

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

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)
Do not enter social security numbers on this form as it may be made public
Information about Form 990 and its instructions is at www.irs.gov/form990

OMB No 1545-0047
2017
Open to Public Inspection

A For the 2017 calendar year, or tax year beginning 07-01-2017, and ending 06-30-2018

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

C Name of organization: TOWER HEALTH
 Doing business as:
 Number and street (or P O box if mail is not delivered to street address): PO BOX 16052 Room/suite:
 City or town, state or province, country, and ZIP or foreign postal code: READING, PA 196126052

D Employer identification number: 23-2201344
E Telephone number: (484) 628-4307
G Gross receipts \$ 2,281,859,356

F Name and address of principal officer: CLINT MATTHEWS, PO BOX 16052, READING, PA 196126052

H(a) Is this a group return for subordinates? Yes No
H(b) Are all subordinates included? Yes No
 If "No," attach a list (see instructions)
H(c) Group exemption number ▶

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

J Website: ▶ [HTTPS //WWW TOWERHEALTH ORG](https://www.towerhealth.org)

K Form of organization: Corporation Trust Association Other ▶
L Year of formation: 1982
M State of legal domicile: PA

Part I Summary

1 Briefly describe the organization's mission or most significant activities:
 THE MISSION OF TOWER HEALTH IS TO PROVIDE COMPASSIONATE, ACCESSIBLE, HIGH QUALITY, COST EFFECTIVE HEALTHCARE TO THE COMMUNITY, TO PROMOTE HEALTH, TO EDUCATE HEALTHCARE PROFESSIONALS, AND TO PARTICIPATE IN APPROPRIATE CLINICAL RESEARCH TOWER HEALTH IS A NON-PROFIT HEALTHCARE SYSTEM CONSISTING OF DIRECTLY AND INDIRECTLY CONTROLLED ENTITIES (SEE FORM 990, SCHEDULE R FOR A LISTING OF AFFILIATES), INCLUDING BUT NOT LIMITED TO BRANDYWINE HOSPITAL, CHESTNUT HILL HOSPITAL, JENNERSVILLE HOSPITAL, PHOENIXVILLE HOSPITAL, AND POTTSTOWN HOSPITAL TOWER HEALTH PROVIDES CHARITABLE COMMUNITY-BASED HEALTHCARE SERVICES AND PROGRAMS TO IMPROVE THE HEALTH AND WELL-BEING OF THE PEOPLE AND COMMUNITIES IT SERVES

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

3 Number of voting members of the governing body (Part VI, line 1a)	14
4 Number of independent voting members of the governing body (Part VI, line 1b)	10
5 Total number of individuals employed in calendar year 2017 (Part V, line 2a)	5,406
6 Total number of volunteers (estimate if necessary)	10
7a Total unrelated business revenue from Part VIII, column (C), line 12	2,092,546
7b Net unrelated business taxable income from Form 990-T, line 34	168,238

	Prior Year	Current Year
8 Contributions and grants (Part VIII, line 1h)		60,452
9 Program service revenue (Part VIII, line 2g)	3,557,191	473,933,026
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	51,495,791	121,950,997
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)		7,530,463
12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	55,052,982	603,474,938
13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)		0
14 Benefits paid to or for members (Part IX, column (A), line 4)		0
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	2,513,494	196,253,961
16a Professional fundraising fees (Part IX, column (A), line 11e)		0
b Total fundraising expenses (Part IX, column (D), line 25) ▶		
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	3,683,053	280,083,878
18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	6,196,547	476,337,839
19 Revenue less expenses Subtract line 18 from line 12	48,856,435	127,137,099

	Beginning of Current Year	End of Year
20 Total assets (Part X, line 16)	1,506,270,845	2,024,107,424
21 Total liabilities (Part X, line 26)	618,461,425	1,241,707,304
22 Net assets or fund balances Subtract line 21 from line 20	887,809,420	782,400,120

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: 2019-04-30
 GARY F CONNER EXECUTIVE VP CFO
 Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name: MATTHEW D PETROSKI	Preparer's signature: MATTHEW D PETROSKI	Date: 2019-04-30	Check <input type="checkbox"/> if self-employed	PTIN: P00853132
Firm's name: PRICEWATERHOUSECOOPERS LLP			Firm's EIN: 13-4008324	
Firm's address: 2001 MARKET ST STE 1800 PHILADELPHIA, PA 19103			Phone no: (267) 330-3000	

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission

THE MISSION OF TOWER HEALTH IS TO PROVIDE COMPASSIONATE, ACCESSIBLE, HIGH QUALITY, COST EFFECTIVE HEALTHCARE TO THE COMMUNITY, TO PROMOTE HEALTH, TO EDUCATE HEALTHCARE PROFESSIONALS, AND TO PARTICIPATE IN APPROPRIATE CLINICAL RESEARCH TOWER HEALTH IS A NON-PROFIT HEALTHCARE SYSTEM CONSISTING OF DIRECTLY AND INDIRECTLY CONTROLLED ENTITIES (SEE FORM 990, SCHEDULE R FOR A LISTING OF AFFILIATES), INCLUDING BUT NOT LIMITED TO BRANDYWINE HOSPITAL, CHESTNUT HILL HOSPITAL, JENNERVILLE HOSPITAL, PHOENIXVILLE HOSPITAL, AND POTTSTOWN HOSPITAL TOWER HEALTH PROVIDES CHARITABLE COMMUNITY-BASED HEALTHCARE SERVICES AND PROGRAMS TO IMPROVE THE HEALTH AND WELL-BEING OF THE PEOPLE AND COMMUNITIES IT SERVES

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 \$ 21,628,120 including grants of \$) (Revenue \$ 30,202,037)
See Additional Data

4b (Code) (Expenses \$ 16,542,594 including grants of \$) (Revenue \$ 30,421,690)
See Additional Data

4c (Code) (Expenses \$ 15,334,570 including grants of \$) (Revenue \$ 32,366,148)
See Additional Data

(Code) (Expenses \$ 371,685,241 including grants of \$) (Revenue \$ 385,185,379)

OTHER ACCOMPLISHMENTS INCLUDE BUT ARE NOT LIMITED TO BRANDYWINE HOSPITAL INPATIENT BEHAVIORAL HEALTH PROVIDES 24-HOUR SUPERVISION, TREATMENT, STABILIZATION AND PLACEMENT FOR ADULTS AND OLDER ADULTS COPING WITH A VARIETY OF ISSUES, FOCUSING ON RETURNING THE INDIVIDUAL TO THE HIGHEST LEVEL OF FUNCTIONING POSSIBLE THE INPATIENT EATING DISORDERS PROGRAM PROVIDES AN INDIVIDUALIZED TREATMENT PLAN, GROUP AND INDIVIDUAL THERAPY AND PSYCHIATRIC CARE FOR INDIVIDUALS AGES 13 AND OLDER TOTAL PATIENT VISITS FOR FY18 WERE 13,243 PHOENIXVILLE HOSPITAL OB/GYN WOMEN'S HEALTH SERVICES DEPARTMENT PROVIDE OB/GYN CARE AND MATERNITY SERVICES TO THE COMMUNITY "24/7/365" PHOENIXVILLE HOSPITAL PROVIDES CHARITY SERVICES TO THE SERVICE AREA THROUGH OUR HEALTHY BABY PROGRAM TO FAMILIES WHO MEET OUR CHARITY POLICY GUIDELINES SIX BOARD-CERTIFIED OB/GYNS DELIVER OVER 800 BABIES EACH YEAR AND ARE BACKED BY A LEVEL II NICU AND NEMOURS BOARD-CERTIFIED NEONATOLOGISTS PROVIDING "24/7/365" COVERAGE PRIVATE ROOMS WITH ROOM- SERVICE ARE PROVIDED LACTATION SERVICES, FAMILY PREP CLASSES AND POST- PARTUM SUPPORT IS ALSO PROVIDED TOTAL NEW BORN FOR FY18 WERE 588

4d Other program services (Describe in Schedule O)
(Expenses \$ 371,685,241 including grants of \$) (Revenue \$ 385,185,379)

4e Total program service expenses ▶ 425,190,525

Part IV Checklist of Required Schedules

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

Part IV Checklist of Required Schedules (continued)

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

Table with columns for question ID, question text, and Yes/No response boxes. Includes sections for backup withholding, employee reporting, foreign accounts, prohibited tax shelter transactions, deductible contributions, and 501(c)(7), (12), and (29) organizations.

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

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

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a Enter the number of voting members of the governing body at the end of the tax year (14); 1b Enter the number of voting members included in line 1a, above, who are independent (10); 2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? (No); 3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? (No); 4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? (Yes); 5 Did the organization become aware during the year of a significant diversion of the organization's assets? (No); 6 Did the organization have members or stockholders? (No); 7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body? (Yes); 7b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? (Yes); 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: 8a The governing body? (Yes); 8b Each committee with authority to act on behalf of the governing body? (Yes); 9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O (No)

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

Table with 3 columns: Question, Yes, No. Rows include: 10a Did the organization have local chapters, branches, or affiliates? (No); 10b 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?; 11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? (Yes); 11b Describe in Schedule O the process, if any, used by the organization to review this Form 990; 12a Did the organization have a written conflict of interest policy? If "No," go to line 13 (Yes); 12b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? (Yes); 12c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done (Yes); 13 Did the organization have a written whistleblower policy? (Yes); 14 Did the organization have a written document retention and destruction policy? (Yes); 15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision? 15a The organization's CEO, Executive Director, or top management official (Yes); 15b Other officers or key employees of the organization (Yes); If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions); 16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? (No); 16b 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?

