLE SUFFERING A SEVERE HEART ATTACK KNOWN AS STEMI.

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AS THIS YEAR'S SUMMIT WAS IN PROGRESS, THE GEORGIA HOUSE OF REPRESENTATIVES VOTED IN FAVOR OF ADOPTING SENATE BILL 102, WHICH PROVIDES FOR THE ESTABLISHMENT OF EMERGENCY CARDIAC CENTERS AND THE ESTABLISHMENT OF THE OFFICE OF CARDIAC CARE WITHIN THE GEORGIA DEPARTMENT OF PUBLIC HEALTH. THE BILL WAS SPEARHEADED BY JEFFREY MARSHALL, MD (THE HEART CENTER OF NGMC) AND DEB BAILEY, EXECUTIVE DIRECTOR OF GOVERNMENTAL AFFAIRS AT NORTHEAST GEORGIA HEALTH SYSTEM. IN ADDITION TO CHAMPIONING SENATE BILL 102, DEB HAS MADE TREMENDOUS CONTRIBUTIONS TO OUR STATE AS A WHOLE, SERVING ON THE GEORGIA COMMITTEE ON PUBLIC HEALTH, GEORGIA BOARD OF NURSING AND THE GEORGIA HOSPITAL MEDICAID FINANCIAL PROGRAM ADVISORY COMMITTEE.

NGMC PROVIDES HEALTH INFORMATION & SUPPORT: THE FRASER RESOURCE CENTER AND HEALTH SCIENCES LIBRARY & BRASELTON RESOURCE CENTER AT NGHS SERVE THE HEALTH INFORMATION NEEDS OF THE COMMUNITY. CONSUMERS, PATIENTS AND THEIR FAMILY MEMBERS HAVE ACCESS TO CREDIBLE RESOURCES RELATING TO MEDICAL SYMPTOMS, CONDITIONS AND TREATMENTS BOTH AT THE LIBRARY AND ALSO VIA LINKS ON NGMC'S WEBSITE (WWW.NGHS.COM/LIBRARY). THE RESOURCE CENTER ENCOURAGES VISITORS TO MAKE HEALTHY CHOICES AND BECOME ACTIVE, INFORMED PARTNERS IN THEIR HEALTH CARE.

IN KEEPING WITH GUIDELINES FOR COMMUNITY BENEFIT REPORTING, NGMC DID NOT INCLUDE QUANTITATIVE DATA ON THE FOLLOWING PROGRAMS/PROJECTS, BUT THEY DO MEET HEALTH NEEDS IN THE COMMUNITY IDENTIFIED VIA THE 2016 (THE MOST RECENT) COMMUNITY HEALTH NEEDS ASSESSMENT AND WARRANT INCLUSION IN THIS SUMMARY:

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NGMC EMPLOYEES LEAD THE WAY: CAROL BURRELL, NGHS PRESIDENT AND CEO, WAS NAMED GEORGIA'S MOST RESPECTED BUSINESS LEADER FOR 2017 BY GEORGIA TREND MAGAZINE. AT THE ANNUAL MASTERS IN THE ART OF NURSING: HEALERS AMONG US EVENT, DEB BAILEY, EXECUTIVE DIRECTOR OF GOVERNMENTAL AFFAIRS AT NGHS, AND MARY MARTIN, CHIEF NURSING INFORMATICS OFFICER AT NGHS, WERE RECOGNIZED ALONG WITH TWO OTHER NURSES IN THE COMMUNITY FOR THEIR DEDICATION AND EXCELLENCE.

SANE PROGRAM: NGMC PROVIDES A SANE (SEXUAL ASSAULT NURSE EXAMINER) PROGRAM WHICH PROVIDES NURSES SPECIAL TRAINING IN RAPE CRISIS, TRIAL TIME WITH A DISTRICT ATTORNEY AND TRAINING WITH LAW ENFORCEMENT AND A PEDIATRICIAN'S OFFICE. NGMC EMPLOYS NURSES WHO HAVE SPECIALIZED TRAINING TO COMPLETE THE SEXUAL ASSAULT NURSE EXAM AND PROVIDE SPECIALIZED CARE FOR PATIENTS WHO ARE VICTIMS OF SEXUAL ASSAULT. THIS PROGRAM IS NOT A REQUIREMENT OF HOSPITALS AND IS ALSO NOT PROVIDED AT ALL HOSPITALS THROUGHOUT THE STATE.

NGMC BARROW

NGMC BARROW PROVIDED CHARITY CARE TO BARROW COUNTY RESIDENTS AT A COST OF \$1.2 MILLION IN 2017 WITH ANOTHER \$308 THOUSAND PROVIDED TO REGIONAL RESIDENTS OUTSIDE BARROW COUNTY.