Section C. Disclosure

Table with 3 columns: Question, Yes, No. Rows include: 17 List the States with which a copy of this Form 990 is required to be filed (PA); 18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply: [] Own website, [] Another's website, [X] 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: GARY CONNER CFO 420 SOUTH 5TH AVENUE WEST READING, PA 19611 (484) 628-8000

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

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) CLINT MATTHEWS PRESIDENT &	2 00 58 00	X		X				0 2,009,603	429,965	
(2) CHARLES BARBERA MD BOARD MEMBER	2 00 48 00	X						0 577,371	35,968	
(3) JOHN CASEY MD BOARD MEMBER	2 00 10 00	X						0 40,715	1,868	
(4) BRENT WAGNER MD CHAIRMAN	2 00 4 00	X		X				0 0	0	
(5) C THOMAS WORK VICE-CHAIRMA	2 00 4 00	X		X				0 0	0	
(6) BARBARA ARNER BOARD MEMBER	2 00 2 00	X						0 0	0	
(7) ANNE FLYNN MD BOARD MEMBER	2 00 2 00	X						0 0	0	
(8) TOM FLYNN PHD BOARD MEMBER	2 00 2 00	X						0 0	0	
(9) CHRIS G KRARAS BOARD MEMBER	2 00 4 00	X						0 0	0	
(10) GLENN MOYER BOARD MEMBER	2 00 2 00	X						0 0	0	
(11) MEG MUELLER BOARD MEMBER	2 00 2 00	X						0 0	0	
(12) KAREN RIGHTMIRE BOARD MEMBER	2 00 4 00	X						0 0	0	
(13) JOHN WEIDENHAMMER BOARD MEMBER	2 00 2 00	X						0 0	0	
(14) BEN ZINTAK BOARD MEMBER	2 00 2 00	X						0 0	0	
(15) THERESE SUCHER EXECUTIVE VP	2 00 48 00			X				0 972,078	229,597	
(16) GREGORY SORENSEN MD EXECUTIVE VP	2 00 48 00			X				0 806,149	181,749	
(17) GARY F CONNER EXECUTIVE VP	2 00 52 00			X				0 793,626	182,057	

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (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) DAN AHERN EVP BUSINESS	2 00 48 00			X				0	719,763	167,651
(19) KATHLEEN WETZEL SECRETARY	2 00 48 00			X				0	302,685	63,710
(20) GEORGE A JENCKES MD CEO OF THP	52 00 0 00				X			568,527	0	77,265
(21) JOHN CACCIAMANI CEO OF CHEST	52 00 0 00				X			226,028	0	6,949
(22) RICHARD T NEWELL CEO OF POTTS	52 00 0 00					X		150,078	0	11,091
(23) TERESA M PEIRCE VP CNO POTTS	50 00 0 00					X		130,937	0	6,922
(24) STEPHEN TULLMAN CEO OF PHOEN	52 00 0 00					X		124,245	0	7,107
1b Sub-Total										
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)								1,199,815	6,221,990	1,401,899

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 ▶ 10

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
HOSPITAL HOUSEKEEPING SYSTEMS LLC PO BOX 2267 SAN ANTONIO, TX 78298	SUPPORT SERVICE	530,740
XANITOS INC 75 REMITTANCE DRIVE DEPT 6529 CHICAGO, IL 60675	SUPPORT SERVICE	510,763
NA PARTNERS IN ANESTHESIA LLC 68 SOUTH SERVICE ROAD SUITE 350 MELVILLE, NY 11747	ANESTHESIA SERV	345,278
SOCIETY HILL ANESTHESIA 736-38 PINE STREET UNIT C PHILADELPHIA, PA 19106	ANESTHESIA SERV	272,780
MORRISON HEALTHCARE PO BOX 102289 ATLANTA, GA 30368	CONSULTING	217,731

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 ▶ 24

Part VIII Statement of Revenue

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

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514	
Contributions, Gifts, Grants and Other Similar Amounts	1a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c					
	d Related organizations	1d					
	e Government grants (contributions)	1e	55,452				
	f All other contributions, gifts, grants, and similar amounts not included above	1f	5,000				
	g Noncash contributions included in lines 1a-1f \$ _____						
	h Total. Add lines 1a-1f		60,452				
Program Service Revenue			Business Code				
	2a PATIENT CHARGES		621110	465,226,571	465,226,571		
	b JOINT VENTURES		621400	5,721,725	5,721,725		
	c UTILIZATION MGMT FEES		621990	2,665,722	2,665,722		
	d HEALTH INS SHARED SAVINGS		621990	319,008	319,008		
	e _____						
	f All other program service revenue						
g Total. Add lines 2a-2f		473,933,026					
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)			14,990,766		2,092,546	
	4 Income from investment of tax-exempt bond proceeds						
	5 Royalties						
	6a Gross rents	(i) Real	(ii) Personal				
			2,555,491				
		b Less rental expenses					
		c Rental income or (loss)	2,555,491				
	d Net rental income or (loss)			2,555,491			2,555,491
	7a Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
			1,785,344,649				
		b Less cost or other basis and sales expenses	1,678,384,418				
		c Gain or (loss)	106,960,231				
	d Net gain or (loss)			106,960,231			106,960,231
	8a 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							
9a Gross income from gaming activities See Part IV, line 19		a					
b Less direct expenses		b					
c Net income or (loss) from gaming activities							
10a 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					
11a BUNDLED PAYMENT SHARE			2,027,929	2,027,929			
b OTHER INCOME			1,626,974	1,626,974			
c MEALS			732,744			732,744	
d All other revenue			587,325	587,325			
e Total. Add lines 11a-11d			4,974,972				
12 Total revenue. See Instructions			603,474,938	478,175,254	2,092,546	123,146,686	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21.				
2 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, line 15 and 16.				
4 Benefits paid to or for members.				
5 Compensation of current officers, directors, trustees, and key employees.	3,969,229	681,283	3,287,946	
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.	153,465,984	144,459,694	9,006,290	
8 Pension plan accruals and contributions (include section 401 (k) and 403(b) employer contributions).	2,252,945	2,080,934	172,011	
9 Other employee benefits.	25,448,047	23,577,879	1,870,168	
10 Payroll taxes.	11,117,756	10,177,246	940,510	
11 Fees for services (non-employees)				
a Management.				
b Legal.	709,805		709,805	
c Accounting.				
d Lobbying.				
e Professional fundraising services. See Part IV, line 17.				
f Investment management fees.	1,665,000		1,665,000	
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O).	77,984,212	49,761,127	28,223,085	
12 Advertising and promotion.	430,010		430,010	
13 Office expenses.				
14 Information technology.	9,568,439	9,568,439		
15 Royalties.				
16 Occupancy.	16,124,238	14,900,069	1,224,169	
17 Travel.	295,935	155,319	140,616	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials.				
19 Conferences, conventions, and meetings.				
20 Interest.	17,844,955	17,844,955		
21 Payments to affiliates.				
22 Depreciation, depletion, and amortization.	17,071,037	17,071,037		
23 Insurance.	4,651,411	4,651,411		
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	67,185,173	66,573,720	611,453	
b DRUGS & PHARM	26,895,841	26,895,841		
c PHYSICIAN FEES	21,457,087	20,584,733	872,354	
d REPAIRS	12,707,731	12,571,410	136,321	
e All other expenses	5,493,004	3,635,428	1,857,576	
25 Total functional expenses. Add lines 1 through 24e.	476,337,839	425,190,525	51,147,314	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 <input type="checkbox"/> if following SOP 98-2 (ASC 958-720).				

Part X Balance Sheet

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

		(A) Beginning of year		(B) End of year
Assets	1 Cash—non-interest-bearing		1	83,935,677
	2 Savings and temporary cash investments	221	2	332
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	652,245,321	4	547,767,010
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	20,032,718
	9 Prepaid expenses and deferred charges		9	7,063,180
	10a Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	348,356,584		
	b Less accumulated depreciation	17,199,418		
		40,312,888	10c	331,157,166
	11 Investments—publicly traded securities	802,460,095	11	852,819,717
	12 Investments—other securities See Part IV, line 11		12	
	13 Investments—program-related See Part IV, line 11		13	
	14 Intangible assets		14	
15 Other assets See Part IV, line 11	11,252,320	15	181,331,624	
16 Total assets. Add lines 1 through 15 (must equal line 34)	1,506,270,845	16	2,024,107,424	
Liabilities	17 Accounts payable and accrued expenses	3,973,653	17	61,076,090
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities	573,504,229	20	1,131,794,058
	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	40,983,543	25	48,837,156
	26 Total liabilities. Add lines 17 through 25	618,461,425	26	1,241,707,304
Net Assets or Fund Balances	27 Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34. Unrestricted net assets	887,809,420	27	782,392,576
	28 Temporarily restricted net assets		28	7,544
	29 Permanently restricted net assets		29	
	30 Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34. 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	887,809,420	33	782,400,120
	34 Total liabilities and net assets/fund balances	1,506,270,845	34	2,024,107,424

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	603,474,938
2	Total expenses (must equal Part IX, column (A), line 25)	2	476,337,839
3	Revenue less expenses Subtract line 2 from line 1	3	127,137,099
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	887,809,420
5	Net unrealized gains (losses) on investments	5	-69,781,333
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	-162,765,066
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	782,400,120

Part XII Financial Statements and Reporting

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

		Yes	No
<p>1 Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____</p> <p>If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O</p>			
<p>2a Were the organization's financial statements compiled or reviewed by an independent accountant?</p> <p>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</p> <p><input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis</p>	2a		No
<p>b Were the organization's financial statements audited by an independent accountant?</p> <p>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</p> <p><input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis</p>	2b	Yes	
<p>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?</p> <p>If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O</p>	2c	Yes	
<p>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?</p>	3a	Yes	
<p>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</p>	3b	Yes	

Additional Data

Software ID:

Software Version:

EIN: 23-2201344

Name: TOWER HEALTH

Form 990 (2017)

Form 990, Part III, Line 4a:

EMERGENCY CARE BRANDYWINE HOSPITAL EMERGENCY DEPARTMENT PROVIDES EMERGENCY, URGENT AND PRIMARY CARE SERVICES TO THE COMMUNITY "24/7/365", REGARDLESS OF ABILITY TO PAY BRANDWINE HOSPITAL ALSO PROVIDES IMMEDIATE ACCESS THROUGH ITS EMERGENCY DEPARTMENT TO ALL SPECIALTY SERVICES EMERGENCY ROOM VISITS FOR FY18 WERE 20,327 CHESTNUT HILL HOSPITAL EMERGENCY DEPARTMENT PROVIDES EMERGENCY, URGENT AND PRIMARY CARE SERVICES TO THE COMMUNITY "24/7/365", REGARDLESS OF ABILITY TO PAY CHH PROVIDES IMMEDIATE ACCESS THROUGH ITS EMERGENCY DEPARTMENT TO ALL SPECIALTY AREAS CHH REMAINS COMMITTED TO THEIR GOAL OF SEEING PATIENTS IN 30 MINUTES OR LESS EMERGENCY ROOM VISITS FOR FY18 WERE 29,775 JENNERSVILLE HOSPITAL EMERGENCY DEPARTMENT PROVIDES EMERGENCY, URGENT AND PRIMARY CARE SERVICES TO THE COMMUNITY "24/7/365", REGARDLESS OF ABILITY TO PAY JENNERSVILLE HOSPITAL ALSO PROVIDES IMMEDIATE ACCESS THROUGH ITS EMERGENCY DEPARTMENT TO ALL SPECIALTY SERVICES EMERGENCY ROOM VISITS FOR FY18 WERE 11,050 PHOENIXVILLE HOSPITAL EMERGENCY DEPARTMENT PROVIDES EMERGENCY, URGENT AND PRIMARY CARE SERVICES TO THE COMMUNITY "24/7/365" REGARDLESS OF ABILITY TO PAY PHOENIXVILLE HOSPITAL ALSO PROVIDES IMMEDIATE ACCESS THROUGH ITS EMERGENCY DEPARTMENT TO ALL SPECIALTY SERVICES, FROM SURGEONS TO ALL AREAS OF SPECIALTY CARE PHOENIXVILLE HOSPITAL HAS "24/7/365" ON-CALL CONSULTANTS FOR PEDIATRIC EMERGENCY CASES THROUGH NEMOURS LOCAL EMS PROVIDERS RELY ON PHOENIXVILLE HOSPITAL FOR ON-GOING MEDICAL EDUCATION EMERGENCY ROOM VISITS FOR FY18 WERE 17,081 POTTSTOWN HOSPITAL EMERGENCY DEPARTMENT PROVIDES EMERGENCY, URGENT AND PRIMARY CARE SERVICES TO THE COMMUNITY THE EMERGENCY DEPARTMENT IS OPEN 24 HOURS A DAY, 365 DAYS A YEAR AND SERVES PATIENTS FROM BERKS, MONTGOMERY AND CHESTER COUNTIES THE POTTSTOWN HOSPITAL EMERGENCY DEPARTMENT IS THE SECOND BUSIEST EMERGENCY DEPARTMENT IN MONTGOMERY COUNTY THERE IS A FULL COMPLEMENT OF SPECIALTY SERVICES PROVIDED AT THE LOCAL AND/OR TERTIARY LEVEL WITH OUR SYSTEM HOSPITAL IN READING EMERGENCY ROOM VISITS FOR FY18 WERE 30,069

Form 990, Part III, Line 4b:

OPERATING ROOM CHESTNUT HILL HOSPITAL SURGICAL DEPARTMENT PROVIDES SURGICAL SERVICES TO THE COMMUNITY IN BOTH AN INPATIENT AND OUTPATIENT SETTING THESE SERVICES INCLUDE BARIATRICS, ENT, GASTROENTEROLOGY, GYNECOLOGY, ORTHOPEDICS, PAIN MANAGEMENT, PLASTICS, PODIATRY, PULMONOLOGY, THORACIC, UROLOGY, VASCULAR AND GENERAL SURGERY TOTAL SURGERIES FOR FY18 WERE 3,918 JENNERSVILLE HOSPITAL PROVIDES SURGICAL SERVICES TO THE COMMUNITY IN BOTH AN INPATIENT AND OUTPATIENT SETTING SURGICAL PROCEDURES INCLUDE BUT ARE NOT LIMITED TO THE FOLLOWING SPECIALTIES ENT, GENERAL SURGERY, GASTROENTEROLOGIC, GYNECOLOGICAL, OPHTHALMOLOGY, UROLOGIC AND VASCULAR SURGICAL PROCEDURES TOTAL SURGERIES FOR FY18 WERE 1,375 POTTSTOWN HOSPITAL SURGICAL SERVICES DEPARTMENT PROVIDES EMERGENCY, URGENT AND ELECTIVE SURGERIES TO THE COMMUNITY ON AN INPATIENT AND OUTPATIENT BASIS EMERGENCY CASES CAN BE DONE 24 HOURS A DAY, 365 DAYS A YEAR - PATIENTS NEEDING A HIGHER LEVEL OF CARE CAN BE TRANSFERRED TO TERTIARY CENTERS IN THE AREA POTTSTOWN HOSPITAL OFFERS GENERAL, ORTHOPEDIC, VASCULAR, SPINE, ENT, MAXILLOFACIAL, PLASTIC, OB/GYN, OPHTHALMOLOGIC, UROLOGIC AND PODIATRIC SURGERY TOTAL SURGERIES FOR FY18 WERE 7,169

Form 990, Part III, Line 4c:

RADIOLOGY/ONCOLOGY CHESTNUT HILL HOSPITAL RADIOLOGY DEPARTMENT PROVIDES IMAGING SERVICES TO THE COMMUNITY IN BOTH AN INPATIENT AND OUTPATIENT SETTING THESE SERVICES INCLUDE BUT ARE NOT LIMITED TO PET SCANS, ULTRASOUNDS, CAT SCANS, MRIS, NUCLEAR MEDICINE, INTERVENTIONAL RADIOLOGY, AND MAMMOGRAMS CHESTNUT HILL HOSPITAL PROVIDES FREE SCREENINGS THROUGHOUT THE COMMUNITY AND OFFERS FINANCIAL ASSISTANCE FOR MAMMOGRAMS VIA FUNDS RECEIVED AT LOCAL CHARITABLE EVENTS HOSTED/SPONSORED BY CHH TOTAL IMAGING PROCEDURES/SCANS FOR FY18 WERE 74,561 PHOENIXVILLE HOSPITAL ONCOLOGY SERVICES DEPARTMENT PROVIDES MEDICAL ONCOLOGY AND RADIATION THERAPY SERVICES TO THE COMMUNITY PHOENIXVILLE HOSPITAL PROVIDES CHARITY SERVICES TO THE SERVICE AREA WHO MEET THE OUR CHARITY POLICY GUIDELINES TARGETED THERAPIES IN OUR RECENTLY RENOVATED INFUSION SUITE SELECTIVELY AFFECT ONLY THE CELLS RELATED TO A PARTICULAR CANCER, CAUSING LESS DAMAGE AND FEWER SIDE EFFECTS TO SURROUNDING NON- CANCEROUS CELLS AND BODY SYSTEMS THAN TRADITIONAL CHEMOTHERAPY DRUGS PHOENIXVILLE HOSPITAL ACTIVELY PARTICIPATES IN A NUMBER OF PREVENTIVE AND TREATMENT CLINICAL TRIALS THROUGH THE CANCER TRIALS SUPPORT UNIT (CTSU) TOTAL PATIENTS SEEN FOR FY18 WERE 2,046 POTTSTOWN HOSPITAL CANCER CENTER PROVIDES INPATIENT, OUTPATIENT AND INFUSION SERVICES TO ONCOLOGY PATIENTS IN THE COMMUNITY THE POTTSTOWN HOSPITAL CANCER CENTER OFFERS A ROBUST SERVICE LINE INCLUSIVE OF MEDICAL AND RADIATION ONCOLOGY WITH RAPID ARC TECHNOLOGY WITH OUR LINEAR ACCELERATOR AND CYBERKNIFE CAPABILITIES THE POTTSTOWN HOSPITAL CANCER CENTER IS A FIVE TIME RECIPIENT OF THE AMERICAN COLLEGE OF SURGEONS COUNCIL ON CANCER OUTSTANDING ACHIEVEMENT AWARD THERE ARE ONLY 4 CANCER CENTERS IN THE COUNTRY WHO HAVE ACHIEVED THIS DISTINCTION TOTAL ONCOLOGY INFUSION CASES FOR FY18 WERE 2,876

SCHEDULE A
(Form 990 or
990EZ)

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.

2017

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Name of the organization
TOWER HEALTH

Employer identification number

23-2201344

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 2
 - 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		
(A) READING HOSPITAL	231352204	3	Yes		61,266,390	0
(B) TOWER HEALTH MEDICAL GROUP	232266054	3	Yes		0	0
Total	2				61,266,390	0

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

(Complete only if you checked the box on line 5, 7, 8, or 9 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

	Calendar year (or fiscal year beginning in) ►	(a) 2013	(b) 2014	(c) 2015	(d) 2016	(e) 2017	(f) Total
1	Gifts, grants, contributions, and membership fees received (Do not include any "unusual grant")						
2	Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3	The value of services or facilities furnished by a governmental unit to the organization without charge						
4	Total. Add lines 1 through 3						
5	The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6	Public support. Subtract line 5 from line 4						

Section B. Total Support

	Calendar year (or fiscal year beginning in) ►	(a)2013	(b)2014	(c)2015	(d)2016	(e)2017	(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 2017 (line 6, column (f) divided by line 11, column (f))	14	
15	Public support percentage for 2016 Schedule A, Part II, line 14	15	

- 16a 33 1/3% support test—2017.** 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—2016.** 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—2017.** 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—2016.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part VI how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization ►
- 18 Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ►

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ►		(a) 2013	(b) 2014	(c) 2015	(d) 2016	(e) 2017	(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) 2013	(b) 2014	(c) 2015	(d) 2016	(e) 2017	(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 2017 (line 8, column (f) divided by line 13, column (f))	15	
16	Public support percentage from 2016 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage

17	Investment income percentage for 2017 (line 10c, column (f) divided by line 13, column (f))	17	
18	Investment income percentage from 2016 Schedule A, Part III, line 17	18	

19a 33 1/3% support tests—2017. 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—2016. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ►

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

Part IV Supporting Organizations

(Complete only if you checked a box on line 12 of Part I. If you checked 12a of Part I, complete Sections A and B. If you checked 12b of Part I, complete Sections A and C. If you checked 12c of Part I, complete Sections A, D, and E. If you checked 12d of Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

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

Part IV Supporting Organizations (continued)

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

Section B. Type I Supporting Organizations

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

Section C. Type II Supporting Organizations

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

Section D. All Type III Supporting Organizations

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

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	<input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below.		
b	<input checked="" type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below.		
c	<input type="checkbox"/> The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions).		
2	Activities Test Answer (a) and (b) below.		
a	Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? <i>If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.</i>		
b	Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? <i>If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.</i>		
3	Parent of Supported Organizations Answer (a) and (b) below.		
a	Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? <i>Provide details in Part VI.</i>		
b	Did the organization exercise a substantial degree of direction over the policies, programs and activities of each of its supported organizations? <i>If "Yes," describe in Part VI the role played by the organization in this regard.</i>		
		2a	
		2b	
		3a	Yes
		3b	Yes

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

- 1** Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 (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)	1	
a	Average monthly value of securities	1a	
b	Average monthly cash balances	1b	
c	Fair market value of other non-exempt-use assets	1c	
d	Total (add lines 1a, 1b, and 1c)	1d	
e	Discount claimed for blockage or other factors (explain in detail in Part VI)		
2	Acquisition indebtedness applicable to non-exempt use assets	2	
3	Subtract line 2 from line 1d	3	
4	Cash deemed held for exempt use Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6	Multiply line 5 by .035	6	
7	Recoveries of prior-year distributions	7	
8	Minimum Asset Amount (add line 7 to line 6)	8	
Section C - Distributable Amount			Current Year
1	Adjusted net income for prior year (from Section A, line 8, Column A)	1	
2	Enter 85% of line 1	2	
3	Minimum asset amount for prior year (from Section B, line 8, Column A)	3	
4	Enter greater of line 2 or line 3	4	
5	Income tax imposed in prior year	5	
6	Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions)	6	
7	<input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally-integrated Type III supporting organization (see instructions)		

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

Section D - Distributions	Current Year
1 Amounts paid to supported organizations to accomplish exempt purposes	
2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3 Administrative expenses paid to accomplish exempt purposes of supported organizations	
4 Amounts paid to acquire exempt-use assets	
5 Qualified set-aside amounts (prior IRS approval required)	
6 Other distributions (describe in Part VI) See instructions	
7 Total annual distributions. Add lines 1 through 6	
8 Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI) See instructions	
9 Distributable amount for 2017 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-2017	(iii) Distributable Amount for 2017
1 Distributable amount for 2017 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2017 (reasonable cause required-- explain in Part VI) See instructions			
3 Excess distributions carryover, if any, to 2017			
a			
b From 2013.			
c From 2014.			
d From 2015.			
e From 2016.			
f Total of lines 3a through e			
g Applied to underdistributions of prior years			
h Applied to 2017 distributable amount			
i Carryover from 2012 not applied (see instructions)			
j Remainder Subtract lines 3g, 3h, and 3i from 3f			
4 Distributions for 2017 from Section D, line 7			
\$			
a Applied to underdistributions of prior years			
b Applied to 2017 distributable amount			
c Remainder Subtract lines 4a and 4b from 4			
5 Remaining underdistributions for years prior to 2017, if any Subtract lines 3g and 4a from line 2 If the amount is greater than zero, explain in Part VI See instructions			
6 Remaining underdistributions for 2017 Subtract lines 3h and 4b from line 1 If the amount is greater than zero, explain in Part VI See instructions			
7 Excess distributions carryover to 2018. Add lines 3j and 4c			
8 Breakdown of line 7			
a Excess from 2013.			
b Excess from 2014.			
c Excess from 2015.			
d Excess from 2016.			
e Excess from 2017.			

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

Facts And Circumstances Test

990 Schedule A, Supplemental Information

Return Reference	Explanation
PART IV, SECTION D, LINE 3	THE INVESTMENT COMMITTEE IS COMPRISED OF MEMBERS OF THE SUPPORTED ORGANIZATIONS AS WELL AS THE SUPPORTING ORGANIZATION. BECAUSE OF THIS OVERLAP, THE SUPPORTED ORGANIZATIONS HAVE A SIGNIFICANT VOICE IN THE SUPPORTING ORGANIZATION'S INVESTMENT POLICIES AND IN DIRECTING THE USE OF THE ORGANIZATION'S INCOME AND ASSETS DURING THE TAX YEAR. THE CAPITAL RESOURCE COMMITTEE MEETS EVERY 2 MONTHS. INVESTMENT PRESENTATIONS ARE MADE, ISSUES ARE DISCUSSED AND MINUTES ARE TAKEN BY THE DIRECTOR OF TREASURY. ANY SUBSEQUENT FOLLOW-UP ORDERED BY THE COMMITTEE IS COORDINATED BY THE DIRECTOR OF TREASURY.

990 Schedule A, Supplemental Information

Return Reference	Explanation
PART IV, SECTION E, LINE 3A	THE BOARD OF DIRECTORS FOR EACH SUPPORTED ORGANIZATION IS ELECTED BY TOWER HEALTH AT THE ANNUAL MEETING

990 Schedule A, Supplemental Information

Return Reference	Explanation
PART IV, SECTION E, LINE 3B	SUPPORTING ORGANIZATIONS FOLLOW POLICIES AND PROCEDURES SET BY TOWER HEALTH

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
2017
Open to Public Inspection

Name of the organization
TOWER HEALTH

Employer identification number
23-2201344

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?		<input type="checkbox"/> Yes <input type="checkbox"/> 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?		<input type="checkbox"/> Yes <input type="checkbox"/> No

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

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

Preservation of land for public use (e g , recreation or education) Preservation of an historically important land area

Protection of natural habitat Preservation of a certified historic structure

Preservation of open space

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

b Assets included in Form 990, Part X ▶ \$ _____

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

- 3** Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)
- a** Public exhibition
 - b** Scholarly research
 - c** Preservation for future generations
 - d** Loan or exchange programs
 - e** Other
- 4** Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII
- 5** During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements.

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

- 1a** Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No
- b** If "Yes," explain the arrangement in Part XIII and complete the following table
- | | Amount |
|--|--------|
| c Beginning balance | |
| d Additions during the year | |
| e Distributions during the year | |
| f Ending balance | |
- 2a** Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? Yes No
- b** If "Yes," explain the arrangement in Part XIII Check here if the explanation has been provided in Part XIII

Part V Endowment Funds. Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

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

- 2** Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as
- a** Board designated or quasi-endowment ▶
 - b** Permanent endowment ▶
 - c** Temporarily restricted endowment ▶
- The percentages on lines 2a, 2b, and 2c should equal 100%
- 3a** Are there endowment funds not in the possession of the organization that are held and administered for the organization by
- | | | |
|--|------------|-----------|
| (i) unrelated organizations | Yes | No |
| 3a(i) | | |
| (ii) related organizations | Yes | No |
| 3a(ii) | | |
| b If "Yes" on 3a(ii), are the related organizations listed as required on Schedule R? | 3b | |
- 4** Describe in Part XIII the intended uses of the organization's endowment funds

Part VI Land, Buildings, and Equipment.

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		86,748,211		86,748,211
b Buildings				
c Leasehold improvements		176,279,801	7,856,914	168,422,887
d Equipment		78,455,208	9,187,160	69,268,048
e Other		6,873,364	155,344	6,718,020
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c)) . . . ▶				331,157,166

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

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

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

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

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

(a) Description	(b) Book value
See Additional Data Table	
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 15)	181,331,624

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

(a) Description of liability	(b) Book value
(1) Federal income taxes	
SWAP CONTRACT	26,826,882
CP-CAP LEASE	21,771,747
PHY STUDENT LOANS	136,600
OTHER	101,927
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 25)	48,837,156

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

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

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

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

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

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

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

Part XIII Supplemental Information

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

Return Reference	Explanation
See Additional Data Table	

Part XIII Supplemental Information *(continued)*

Return Reference	Explanation

Additional Data

Software ID:
Software Version:
EIN: 23-2201344
Name: TOWER HEALTH

Form 990, Schedule D, Part IX, - Other Assets

(a) Description	(b) Book value
LT ASSETS AND GOODWILL	138,351,003
RECEIVABLE FROM AFFILIATES	17,434,458
CENTRAL PENNSYLVANIA HOME CARE	6,361,283
THIRD PARTY RECEIVABLE	6,211,513
UPMC	4,091,748
ALLSPIRE	3,464,846
USR MONTGOMERY PARTNERS-POTTSTOWN	2,384,927
HORIZON	1,291,874
SOUTH CHESTER MED BLDG	955,173
CENTRAL PENNSYLVANIA ALLIANCE	350,274
COMMONWEALTH CYBERKNIFE	345,000
QUEST	89,525