NGMC BARROW RECEIVES NO LOCAL TAX REVENUE FROM ANY OF THE COUNTIES IT SERVES TO SUPPORT OPERATIONS OR CARE PROVIDED TO INDIGENT RESIDENTS, UNLIKE A NUMBER OF NOT-FOR-PROFIT HOSPITALS. THE ORGANIZATION'S CHARITY CARE POLICY PROVIDES FINANCIAL ASSISTANCE UP TO 300% OF THE POVERTY LEVEL, DOUBLE THE AMOUNT GENERALLY PROVIDED BY OTHER HOSPITALS ACROSS THE STATE.

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IN 2017, NGMC EXPANDED ITS ACCESS IN CARDIAC AND CANCER CARE TO NGMC BARROW. NGHS SPENT NEARLY \$2.5 MILLION ON NEW EQUIPMENT FOR NGMC BARROW, SUCH AS A NEW CT SCANNER AND TWO NEW HYPERBARIC OXYGEN TREATMENT CHAMBERS IN THE WOUND CARE CENTER.

NGMC SERVES AS A FINANCIAL ENGINE FOR THE LOCAL ECONOMY. IN 2016 (LATEST NUMBERS AVAILABLE), NGMC BARROW HAD \$73.3 MILLION IN LOCAL AND STATE ECONOMIC IMPACT, ACCORDING TO A REPORT BY THE GEORGIA HOSPITAL ASSOCIATION, WHICH APPLIED AN ECONOMIC MULTIPLIER TO THE HOSPITAL'S DIRECT EXPENDITURES TO ACCOUNT FOR THE "RIPPLE" EFFECT THE HOSPITAL'S SPENDING HAS ON OTHER SECTORS OF THE LOCAL AND STATE ECONOMIES. THE REPORT FOUND THAT THROUGH ITS ECONOMIC IMPACT, NGMC BARROW SUSTAINED MORE THAN 500 FULL-TIME JOBS THROUGHOUT THE REGION AND THE STATE.

UNDER IRS LAW, A TAX-EXEMPT ORGANIZATION, CLASSIFIED AS A 501(C)(3) CHARITY, IS REQUIRED TO: HAVE A MISSION THAT WILL BENEFIT ITS COMMUNITY; REINVEST ALL SURPLUS FUNDS IN THE ORGANIZATION IN A WAY THAT BENEFITS THE COMMUNITY; COMPENSATE EXECUTIVES, CONTRACTORS AND OTHER EMPLOYEES IN ACCORDANCE WITH FAIR MARKET VALUE; REMAIN ACCOUNTABLE TO THE COMMUNITY; REFRAIN FROM PARTICIPATING IN POLITICAL CAMPAIGNS FOR OR AGAINST CANDIDATES AND/OR LOBBY AS A SUBSTANTIAL PART OF ITS ACTIVITIES; AND, REMAIN FINANCIALLY ACCOUNTABLE TO THE COMMUNITY BY NOT ALLOWING ANY PORTION OF ITS NET EARNINGS TO BENEFIT ANY PRIVATE SHAREHOLDER OR INDIVIDUAL.

AS A NOT-FOR-PROFIT HOSPITAL, NGMC BARROW CARRIES ADDITIONAL RESPONSIBILITIES, AS ESTABLISHED BY THE IRS IN 1965:

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OPERATE A FULL-TIME EMERGENCY ROOM THAT IS AVAILABLE TO ALL PEOPLE,
REGARDLESS OF THEIR ABILITY TO PAY;

- NGMC BARROW OPERATES THE 77TH BUSIEST ER IN GEORGIA (ACCORDING TO THE
2016 ANNUAL HOSPITAL QUESTIONNAIRE SURVEY). IN FY17, 30% OF ALL NGMC
BARROW EMERGENCY ROOM VISITS WERE MADE BY SELF-PAY PATIENTS.

PROVIDE NON-EMERGENCY SERVICES TO ANYONE ABLE TO PAY AND MEDICALLY
NECESSARY SERVICES TO ANYONE IN THE NGHS SERVICE AREA NOT ABLE TO PAY;

- NORTHEAST GEORGIA HEALTH SYSTEM PROVIDES HIGH QUALITY, ADVANCED
SPECIALTY AND PRIMARY HEALTHCARE SERVICES TO THE NORTHEAST GEORGIA
COMMUNITY, SERVING 1 MILLION PEOPLE IN MORE THAN 18 COUNTIES. IN FY17,
NGMC BARROW'S PAYOR MIX WAS 55% FOR MEDICARE/ MEDICAID, 24% FOR
COMMERCIAL INSURANCE AND 21% FOR SELF-PAY.

PARTICIPATE IN MEDICAID AND MEDICARE;

- 55% OF PATIENTS SERVED BY NGMC BARROW WERE MEDICAID AND MEDICARE
PATIENTS.