Supplemental Information

Return Reference	Explanation
SCHEDULE D, PAGE 3, PART X	THE SYSTEM IS A NOT-FOR-PROFIT CORPORATION AS DESCRIBED IN SECTION 501(C) (3) OF THE INTERNAL REVENUE CODE AND IS EXEMPT FROM FEDERAL INCOME TAXES AND RELATED INCOME PURSUANT TO SECTION 501(A) OF THE CODE ON SUCH A BASIS, THE EXEMPT ENTITIES DO NOT INCUR LIABILITY FOR FEDERAL INCOME TAXES, EXCEPT IN THE CASE OF UNRELATED BUSINESS INCOME THE SYSTEM EVALUATES UNCERTAIN TAX POSITIONS USING A TWO-STEP APPROACH FOR RECOGNIZING AND MEASURING TAX BENEFITS TAKEN OR EXPECTED TO BE TAKEN IN AN UNRELATED BUSINESS ACTIVITY TAX RETURN AND DISCLOSURES REGARDING UNCERTAINTIES IN TAX POSITIONS NO ADJUSTMENTS TO THE CONSOLIDATED FINANCIAL STATEMENTS WERE REQUIRED AS A RESULT OF THIS EVALUATION ON DECEMBER 22, 2017, THE PRESIDENT SIGNED INTO LAW H R 1, ORIGINALLY KNOWN AS THE TAX CUTS AND JOBS ACT THE NEW LAW INCLUDES SEVERAL PROVISIONS THAT RESULT IN SUBSTANTIAL CHANGES TO THE TAX TREATMENT OF TAX-EXEMPT ORGANIZATIONS AND THEIR DONORS THE SYSTEM HAS REVIEWED THESE PROVISIONS AND THE POTENTIAL IMPACT AND CONCLUDED THE ENACTMENT OF H R 1 WILL NOT HAVE A MATERIAL IMPACT ON THE OPERATIONS OF THE SYSTEM

**SCHEDULE F
(Form 990)**

Department of the Treasury
Internal Revenue Service

Statement of Activities Outside the United States

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 14b, 15, or 16.
▶ Attach to Form 990.
▶ Information about Schedule F (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047
2017
Open to Public Inspection

Name of the organization
TOWER HEALTH

Employer identification number
23-2201344

Part I **General Information on Activities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 14b.

1 For grantmakers. Does the organization maintain records to substantiate the amount of its grants and other assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? Yes No

2 For grantmakers. Describe in Part V the organization's procedures for monitoring the use of its grants and other assistance outside the United States

3 Activities per Region (The following Part I, line 3 table can be duplicated if additional space is needed)

(a) Region	(b) Number of offices in the region	(c) Number of employees, agents, and independent contractors in region	(d) Activities conducted in region (by type) (e g , fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for and investments in region
(1) See Add'l Data					
(2)					
(3)					
(4)					
(5)					
3a Sub-total					145,113,039
b Total from continuation sheets to Part I					
c Totals (add lines 3a and 3b)					145,113,039

Part II Grants and Other Assistance to Organizations or Entities Outside the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 15, for any recipient who received more than \$5,000. Part II can be duplicated if additional space is needed.

1	(a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of non-cash assistance	(h) Description of non-cash assistance	(i) Method of valuation (book, FMV, appraisal, other)
(1)									
(2)									
(3)									
(4)									

2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter ▶ _____

3 Enter total number of other organizations or entities ▶ _____

Part III Grants and Other Assistance to Individuals Outside the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 16.

Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Region	(c) Number of recipients	(d) Amount of cash grant	(e) Manner of cash disbursement	(f) Amount of non-cash assistance	(g) Description of non-cash assistance	(h) Method of valuation (book, FMV, appraisal, other)
(1)							
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							
(13)							
(14)							
(15)							
(16)							
(17)							
(18)							

Part IV Foreign Forms

- 1 Was the organization a U S transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926, Return by a U S Transferor of Property to a Foreign Corporation (see Instructions for Form 926)* Yes No
- 2 Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organization may be required to separately file Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U S Owner (see Instructions for Forms 3520 and 3520-A, do not file with Form 990)* Yes No
- 3 Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U S Persons with Respect to Certain Foreign Corporations (see Instructions for Form 5471)* Yes No
- 4 Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund (see Instructions for Form 8621)* Yes No
- 5 Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U S Persons with Respect to Certain Foreign Partnerships (see Instructions for Form 8865)* Yes No
- 6 Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to separately file Form 5713, International Boycott Report (see Instructions for Form 5713, do not file with Form 990)* Yes No

Part V Supplemental Information

Provide the information required by Part I, line 2 (monitoring of funds); Part I, line 3, column (f) (accounting method; amounts of investments vs. expenditures per region); Part II, line 1 (accounting method); Part III (accounting method); and Part III, column (c) (estimated number of recipients), as applicable. Also complete this part to provide any additional information (see instructions).

Return Reference	Explanation
SCHEDULE F, PAGE 1, PART I, LINE 3	CENTRAL AMERICA AND THE CARIBBEAN 0 9,210,958 EUROPE 0 135,902,081

Additional Data

Software ID:

Software Version:

EIN: 23-2201344

Name: TOWER HEALTH

Form 990 Schedule F Part I - Activities Outside The United States

(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region	(d) Activities conducted in region (by type) (i.e., fundraising, program services, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for region
CENTRAL AMERICA AND THE CARIBBEAN			INVESTMENTS		9,210,958
EUROPE			INVESTMENTS		135,902,081

SCHEDULE H (Form 990)
 Department of the Treasury
 Internal Revenue Service
Name of the organization
 TOWER HEALTH

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.**

Employer identification number
 23-2201344

OMB No 1545-0047
2017
Open to Public Inspection

Part I Financial Assistance and Certain Other Community Benefits at Cost

	Yes	No
1a Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	1a Yes	
b If "Yes," was it a written policy?	1b Yes	
2 If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year <input checked="" type="checkbox"/> Applied uniformly to all hospital facilities <input type="checkbox"/> Applied uniformly to most hospital facilities <input type="checkbox"/> Generally tailored to individual hospital facilities		
3 Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year		
a Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing <i>free</i> care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care <input type="checkbox"/> 100% <input type="checkbox"/> 150% <input checked="" type="checkbox"/> 200% <input type="checkbox"/> Other _____ %	3a Yes	
b Did the organization use FPG as a factor in determining eligibility for providing <i>discounted</i> care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care <input type="checkbox"/> 200% <input type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input checked="" type="checkbox"/> 400% <input type="checkbox"/> Other _____ %	3b Yes	
c If the organization used factors other than FPG in determining eligibility, describe in Part VI the criteria used for determining eligibility for free or discounted care. Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care		
4 Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	4	No
5a Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a Yes	
b If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	5b	No
c If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?	5c	
6a Did the organization prepare a community benefit report during the tax year?	6a	No
b If "Yes," did the organization make it available to the public?	6b	

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)			8,163,503		8,163,503	1 710 %
b Medicaid (from Worksheet 3, column a)			56,785,039	46,370,360	10,414,679	2 190 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d Total Financial Assistance and Means-Tested Government Programs			64,948,542	46,370,360	18,578,182	3 900 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			279,121		279,121	0 060 %
f Health professions education (from Worksheet 5)			4,520,622		4,520,622	0 950 %
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)			113,526		113,526	0 020 %
i Cash and in-kind contributions for community benefit (from Worksheet 8)			16,030		16,030	
j Total. Other Benefits			4,929,299		4,929,299	1 030 %
k Total. Add lines 7d and 7j			69,877,841	46,370,360	23,507,481	4 940 %

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

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

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

		Yes	No
1 Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15?	1	Yes	
2 Enter the amount of the organization's bad debt expense. Explain in Part VI the methodology used by the organization to estimate this amount.	2		38,968,509
3 Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy. Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit.	3		22,991,420
4 Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements.			

Section B. Medicare

5 Enter total revenue received from Medicare (including DSH and IME).	5	157,216,978
6 Enter Medicare allowable costs of care relating to payments on line 5.	6	168,296,002
7 Subtract line 6 from line 5. This is the surplus (or shortfall).	7	-11,079,024
8 Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used. <input type="checkbox"/> Cost accounting system <input checked="" type="checkbox"/> Cost to charge ratio <input type="checkbox"/> Other		

Section C. Collection Practices

9a Did the organization have a written debt collection policy during the tax year?	9a	Yes	
b If "Yes," did the organization's collection policy that applied to the largest number of its patients during the tax year contain provisions on the collection practices to be followed for patients who are known to qualify for financial assistance? Describe in Part VI.	9b		No

Part IV Management Companies and Joint Ventures

(a) Name of entity (owned 10% or more by officers, directors, trustees, key employees, and physicians—see instructions)	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %
1 SOUTHERN CHESTER MED	PRIMARY/SPECIALTY CARE	55.000 %		45.000 %
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				

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

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

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

5

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

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

Part V Facility Information (continued)

Section B. Facility Policies and Practices

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

Name of hospital facility or letter of facility reporting group _____

Line number of hospital facility, or line numbers of hospital facilities in a facility reporting group (from Part V, Section A): _____ 12345

		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?		No
2	Was the hospital facility acquired or placed into service as a tax-exempt hospital in the current tax year or the immediately preceding tax year? If "Yes," provide details of the acquisition in Section C	Yes	
3	During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 12 If "Yes," indicate what the CHNA report describes (check all that apply)		No
	a <input type="checkbox"/> A definition of the community served by the hospital facility		
	b <input type="checkbox"/> Demographics of the community		
	c <input type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
	d <input type="checkbox"/> How data was obtained		
	e <input type="checkbox"/> The significant health needs of the community		
	f <input type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
	g <input type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
	h <input type="checkbox"/> The process for consulting with persons representing the community's interests		
	i <input type="checkbox"/> The impact of any actions taken to address the significant health needs identified in the hospital facility's prior CHNA(s)		
	j <input type="checkbox"/> Other (describe in Section C)		
4	Indicate the tax year the hospital facility last conducted a CHNA 20 ____		
5	In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted		
6 a	Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C		
6 b	Was the hospital facility's CHNA conducted with one or more organizations other than hospital facilities? If "Yes," list the other organizations in Section C		
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 <input type="checkbox"/> Hospital facility's website (list url) _____		
	b <input type="checkbox"/> Other website (list url) _____		
	c <input type="checkbox"/> Made a paper copy available for public inspection without charge at the hospital facility		
	d <input type="checkbox"/> 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 20 ____		
10	Is the hospital facility's most recently adopted implementation strategy posted on a website? If "Yes" (list url) _____		
	a _____		
	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)?		No
	b If "Yes" on line 12a, did the organization file Form 4720 to report the section 4959 excise tax?		
	c If "Yes" on line 12b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$ _____		

Part V Facility Information (continued)

Financial Assistance Policy (FAP)

A

Name of hospital facility or letter of facility reporting group _____

		Yes	No
	Did the hospital facility have in place during the tax year a written financial assistance policy that		
13	Explained eligibility criteria for financial assistance, and whether such assistance included free or discounted care? If "Yes," indicate the eligibility criteria explained in the FAP	13 Yes	
a	<input checked="" type="checkbox"/> Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of <u>200 000000000000</u> % and FPG family income limit for eligibility for discounted care of <u>400 000000000000</u> %		
b	<input type="checkbox"/> Income level other than FPG (describe in Section C)		
c	<input type="checkbox"/> Asset level		
d	<input type="checkbox"/> Medical indigency		
e	<input type="checkbox"/> Insurance status		
f	<input type="checkbox"/> Underinsurance discount		
g	<input checked="" type="checkbox"/> Residency		
h	<input checked="" type="checkbox"/> Other (describe in Section C)		
14	Explained the basis for calculating amounts charged to patients?	14 Yes	
15	Explained the method for applying for financial assistance? 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)	15 Yes	
a	<input checked="" type="checkbox"/> Described the information the hospital facility may require an individual to provide as part of his or her application		
b	<input checked="" type="checkbox"/> Described the supporting documentation the hospital facility may require an individual to submit as part of his or her application		
c	<input checked="" type="checkbox"/> Provided the contact information of hospital facility staff who can provide an individual with information about the FAP and FAP application process		
d	<input type="checkbox"/> Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications		
e	<input checked="" type="checkbox"/> Other (describe in Section C)		
16	Was widely publicized within the community served by the hospital facility? If "Yes," indicate how the hospital facility publicized the policy (check all that apply)	16 Yes	
a	<input checked="" type="checkbox"/> The FAP was widely available on a website (list url) <u>SEE SUPPLEMENTAL DISCLOSURES</u>		
b	<input checked="" type="checkbox"/> The FAP application form was widely available on a website (list url) <u>SEE SUPPLEMENTAL DISCLOSURES</u>		
c	<input checked="" type="checkbox"/> A plain language summary of the FAP was widely available on a website (list url) <u>SEE SUPPLEMENTAL DISCLOSURES</u>		
d	<input checked="" type="checkbox"/> The FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
e	<input checked="" type="checkbox"/> The FAP application form was available upon request and without charge (in public locations in the hospital facility and by mail)		
f	<input checked="" type="checkbox"/> 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	<input checked="" type="checkbox"/> 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	<input checked="" type="checkbox"/> Notified members of the community who are most likely to require financial assistance about availability of the FAP		
i	<input checked="" type="checkbox"/> The FAP, FAP application form, and plain language summary of the FAP were translated into the primary language(s) spoken by LEP populations		
j	<input checked="" type="checkbox"/> Other (describe in Section C)		

Part V Facility Information (continued)

Billing and Collections

A

Name of hospital facility or letter of facility reporting group _____

		Yes	No
17	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained all of the actions the hospital facility or other authorized party may take upon nonpayment?	17	Yes
18	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP a <input type="checkbox"/> Reporting to credit agency(ies) b <input type="checkbox"/> Selling an individual's debt to another party c <input type="checkbox"/> 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 <input type="checkbox"/> Actions that require a legal or judicial process e <input type="checkbox"/> Other similar actions (describe in Section C) f <input checked="" type="checkbox"/> 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 <input type="checkbox"/> Reporting to credit agency(ies) b <input type="checkbox"/> Selling an individual's debt to another party c <input type="checkbox"/> 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 <input type="checkbox"/> Actions that require a legal or judicial process e <input type="checkbox"/> Other similar actions (describe in Section C)	19	No
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 <input type="checkbox"/> 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 <input type="checkbox"/> Made a reasonable effort to orally notify individuals about the FAP and FAP application process c <input type="checkbox"/> Processed incomplete and complete FAP applications d <input type="checkbox"/> Made presumptive eligibility determinations e <input type="checkbox"/> Other (describe in Section C) f <input checked="" type="checkbox"/> None of these efforts were made		

Policy Relating to Emergency Medical Care

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

Part V Facility Information *(continued)*

Charges to Individuals Eligible for Assistance Under the FAP (FAP-Eligible Individuals)

A

Name of hospital facility or letter of facility reporting group _____

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

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

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

If "Yes," explain in Section C

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

If "Yes," explain in Section C

	Yes	No
23		No
24		No

Part V Facility Information *(continued)***Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**

(list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? _____

Name and address	Type of Facility (describe)
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	

Part VI Supplemental Information

Provide the following information

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

990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
PART I, LINE 3C - OTHER INCOME BASED CRITERIA FOR FREE OR DISCOUNTED CARE	PATIENTS WILL BE REQUESTED TO PROVIDE VERIFICATION OF HOUSEHOLD INCOME ALONG WITH THE NAMES OF PEOPLE RESIDING IN THE HOUSEHOLD, AS A REQUIREMENT OF THE APPLICATION PROCESS THE INFORMATION IS UTILIZED IN DETERMINING WHERE THE HOUSEHOLD FALLS WITHIN THE FEDERAL POVERTY LEVEL GUIDELINE (FPL) THE FPL CATEGORY WILL DETERMINE THE PATIENT OR QUARANTOR CONTRIBUTION AMOUNT TOWARD THEIR MEDICAL BILL
PART III, LINE 2 - BAD DEBT EXPENSE METHODOLOGY	ACCOUNTS RECEIVABLE ARE REDUCED BY AN ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS IN EVALUATING THE COLLECTABILITY OF ACCOUNTS RECEIVABLE, THE SYSTEM ANALYZES ITS PAST HISTORY AND IDENTIFIES TRENDS FOR EACH OF ITS MAJOR PAYOR SOURCES OF REVENUE TO ESTIMATE THE APPROPRIATE ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS AND PROVISION FOR UNCOLLECTIBLE ACCOUNTS MANAGEMENT REGULARLY REVIEWS DATA ABOUT THESE MAJOR PAYOR SOURCES OF REVENUE IN EVALUATING THE SUFFICIENCY OF THE ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS FOR RECEIVABLES ASSOCIATED WITH SERVICES PROVIDED TO PATIENTS WHO HAVE THIRD-PARTY COVERAGE, THE SYSTEM ANALYZES CONTRACTUALLY DUE AMOUNTS AND PROVIDES AN ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS AND A PROVISION FOR UNCOLLECTIBLE ACCOUNTS, IF NECESSARY (FOR EXAMPLE, FOR EXPECTED UNCOLLECTIBLE DEDUCTIBLES AND COPAYMENTS ON ACCOUNTS FOR WHICH THE THIRD-PARTY PAYOR HAS NOT YET PAID, OR FOR PAYORS WHO ARE KNOWN TO BE HAVING FINANCIAL DIFFICULTIES THAT MAKE THE REALIZATION OF AMOUNTS DUE UNLIKELY) FOR RECEIVABLES ASSOCIATED WITH SELF-PAY PATIENTS (WHICH INCLUDES BOTH PATIENTS WITHOUT INSURANCE AND PATIENTS WITH DEDUCTIBLE AND COPAYMENT BALANCES DUE FOR WHICH THIRD-PARTY COVERAGE EXISTS FOR PART OF THE BILL), THE SYSTEM RECORDS A SIGNIFICANT PROVISION FOR UNCOLLECTIBLE ACCOUNTS IN THE PERIOD OF SERVICE ON THE BASIS OF PAST EXPERIENCE, WHICH INDICATES THAT MANY PATIENTS ARE UNABLE OR UNWILLING TO PAY THE PORTION OF THEIR BILL FOR WHICH THEY ARE FINANCIALLY RESPONSIBLE THE DIFFERENCE BETWEEN THE STANDARD RATES (OR THE DISCOUNTED RATES, IF NEGOTIATED) AND THE AMOUNTS ACTUALLY COLLECTED AFTER ALL REASONABLE COLLECTION EFFORTS HAVE BEEN EXHAUSTED IS CHARGED OFF AGAINST THE ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS

990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
PART III, LINE 3 BAD DEBT EXPENSE, PATIENTS ELIGIBLE FOR ASSISTANCE	IN PRIOR YEARS, THE HOSPITAL UTILIZED A PRODUCT THROUGH THE ADVISORY BOARD TO PROJECT THE PERCENTAGE OF PATIENTS ELIGIBLE FOR CHARITY THE HOSPITAL ENDED THE RELATIONSHIP WITH THE ADVISORY BOARD, BUT LEVERAGED THE METHODOLOGY USED BY THE ADVISORY BOARD TO ESTIMATE THE CURRENT YEAR AMOUNT OF BAD DEBT EXPENSE ATTRIBUTABLE TO PATIENTS ELIGIBLE UNDER THE HOSPITAL'S FINANCIAL ASSISTANCE POLICY
PART III, LINE 8 - MEDICARE EXPLANATION	THE HOSPITAL USES REPORTS FROM THE MEDICARE PROVIDER STATISTICAL AND REIMBURSEMENT SYSTEM TO CALCULATE THE GROSS PATIENT CHARGES AND GROSS REIMBURSEMENT PAYMENTS A RATIO OF COST TO CHARGES IS APPLIED TO THE GROSS PATIENT CHARGES TO CALCULATE THE COMMUNITY BENEFIT EXPENSE