CREATE A GOVERNING BOARD THAT IS REPRESENTATIVE OF THE COMMUNITY IT
SERVES;

- MORE THAN 80 COMMUNITY MEMBERS ARE ACTIVELY INVOLVED IN GOVERNANCE
THROUGH NORTHEAST GEORGIA HEALTH SYSTEM, NGMC AND OTHER SUBSIDIARY
BOARDS AND COMMITTEES.

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ALLOW MEDICAL STAFF PRIVILEGES TO ANY PROFESSIONAL WHO IS QUALIFIED AND APPLIES;

- NGMC BARROW HAS A MEDICAL STAFF OF 280 PHYSICIANS REPRESENTING NUMEROUS ADVANCED SPECIALTIES SUCH AS EMERGENCY SERVICES, SURGERY AND PROCEDURES, INTENSIVE CARE, OUTPATIENT SURGERY, RESPIRATORY THERAPY, WOUND CARE, IMAGING SERVICES AND TELEMEDICINE.

REINVEST SURPLUS FUNDS IN OPERATIONS;

- AS NOT-FOR-PROFIT ORGANIZATIONS, THE REVENUE GENERATED BY NGMC AND ITS PARENT ORGANIZATION, NORTHEAST GEORGIA HEALTH SYSTEM, ABOVE OPERATING EXPENSES IS REINVESTED INTO THE COMMUNITY. IN 2017, NGMC EXPANDED ITS ACCESS IN CARDIAC AND CANCER CARE TO NGMC BARROW. NGHS SPENT NEARLY \$2.5 MILLION ON NEW EQUIPMENT FOR NGMC BARROW, SUCH AS A NEW CT SCANNER AND TWO NEW HYPERBARIC OXYGEN TREATMENT CHAMBERS IN THE WOUND CARE CENTER.

NGMC BARROW VALUES COOPERATIVE EFFORTS WITH COMMUNITY ORGANIZATIONS AND OTHER HEALTHCARE PROVIDERS TO IMPROVE THE HEALTH STATUS OF AREA RESIDENTS. THE ORGANIZATION DEMONSTRATES THIS THROUGH COMMUNITY PARTNERSHIPS RANGING FROM FREE HEALTH SCREENINGS AT LOCAL HEALTH FAIRS TO PROVIDING A MEETING SPACE FOR OTHER NON-PROFIT ORGANIZATIONS, SUCH AS UNITED WAY AND ROTARY CLUB OF WINDER.

IN FY17, NGMC BARROW PROVIDED OVER \$89,000 IN COMMUNITY BENEFIT PROGRAMS/OUTREACH. NGMC BARROW OFFERED MANY COMMUNITY EDUCATION

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SEMINARS ON TOPICS RANGING FROM HEALTHY COOKING DEMOS TO HEART HEALTH AND MORE. IN ADDITION, NGMC BARROW PROVIDED SUPPORT TO OTHER LOCAL NON-PROFIT ORGANIZATIONS THAT SERVE THE COMMUNITY.

WHAT DRIVES NGMC BARROW'S COMMUNITY HEALTH IMPROVEMENT ACTIVITIES?

NGMC, WITH INPUT FROM THE COMMUNITY, COMPLETED A REGION-WIDE COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA) IN 2016 THAT INCLUDED BARROW COUNTY AND SURROUNDING COUNTIES (BEFORE NGMC BARROW WAS ACQUIRED BY NORTHEAST GEORGIA HEALTH SYSTEM). THROUGH THE CHNA, CANCER WAS IDENTIFIED AS A HEALTH PRIORITY FOR BARROW COUNTY. ACCORDING TO THE NATIONAL CANCER INSTITUTE 2008-2012, BARROW COUNTY HAS A LUNG CANCER INDICATOR VALUE OF 87.9, WELL ABOVE ITS NEIGHBOR GWINNETT COUNTY'S VALUE OF 54.1 AND THE STATE BENCHMARK OF 68.8. ADDITIONALLY, ACCORDING TO THE GEORGIA DEPARTMENT OF PUBLIC HEALTH'S GEORGIA TOBACCO USE SURVEILLANCE REPORT, IN 2015, APPROXIMATELY 4% OF MIDDLE SCHOOL STUDENTS AND 53,000 OR 13% OF HIGH SCHOOL STUDENTS IN GEORGIA SMOKE CIGARETTES. NGMC IS PARTNERING WITH BARROW COUNTY SCHOOLS TO IMPLEMENT "TAR WARS", A TOBACCO-FREE EDUCATION PROGRAM FOR FOURTH AND FIFTH GRADE STUDENTS DEVELOPED BY THE AMERICAN ACADEMY OF FAMILY PHYSICIANS TO TEACH KIDS ABOUT THE DANGERS OF TOBACCO USE, THE COST ASSOCIATED WITH USING TOBACCO PRODUCTS, AND THE ADVERTISING TECHNIQUES USED BY THE TOBACCO INDUSTRY TO MARKET THEIR PRODUCTS TO YOUTH.

GO TO [HTTPS://WWW.NGHS.COM/COMMUNITY-BENEFIT-RESOURCES](https://www.nghs.com/community-benefit-resources) FOR UPDATES AND FULL REPORTS.

THE FOLLOWING CONTAINS HIGHLIGHTS OF COMMUNITY BENEFIT ACTIVITIES PROVIDED BY NGMC BARROW IN FY17:

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CHARITY CARE: LIKE NGMC GAINESVILLE AND BRASELTON, NGMC BARROW'S CHARITY CARE POLICY REMOVES BARRIERS FOR LOW-INCOME POPULATIONS WITHIN OUR SERVICE AREA BEGINNING WITH FREE, MEDICALLY NECESSARY CARE FOR PATIENTS WHOSE GROSS FAMILY INCOME IS 0 TO 150% OF THE FEDERAL POVERTY LEVEL (FPL) ADJUSTED FOR FAMILY SIZE. FURTHER, PATIENTS FROM OUR SERVICE AREA, WHOSE FPL IS FROM 151 TO 300%, MAY QUALIFY FOR AN ADJUSTMENT EQUIVALENT TO THE HOSPITAL'S MEDICARE REIMBURSEMENT RATE PLUS AN ADDITIONAL 40% DISCOUNT TO THE MEDICARE REIMBURSEMENT RATE.

TOTAL CHARITY CARE COST FOR NGMC BARROW IN FY17: \$1.2 MILLION WITH ANOTHER \$308 THOUSAND PROVIDED TO REGIONAL RESIDENTS OUTSIDE BARROW COUNTY.

ENCOURAGING MEDICAL VOLUNTEERING: THROUGH VARIOUS PHYSICIAN LEADERSHIP COUNCILS, NGMC BARROW'S CANCER SERVICES PROGRAM ENCOURAGES ITS PHYSICIANS TO ACTIVELY PARTICIPATE IN COMMUNITY OUTREACH, INCLUDING EDUCATIONAL SEMINARS, SCREENINGS, CANCER PREVENTION OPPORTUNITIES AND OTHER OUTREACH WITH THE PURPOSE OF IMPROVING PATIENT CARE, QUALITY, ACCESS AND PROGRAMMATIC EXCELLENCE OF CANCER SERVICES WITHIN THE COMMUNITY.

FINANCIAL NAVIGATORS: NGMC BARROW HAS FINANCIAL ASSISTANCE COUNSELORS WHO HELP PATIENTS BECOME INSURED, BE IT THROUGH MEDICAID, PEACHCARE OR OTHER PROGRAMS. THIS TEAM FOCUSES ON BEING ADVOCATES FOR UNINSURED AND UNDER-INSURED PATIENTS, AIDING THEM IN FINDING VIABLE MEANS TO ACCESS CARE. THEY FIND THE BEST SOLUTIONS FOR HELPING PATIENTS APPLY FOR MEDICAID OR DISABILITY, ACCESSING HEALTHCARE EXCHANGES OR PROCESSING

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CHARITY APPLICATIONS WHEN APPROPRIATE.

PARTNERING IN THE COMMUNITY:

NGMC BARROW VOLUNTEERS: IN FY17, 24 NGMC VOLUNTEERS CONTRIBUTED 4,828 VOLUNTEER HOURS, EQUIVALENT TO ALMOST 3 FULL TIME EMPLOYEES AND A VALUE OF OVER \$116,548 TO THE ORGANIZATION. WHILE THESE FIGURES ARE NOT INCLUDED IN THE QUANTITATIVE PORTION OF THE COMMUNITY BENEFIT REPORT, THEY SHOW THE DEPTH OF SUPPORT THE COMMUNITY GIVES NGMC BARROW.

LIKE NGMC GAINESVILLE AND BRASELTON, NGMC BARROW'S EMERGENCY DEPARTMENT PARTICIPATES IN THE ED-CARES PROGRAM, WHICH CONNECTS PEOPLE WHO HAVE BEEN ADMITTED TO EMERGENCY ROOMS FOR AN OPIOID-RELATED OVERDOSE WITH TRAINED PEER RECOVERY COACHES.

ROTARY CLUB OF WINDER SUPPORT: SUNITA SINGH, PUBLIC RELATIONS MANAGER FOR BARROW, SERVES AS PRESIDENT OF THE ROTARY CLUB OF WINDER, WHICH BENEFITS VARIOUS COMMUNITY PROGRAMS SUCH AS PEACE PLACE, THE TREE HOUSE INC., UNITED WAY AND BOY SCOUTS OF AMERICA, JUST TO NAME A FEW.