990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
PART III, LINE 9B - COLLECTION PRACTICES EXPLANATION	PATIENTS ARE INFORMED OF OPTIONS OF FINANCIAL ASSISTANCE THROUGHOUT THE REVENUE CYCLE, FROM REGISTRATION THROUGH COLLECTION, THEREFORE, THE HOSPITAL'S DEBT COLLECTION POLICY AND PROCEDURE INCLUDES SPECIFIC PROVISIONS FOR REFERRING PATIENTS FOR FINANCIAL ASSISTANCE
PART VI, LINE 6 - AFFILIATED HEALTH CARE SYSTEM	TOWER HEALTH MEDICAL GROUP (THMG) IS A GROUP WITHIN THE HOSPITALS AFFILIATED HEALTH CARE SYSTEM THAT PROVIDES GENERAL AND SPECIALIZED PRACTICE ASSISTANCE TO EACH OF THE ACUTE CARE HOSPITALS' UNDER TOWER HEALTH PHYSICIANS CAN REFER PATIENTS TO THE ACUTE CARE HOSPITALS' FOR FURTHER TREATMENT

Additional Data

Software ID:
Software Version:
EIN: 23-2201344
Name: TOWER HEALTH

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

Section A. Hospital Facilities <small>(list in order of size from largest to smallest—see instructions)</small> How many hospital facilities did the organization operate during the tax year? 5		Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER—24 hours	ER—other	Other (Describe)	Facility reporting group
1	POTTSTOWN HOSPITAL 1600 EAST HIGH STREET POTTSTOWN, PA 19464 HTTPS //POTTSTOWN TOWERHEALTH ORG 163201	X	X					X			A
2	CHESTNUT HILL HOSPITAL 8835 GERMANTOWN AVENUE PHILADELPHIA, PA 19118 HTTPS //CHESTNUTHILL TOWERHEALTH ORG 036101	X	X					X			A
3	PHOENIXVILLE HOSPITAL 140 NUTT ROAD PHOENIXVILLE, PA 19460 HTTPS //PHOENIXVILLE TOWERHEALTH ORG 420901	X	X					X			A
4	BRANDYWINE HOSPITAL 201 REECEVILLE ROAD COATESVILLE, PA 19320 HTTPS //BRANDYWINE TOWERHEALTH ORG 025801	X	X					X			A
5	JENNERSVILLE HOSPITAL 1015 WEST BALTIMORE PIKE WEST GROVE, PA 19390 HTTPS //JENNERSVILLE TOWERHEALTH ORG 291501	X	X					X			A

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

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.

Form and Line Reference	Explanation
GROUP A, FACILITY 1, POTTSTOWN HOSPITAL - PART V, LINE 2	MONTGOMERY/CHESTER HOSPITALS WERE ACQUIRED ON OCTOBER 1, 2017 FROM COMMUNITY HEALTH SYSTEMS (CHS), AND ARE SINGLE MEMBER LIMITED LIABILITY COMPANIES, WHICH ARE DISREGARDED ENTITIES FOR FEDERAL TAX PURPOSES, PROVIDING ACUTE AND POST ACUTE CARE THE FIVE HOSPITALS INCLUDE BRANDYWINE HOSPITAL IN COATESVILLE, CHESTNUT HILL HOSPITAL IN PHILADELPHIA, JENNERSVILLE REGIONAL HOSPITAL IN WEST GROVE, PHOENIXVILLE HOSPITAL IN PHOENIXVILLE AND POTTSTOWN MEMORIAL MEDICAL CENTER IN POTTSTOWN (COLLECTIVELY, MONTGOMERY/CHESTER HOSPITALS)

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

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.

Form and Line Reference	Explanation
GROUP A, FACILITY 1, POTTSTOWN HOSPITAL - PART V, LINE 13H	PATIENTS VISITING FROM OUT OF THE COUNTRY AND REQUIRING EMERGENCY SERVICES ARE ELIGIBLE FOR CONSIDERATION OF FINANCIAL ASSISTANCE HOWEVER, PATIENTS VISITING THE UNITED STATES WITH THE INTENT OF RECEIVING NON-EMERGENCY CARE ARE NOT GENERALLY ELIGIBLE FOR FINANCIAL ASSISTANCE

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

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.

Form and Line Reference	Explanation
GROUP A, FACILITY 1, POTTSTOWN HOSPITAL - PART V, LINE 15E	FINANCIAL ASSISTANCE APPLICATION PROCESS 1 WHO IS ELIGIBLE FOR FINANCIAL ASSISTANCE A PATIENTS RECEIVING SERVICES IN OUR HOSPITAL AND THMG PRACTICES B BOTH UNINSURED AND UNDER-INSURED PATIENTS C PATIENTS WHO ARE DENIED MEDICAID COVERAGE, OR WHO ARE SCREENED AND DETERMINED TO NOT MEET THE MEDICAID COVERAGE CRITERIA 2 A HOSPITAL FINANCIAL COUNSELOR OR PRF REPRESENTATIVE WILL ASSIST THE PATIENT WITH COMPLETING THE FINANCIAL ASSISTANCE APPLICATION AND OBTAIN ANY SUPPORTING DOCUMENTATION 3 DECISIONS PERTAINING TO ELIGIBILITY FOR FINANCIAL ASSISTANCE WILL BE MADE WITHIN 14 DAYS OF RECEIPT OF A COMPLETE FINANCIAL ASSISTANCE APPLICATION INCOMPLETE APPLICATIONS WILL BE REVIEWED AND ATTEMPTS TO CONTACT THE PATIENT/GUARANTOR FOR ADDITIONAL INFORMATION WILL BE MADE A CONFIRMATION LETTER IN ENGLISH AND SPANISH WILL BE SENT TO THE PATIENT DESCRIBING THE OUTCOME OF THE DECISION 4 WHEN FINANCIAL ASSISTANCE IS APPROVED, A CONFIRMATION LETTER IN ENGLISH AND SPANISH WILL BE SENT TO THE PATIENT THE LETTER WILL SERVE AS A MEANS OF SPECIFYING TIME FRAME COVERED BY THE FINANCIAL ASSISTANCE DETERMINATION THE CONFIRMATION LETTER WILL CONTAIN A CONTACT NAME FOR THE PATIENT TO RETAIN AS A REFERENCE AND RESOURCE FOR ADDITIONAL QUESTIONS 5 IF FINANCIAL ASSISTANCE IS NOT APPROVED, LETTERS IN ENGLISH AND SPANISH WILL BE SENT DESCRIBING THE REASONS FOR THE DECISION, AS WELL AS INFORMATION ON OTHER PAYMENT OPTIONS SHOULD PATIENTS WISH TO APPEAL THE DECISION MADE, DIRECTIONS ON THE APPEALS PROCESS WILL ALSO BE PROVIDED 6 PATIENTS OR QUARANTORS WHO DISAGREE WITH THE OUTCOME OF THE FINANCIAL ASSISTANCE ELIGIBILITY DECISION WILL HAVE THE OPPORTUNITY TO APPEAL THE DECISION 7 THE FINANCIAL ASSISTANCE SCALE PROVIDES 100% CHARITY CARE TO BOTH INSURED AND UNINSURED PATIENTS WHOSE HOUSEHOLD INCOME IS UP TO 200% OF THE FEDERAL POVERTY LEVEL (FPL) THE FINANCIAL ASSISTANCE SCALE PROVIDES DISCOUNTED CARE ON A SLIDING SCALE FOR BOTH INSURED AND UNINSURED PATIENTS WHOSE HOUSEHOLD INCOME IS UP TO 400% OF THE FEDERAL POVERTY LEVEL (FPL) 8 THE MCR FFS (MEDICARE FEE FOR SERVICE) IS USED TO DETERMINE THE FINANCIAL ASSISTANCE ADJUSTMENT PATIENTS ARE ENCOURAGED TO BEGIN APPLYING FOR FINANCIAL ASSISTANCE AS EARLY AS POSSIBLE IN THE PROCESS OF ACCESSING MEDICAL CARE THE SOONER THE HOSPITAL BECOMES AWARE OF THE FINANCIAL NEED, THE GREATER OPPORTUNITY EXISTS TO SUCCESSFULLY CONNECT THE PATIENT WITH POTENTIAL RESOURCES SUCH AS MEDICAID OR OTHER ASSISTANCE OF INSURANCE PROGRAMS WHILE IT IS IDEAL TO INITIATE THE PROCESS AS SOON AS POSSIBLE, PATIENTS ARE ELIGIBLE TO REQUEST CONSIDERATION OF FINANCIAL ASSISTANCE AT ANY POINT IN THE BILLING AND COLLECTION CYCLE IF THE FINANCIAL ASSISTANCE APPLICATION IS INITIATED WHILE THE ACCOUNT IS IN THE COLLECTION PROCESS, COLLECTION ACTIVITY WILL CEASE UNTIL DETERMINATION OF ELIGIBILITY HAS BEEN MADE

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.