SUPPORT OF COMMUNITY EFFORTS TO IMPROVE HEALTH

AMERICAN CANCER SOCIETY (ACS): NGMC BARROW WAS THE PLATINUM SPONSOR FOR THE ACS RELAY FOR LIFE IN BARROW COUNTY. THE WALK BENEFITS CANCER RESEARCH AND COMMUNITY EDUCATION. NGMC EMPLOYEES TURNED OUT IN FULL FORCE FOR RELAY FOR LIFE, WITH OVER 360 WALKERS THROUGHOUT THE REGION.

NORTHEAST GEORGIA FOOD BANK SUPPORT: NGMC BARROW PROVIDED A DONATION TO THE NORTHEAST GEORGIA FOOD BANK'S FOOD 2 KIDS PROGRAM IN BARROW COUNTY. THIS PROGRAM WAS DEVELOPED TO ALLEVIATE HUNGER ON NIGHTS AND

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WEEKENDS WHEN OTHER FOOD IS NOT AVAILABLE FOR CHILDREN IN NEED.

BOYS & GIRLS CLUB: NGMC BARROW GAVE A DONATION TO THE BOYS & GIRLS CLUB WHICH PROVIDES PROGRAMS THAT EMPOWER YOUTH TO EXCEL IN SCHOOL, BECOME GOOD CITIZENS AND LEAD HEALTHY, PRODUCTIVE LIVES.

HEALTH SCREENINGS: NGMC BARROW PROVIDED HEALTH EDUCATION AND SCREENINGS AT LOCAL HEALTH FAIRS, SUCH AS FREE BLOOD PRESSURE CHECKS AND DIABETES EDUCATION.

COMMUNITY HEALTH EDUCATION: NGMC BARROW OFFERS A VARIETY OF FREE HEALTH EDUCATION CLASSES FROM ARTHRITIS TO HEALTHY COOKING DEMONSTRATIONS.

THE DIABETES EDUCATION TEAM AT NGMC DEVELOPED PARTNERSHIPS WITH COMMUNITY PROFESSIONALS, INCLUDING A DIETITIAN AT NGMC BARROW, IN ORDER TO EXPAND THE ACCESS TO THE PREVENT T2 DIABETES PROGRAM, A PROVEN PROGRAM TO PREVENT OR DELAY TYPE 2 DIABETES. THIS TEAM IS CURRENTLY WORKING TO PROVIDE CLASSES IN NGMC BARROW.

ORGANIZATION OVERVIEW

NORTHEAST GEORGIA HEALTH SYSTEM IS A NOT-FOR-PROFIT COMMUNITY HEALTH SYSTEM DEDICATED TO IMPROVING THE HEALTH AND QUALITY OF LIFE OF THE PEOPLE OF NORTHEAST GEORGIA. NORTHEAST GEORGIA MEDICAL CENTER HAS THREE HOSPITAL CAMPUSES (NGMC GAINESVILLE, NGMC BRASELTON AND NGMC BARROW) WITH A TOTAL OF 713 BEDS AND MORE THAN 700 MEDICAL STAFF MEMBERS REPRESENTING MORE THAN 50 SPECIALTIES.

THE HEALTH SYSTEM OFFERS A FULL RANGE OF HEALTHCARE SERVICES THROUGH

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NGMC SUCH AS GYNECOLOGIC ONCOLOGY, ELECTROPHYSIOLOGY, CARDIAC SURGERY, CRITICAL CARE MEDICINE, SURGICAL TRAUMA, NEONATOLOGY AND PERINATOLOGY. CARECHEX RECOGNIZES NGMC AS GEORGIA'S #1 HOSPITAL FOR HEART CARE, WOMEN'S CARE AND PULMONARY CARE. NGMC ALSO PROVIDES LONG TERM CARE THROUGH TWO CENTERS IN GAINESVILLE AND MENTAL HEALTH AND SUBSTANCE ABUSE TREATMENT THROUGH A FREESTANDING INPATIENT CENTER.

NORTHEAST GEORGIA PHYSICIANS GROUP BRINGS TOGETHER MORE THAN 350 TALENTED PHYSICIANS, PHYSICIAN ASSISTANTS, NURSE PRACTITIONERS, MIDWIVES AND OTHER CLINICAL STAFF AT MORE THAN 65 LOCATIONS ACROSS NORTH GEORGIA. AS THE STATE'S SIXTH-LARGEST PHYSICIAN GROUP, IT ALWAYS HAS A PRACTICE NEARBY TO OFFER EXPERT CARE IN MORE THAN 25 SPECIALTIES.

LED BY VOLUNTEER BOARDS MADE UP OF COMMUNITY LEADERS, THE HEALTH SYSTEM SERVES 1 MILLION PEOPLE IN MORE THAN 18 COUNTIES ACROSS NORTHEAST GEORGIA. AS A NOT-FOR-PROFIT HEALTH SYSTEM, ALL REVENUE GENERATED ABOVE OPERATING EXPENSES IS RETURNED TO THE COMMUNITY THROUGH IMPROVED SERVICES AND INNOVATIVE PROGRAMS. NORTHEAST GEORGIA MEDICAL CENTER'S CHARITY CARE POLICY SUPPORTS THE PROVISION OF CARE FOR INDIGENT PATIENTS, REGARDLESS OF THEIR ABILITY TO PAY.

SPECIAL NOTES

NGMC USES THE PRECEPTS OUTLINED IN "A GUIDE FOR PLANNING AND REPORTING COMMUNITY BENEFIT," PROVIDED BY THE CATHOLIC HEALTH ASSOCIATION OF THE UNITED STATES AND VETERAN'S HEALTH ADMINISTRATION, INC. THE GUIDE'S PURPOSE IS TO HELP NOT-FOR-PROFIT, MISSION-DRIVEN HEALTHCARE ORGANIZATIONS DEVELOP, ENHANCE AND REPORT ON THEIR COMMUNITY BENEFIT PROGRAMS.

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COMMUNITY BENEFIT DEFINITION: PROGRAM OR ACTIVITY MUST ADDRESS A
DEMONSTRATED COMMUNITY NEED AND SEEK TO ADDRESS AT LEAST ONE OF THE
FOLLOWING COMMUNITY BENEFIT OBJECTIVES:

- IMPROVE ACCESS
- ENHANCE POPULATION HEALTH
- ADVANCE GENERALIZABLE KNOWLEDGE
- RELIEVE GOVERNMENT BURDEN TO IMPROVE HEALTH

THE PROGRAM OR ACTIVITY MUST:

- PRIMARILY BENEFIT THE COMMUNITY RATHER THAN THE ORGANIZATION
- RESULT IN MEASURABLE EXPENSE TO THE ORGANIZATION

IF THE PROGRAM OR ACTIVITY IS PROVIDED PRIMARILY FOR MARKETING
PURPOSES, STANDARD PRACTICE, EXPECTED OF ALL HOSPITALS (SUCH AS
ACTIVITIES REQUIRED FOR ACCREDITATION, LICENSURE, OR TO PARTICIPATE IN
MEDICARE) OR IS PRIMARILY FOR EMPLOYEES (NOT INCLUDING INTERNS,
RESIDENTS AND FELLOWS) AND/OR AFFILIATED PHYSICIANS, IT IS NOT
COMMUNITY BENEFIT.

FOR MORE INFORMATION, CONTACT CHRISTY MOORE, MANAGER, COMMUNITY HEALTH
IMPROVEMENT, AT (770) 219-8097 OR GO TO WWW.NGHS.COM.

FORM 990, PART VI, SECTION B, LINE 11B:

INFORMATION FOR THE FORM 990 WAS PROVIDED TO AN INDEPENDENT CERTIFIED

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PUBLIC ACCOUNTANT FOR PREPARATION OF THE RETURN. AFTER THE RETURN WAS PREPARED, IT WAS REVIEWED BY SENIOR FINANCIAL MANAGEMENT. THE 990 IS MADE AVAILABLE TO MEMBERS OF THE BOARD PRIOR TO FILING.

FORM 990, PART VI, SECTION B, LINE 12C:

BOARD MEMBERS ARE REQUIRED TO COMPLETE A CONFLICT OF INTEREST QUESTIONNAIRE ANNUALLY. EMPLOYEES ATTEST TO THEIR UNDERSTANDING AND REPORTING/DISCLOSURE REQUIREMENTS AT HIRE AND ANNUALLY. COMPLIANCE IS MONITORED CONTINUOUSLY THROUGHOUT THE YEAR BY THE BOARD.

FORM 990, PART VI, SECTION B, LINE 15:

THE COMPENSATION COMMITTEE OF THE NORTHEAST GEORGIA HEALTH SYSTEM BOARD (NGHS BOARD) HAS DEVELOPED AND INSTALLED COMPENSATION POLICIES AND PROCEDURES THAT SEEK TO FURTHER THE PURPOSE OF NGHS AND AFFILIATES AND THE IMPORTANCE OF THESE POLICIES TO ATTRACT AND RETAIN KEY EMPLOYEES. THE COMPENSATION COMMITTEE IS COMPOSED OF VOTING DIRECTORS WHO ARE NOT EMPLOYEES OF NGHS. ALL DECISIONS OF THE COMPENSATION COMMITTEE ARE REVIEWED AND RATIFIED BY THE NGHS BOARD.

THE COMMITTEE'S METHODOLOGY AND APPROACH INCORPORATES BOTH QUALITATIVE AND QUANTITATIVE CONSIDERATIONS, WHICH ARE REFLECTED IN THE COMMITTEE'S DETERMINATIONS CONCERNING KEY EMPLOYEE COMPENSATION AND THE SPECIFIC COMPONENTS THEREOF. THE COMPENSATION DECISIONS OF THE COMMITTEE ARE DESCRIBED BELOW AS TO EACH OF THE THREE CATEGORIES.

BASE SALARY

ANNUAL BASE SALARIES ARE SET AT MARKET COMPETITIVE LEVELS WITH HEALTHCARE

Name of the organization

NORTHEAST GEORGIA HEALTH SYSTEM, INC.

Employer identification number

58-1694090

SYSTEMS OF A SIMILAR SIZE AND COMPLEXITY FROM THROUGHOUT THE COUNTRY.

SPECIFICALLY, THE COMMITTEE CONSIDERS PEER GROUP COMPARISONS FROM SURVEY DATA FOR OTHER HEALTH SYSTEMS, RECOMMENDATIONS FROM AN INDEPENDENT COMPENSATION CONSULTANT, RECOMMENDATIONS ON RANGES AND PLACEMENT FROM THE CEO, AND INDIVIDUAL PERFORMANCE ASSESSMENTS FOR EACH POSITION. IN EACH INSTANCE THE COMMITTEE MEMBERS REACH A CONSENSUS BASED ON THE COMBINATION OF AVAILABLE INFORMATION, AND THE COMMITTEE SETS A BASE SALARY LEVEL FOR EACH KEY EMPLOYEE.

PERFORMANCE BASED VARIABLE COMPENSATION

NUMEROUS PERFORMANCE GOALS ARE QUANTITATIVE IN NATURE, RESULTING IN A PERFORMANCE BASED VARIABLE COMPENSATION COMPONENT THAT IS WEIGHTED TOWARD ATTAINING NGHS BOARD-APPROVED GOALS AND OBJECTIVES. ANNUAL GOALS AND OBJECTIVES ARE ESTABLISHED THROUGH A FORMAL PLANNING PROCESS INVOLVING BOARD AND COMMUNITY MEMBERS. THE BOARD APPROVES THESE GOALS AND OBJECTIVES AT THE BEGINNING OF EACH YEAR. OFFICERS AND KEY EMPLOYEES RECEIVE CASH AWARDS AS A FORMULA DRIVEN PERCENTAGE OF BASE SALARY LEVELS BASED ON ACHIEVEMENT AND PREDETERMINED INDIVIDUAL OBJECTIVES.

BENEFITS AND RETENTION PROGRAMS

BENEFIT CATEGORIES AND AMOUNTS ARE DETERMINED BY A COMPARISON PROCESS SIMILAR TO DETERMINING BASE SALARIES WITH POSITIONS AND ORGANIZATIONS SIMILAR TO NGHS. INCLUDED IN BENEFITS ARE RETIREMENT PROGRAMS TO ENHANCE RETENTION AND PROGRESS TOWARD LONG-TERM GOALS WITHIN NGHS' MISSION.

FORM 990, PART VI, SECTION C, LINE 19:

Name of the organization

NORTHEAST GEORGIA HEALTH SYSTEM, INC.

Employer identification number

58-1694090

FINANCIAL STATEMENTS AND STATISTICS ARE FILED QUARTERLY WITH DIGITAL ASSURANCE CERTIFICATION, LLC (DAC BOND). DAC BOND SERVES AS A DISCLOSURE DISSEMINATION AGENT FOR ISSUERS OF MUNICIPAL BONDS ELECTRONICALLY POSTING AND TRANSMITTING INFORMATION TO REPOSITORIES AND INVESTORS. ALL OTHER ITEMS ARE AVAILABLE UPON REQUEST.

FORM 990, PART IX, LINE 11G, OTHER FEES:

CONSULTING/ MANAGEMENT:

PROGRAM SERVICE EXPENSES	2,265,636.
MANAGEMENT AND GENERAL EXPENSES	1,653,946.
FUNDRAISING EXPENSES	0.
TOTAL EXPENSES	3,919,582.

CONTRACT SERVICES:

PROGRAM SERVICE EXPENSES	9,467,207.
MANAGEMENT AND GENERAL EXPENSES	6,911,194.
FUNDRAISING EXPENSES	0.
TOTAL EXPENSES	16,378,401.

OUTSIDE SERVICES:

PROGRAM SERVICE EXPENSES	3,434,722.
MANAGEMENT AND GENERAL EXPENSES	2,507,396.
FUNDRAISING EXPENSES	0.
TOTAL EXPENSES	5,942,118.
TOTAL OTHER FEES ON FORM 990, PART IX, LINE 11G, COL A	26,240,101.

FORM 990, PART XI, LINE 9, CHANGES IN NET ASSETS:

INTERCOMPANY FORGIVENESS	51,410,211.
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Name of the organization

NORTHEAST GEORGIA HEALTH SYSTEM, INC.

Employer identification number

58-1694090

MINIMUM PENSION LIABILITY ADJUSTMENT 14,980,573.

PARTNERSHIP INCOME NOT ON BOOKS -265,604.

TOTAL TO FORM 990, PART XI, LINE 9 66,125,180.

Blank lines for additional information or calculations.

**SCHEDULE R
(Form 990)**

Department of the Treasury
Internal Revenue Service

Name of the organization

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

NORTHEAST GEORGIA HEALTH SYSTEM, INC.

Employer identification number
58-1694090

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

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
RIVER PLACE MEDICAL OFFICE PLAZA I, LLC. - 58-1694090, 743 SPRING STREET, GAINESVILLE, GA 30501	RENTAL	GEORGIA	3,014,325.	13,911,194.	NORTHEAST GEORGIA HEALTH SYSTEM, INC.
THE HEART CENTER, LLC - 46-4354068 743 SPRING STREET GAINESVILLE, GA 30501	HEALTHCARE	GEORGIA	27,391,007.	7,927,752.	NORTHEAST GEORGIA HEALTH SYSTEM, INC.
HEALTHCONNECTIONS, LLC - 58-1694098 743 SPRING STREET GAINESVILLE, GA 30501	HEALTHCARE	GEORGIA	0.	0.	NORTHEAST GEORGIA MEDICAL CENTER, INC.
NGMC BARROW, LLC - 81-4015190 743 SPRING STREET GAINESVILLE, GA 30501	HEALTHCARE	GEORGIA	14,771,736.	15,753,343.	NORTHEAST GEORGIA HEALTH SYSTEM, INC.

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
NORTHEAST GEORGIA MEDICAL CENTER, INC. - 58-1694098, 743 SPRING STREET, GAINESVILLE, GA 30501	HEALTHCARE - HOSPITAL	GEORGIA	501(C)(3)	LINE 3	NORTHEAST GEORGIA HEALTH SYSTEM, INC.		X
NORTHEAST GEORGIA PHYSICIANS GROUP, INC. - 58-2078064, 743 SPRING STREET, GAINESVILLE, GA 30501	HEALTHCARE	GEORGIA	501(C)(3)	LINE 12B, II	NORTHEAST GEORGIA HEALTH SYSTEM, INC.		X
THE MEDICAL CENTER FOUNDATION, INC. - 58-1694820, 743 SPRING STREET, GAINESVILLE, GA 30501	FUNDRAISING AND SUPPORT	GEORGIA	501(C)(3)	LINE 7	NORTHEAST GEORGIA HEALTH SYSTEM, INC.		X
THE MEDICAL CENTER AUXILIARY, INC. - 58-4550576, 743 SPRING STREET, GAINESVILLE, GA 30501	FUNDRAISING AND SUPPORT	GEORGIA	501(C)(3)	LINE 10	NORTHEAST GEORGIA HEALTH SYSTEM, INC.		X

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

Schedule R (Form 990) 2016

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

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

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

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

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

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

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

e Loans or loan guarantees by related organization(s)

f Dividends from related organization(s)

g Sale of assets to related organization(s)

h Purchase of assets from related organization(s)

i Exchange of assets with related organization(s)

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

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

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

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

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

o Sharing of paid employees with related organization(s)

p Reimbursement paid to related organization(s) for expenses

q Reimbursement paid by related organization(s) for expenses

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

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

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
(1) NORTHEAST GEORGIA MEDICAL CENTER, INC.	B	112,350,903.	COST
(2) NORTHEAST GEORGIA HEALTH SYSTEM, INC.	C	51,410,211.	COST
(3) NORTHEAST GEORGIA PHYSICIAN GROUP, INC.	C	59,483,735.	COST
(4) NORTHEAST GEORGIA HEALTH PARTNERS, LLC	C	1,456,957.	COST
(5) NORTHEAST GEORGIA MEDICAL CENTER, INC.	L	42,947,556.	COST
(6) NORTHEAST GEORGIA MEDICAL CENTER, INC.	Q	174,237.	COST

Part V Continuation of Transactions With Related Organizations (Schedule R (Form 990), Part V, line 2)

(a) Name of other organization	(b) Transaction type (a-f)	(c) Amount involved	(d) Method of determining amount involved
(7)NORTHEAST GEORGIA HEALTH PARTNERS, LLC	P	174,237.	COST
(8)NORTHEAST GEORGIA MEDICAL CENTER, INC.	B	1,852,716.	COST
(9)THE MEDICAL CENTER FOUNDATION, INC.	C	1,852,716.	COST
(10)THE MEDICAL CENTER AUXILIARY, INC.	B	225,786.	COST
(11)THE MEDICAL CENTER FOUNDATION, INC.	C	225,786.	COST
(12)NORTHEAST GEORGIA MEDICAL CENTER, INC.	D	1,276,964.	COST
(13)THE MEDICAL CENTER FOUNDATION, INC.	E	1,276,964.	COST
(14)			
(15)			
(16)			
(17)			
(18)			
(19)			
(20)			
(21)			
(22)			
(23)			
(24)			

Part VII Supplemental Information.

Provide additional information for responses to questions on Schedule R. See instructions.