Form and Line Reference	Explanation
<p>GROUP A, FACILITY 1, POTTSTOWN HOSPITAL - PART V, LINE 16J</p>	<p>THE CURRENT FINANCIAL ASSISTANCE POLICY AND APPLICATIONS FOR FINANCIAL ASSISTANCE, IN ENGLISH AND SPANISH, ARE ACCESSIBLE AT HTTPS //POTTSTOWN TOWERHEALTH ORG/PATIENTS-FAMILIES/BILLING-AND-INSURANCE/FINANCIAL-ASSISTANCE/ HTTPS //CHESTNUTHILL TOWERHEALTH ORG/PATIENTS-FAMILIES/BILLING-AND-INSURANCE/FINANCIAL-ASSISTANCE/ HTTPS //PHOENIXVILLE TOWERHEALTH ORG/PATIENTS-FAMILIES/BILLING-AND-INSURANCE/FINANCIAL-ASSISTANCE/ HTTPS //BRANDYWINE TOWERHEALTH ORG/PATIENTS-FAMILIES/BILLING-AND-INSURANCE/FINANCIAL-ASSISTANCE/ HTTPS //JENNERSVILLE TOWERHEALTH ORG/PATIENTS-FAMILIES/BILLING-AND-INSURANCE/FINANCIAL-ASSISTANCE/ ADDITIONALLY, TOWER HEALTH MAINTAINS, AND UPDATES ON AT LEAST A QUARTERLY BASIS, A LIST OF ALL PROVIDERS (IDENTIFIED BY NAME, PRACTICE GROUP/ENTITY, HOSPITAL DEPARTMENT OR TYPE OF SERVICE) DELIVERING EMERGENCY OR OTHER MEDICALLY NECESSARY CARE AT READING HOSPITAL SPECIFYING WHICH PROVIDERS ARE AND ARE NOT COVERED BY THE PATIENT FINANCIAL ASSISTANCE POLICY THIS PROVIDER LIST IS AVAILABLE ONLINE AT HTTPS //POTTSTOWN TOWERHEALTH ORG/FIND-A-DOCTOR/ HTTPS //CHESTNUTHILL TOWERHEALTH ORG/FIND-A-DOCTOR/ HTTPS //PHOENIXVILLE TOWERHEALTH ORG/FIND-A-DOCTOR/ HTTPS //BRANDYWINE TOWERHEALTH ORG/FIND-A-DOCTOR/ HTTPS //JENNERSVILLE TOWERHEALTH ORG/FIND-A-DOCTOR/ A PAPER COPY CAN BE OBTAINED, FREE OF CHARGE, BY CONTACTING THE REFERRAL LINE AT POTTSTOWN HOSPITAL 610-327-7000 CHESTNUT HILL HOSPITAL 215-753-2000 PHOENIXVILLE HOSPITAL 610-983-1000 BRANDYWINE HOSPITAL 610-383-8000 JENNERSVILLE HOSPITAL 610-869-1090 FEES FOR SERVICES PROVIDED BY PHYSICIANS WHO ARE NOT EMPLOYED BY POTTSTOWN, CHESUTNUT HILL, PHOENIXVILLE, BRANDYWINE AND JENNERSVILLE HOSPITALS ARE EXCLUDED FROM THE FINANCIAL ASSISTANCE POLICY INFORMATION REGARDING ELIGIBILITY FOR FINANCIAL ASSISTANCE IS COMMUNICATED VIA SIGNAGE AND BROCHURES PROMINENTLY DISPLAYED THROUGHOUT THE HOSPITAL AND WITHIN REGISTRATION AREAS PAMPHLETS TITLED UNDERSTANDING BILLING & PAYMENTS INCLUDE THE PLAIN LANGUAGE SUMMARY OF THE FINANCIAL ASSISTANCE POLICY THE PAMPHLETS ARE PRINTED IN ENGLISH AND SPANISH AND ARE AVAILABLE IN THE LOBBIES AND WAITING AREAS THROUGHOUT THE HOSPITAL THESE PAMPHLETS PROVIDE AN EASY-TO-READ SUMMARY OF THE FINANCIAL ASSISTANCE PROGRAM, WITH CONTACT INFORMATION OF HOSPITAL EMPLOYEES WHO WILL ASSIST THE PATIENTS WITH THE APPLICATION PROCESS THESE PAMPHLETS ARE ALSO DISTRIBUTED TO PATIENTS AT THE POINTS OF REGISTRATION THROUGHOUT THE HOSPITAL PATIENTS WHO ARE UNINSURED OR WHO EXPRESS THE INABILITY TO PAY AT POINT OF SERVICE ARE PROVIDED WITH THE PAMPHLET EMERGENCY PATIENTS IN THESE SITUATIONS ARE PROVIDED WITH THE PAMPHLET AT THE TIME OF DISCHARGE PATIENT BILLING STATEMENTS FOR HOSPITAL SERVICES CONTAIN GUIDANCE AND DIRECTION ON THE AVAILABILITY OF THE FINANCIAL ASSISTANCE PROGRAM IN ADDITION, THE BACK OF THE BILLING STATEMENT IS A FINANCIAL ASSISTANCE APPLICATION THE HOSPITAL WORKS CLOSELY WITH ADVOCACY PROGRAMS IN THE COMMUNITY THE AVAILABILITY OF THE HOSPITAL FINANCIAL ASSISTANCE</p>

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.

Form and Line Reference	Explanation
<p>GROUP A, FACILITY 1, POTTSTOWN HOSPITAL - PART V, LINE 16J</p>	<p>POLICY IS SHARED WITH THOSE AGENCIES PART V, SECTION B, LINE 16 A-C LINK TO FINANCIAL ASSISTANCE POLICY (FAP), APPLICATION AND PLAIN LANGUAGE SUMMARY HTTPS //BRANDYWINE TOWERHEALTH ORG/PATIENTS-FAMILIES/BILLING-AND- INSURANCE/FINANCIAL-ASSISTANCE/ HTTPS //CHESTNUTHILL TOWERHEALTH ORG/PATIENTS-FAMILIES/BILLING-AND- INSURANCE/FINANCIAL-ASSISTANCE/ HTTPS //JE NNERSVILLE TOWERHEALTH ORG/PATIENTS-FAMILIES/BILLING-AND- INSURANCE/FINANCIAL-ASSISTANCE/ HTTPS //PHOENIXVILLE TOWERHEALTH ORG/PATIENTS-FAMILIES/BILLING-AND- INSURANCE/FINANCIAL-AS SISTANCE/ HTTPS //POTTSTOWN TOWERHEALTH ORG/PATIENTS-FAMILIES/BILLING-AND- INSURANCE/FINANCIAL-ASSISTANCE/ PART V, SECTION B, LINE 16 J TOWER HEALTH INADVERTENTLY DID NOT ADOPT A FINANCIAL ASSISTANCE POLICY, FINANCIAL ASSISTANCE APPLICATION, AND PLAIN LANGUAGE SUMMARY THAT CONTAINED ALL OF THE ELEMENTS REQUIRED BY TREASURY REGULATION SECTION 1 501(R)-4 THIS INADVERTENT FAILURE WAS DUE TO A CHANGE IN THE RESPONSIBLE TEAM THAT OCCURRED AT THE ORGANIZATION THE FAILURE WAS DISCOVERED IN MARCH 2018 AND TOWER HEALTH PROMPTLY ACTED TO CORRECT BY REVISING THE FINANCIAL ASSISTANCE POLICY, FINANCIAL ASSISTANCE APPLICATION, AND PLAIN LANGUAGE SUMMARY TO INCLUDE ALL OF THE ELEMENTS REQUIRED BY INTERNAL REVENUE CODE SECTION 501 (R) AND WIDELY PUBLICIZED THE CORRECTED DOCUMENTS WITHIN THE MEANING OF TREASURY REGULATION SECTION 1 501(R)-3(B)(5) TOWER HEALTH IMPLEMENTED NEW SAFEGUARDS TO ENSURE THAT A SIMILAR OVERSIGHT DOES NOT OCCUR IN THE FUTURE, INCLUDING THE ESTABLISHMENT OF A NEW MANAGEMENT TEAM THAT WILL BE HELD RESPONSIBLE FOR OVERSEEING THESE POLICIES AND DOCUMENTS GOING FORWARD</p>

Schedule J
(Form 990)

Compensation Information

OMB No 1545-0047

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.**

2017

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Name of the organization
TOWER HEALTH

Employer identification number

23-2201344

Part I Questions Regarding Compensation

		Yes	No
1a	Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.		
<input type="checkbox"/>	First-class or charter travel	<input type="checkbox"/>	Housing allowance or residence for personal use
<input type="checkbox"/>	Travel for companions	<input type="checkbox"/>	Payments for business use of personal residence
<input type="checkbox"/>	Tax indemnification and gross-up payments	<input type="checkbox"/>	Health or social club dues or initiation fees
<input type="checkbox"/>	Discretionary spending account	<input type="checkbox"/>	Personal services (e.g., maid, chauffeur, chef)
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain.	1b	
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, officers, including the CEO/Executive Director, regarding the items checked in line 1a?	2	
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.		
<input type="checkbox"/>	Compensation committee	<input type="checkbox"/>	Written employment contract
<input type="checkbox"/>	Independent compensation consultant	<input type="checkbox"/>	Compensation survey or study
<input type="checkbox"/>	Form 990 of other organizations	<input type="checkbox"/>	Approval by the board or compensation committee
4	During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:		
a	Receive a severance payment or change-of-control payment?	4a	No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	Yes
c	Participate in, or receive payment from, an equity-based compensation arrangement?	4c	No
If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.			
Only 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.			
5	For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:		
a	The organization?	5a	No
b	Any related organization?	5b	No
If "Yes," on line 5a or 5b, describe in Part III.			
6	For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:		
a	The organization?	6a	No
b	Any related organization?	6b	No
If "Yes," on line 6a or 6b, describe in Part III.			
7	For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described in lines 5 and 6? If "Yes," describe in Part III.	7	No
8	Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III.	8	No
9	If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	9	

Part III Supplemental Information

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

Return Reference	Explanation
SCHEDULE J, PAGE 1, PART I, LINE 4	CLINT MATTHEWS 0 307,431 0 THERESE SUCHER 0 147,104 0 GREGORY SORENSEN, MD 0 131,587 0 DAN AHERN 0 95,969 0 GEORGE A JENCKES, MD 0 81,188 0
SCHEDULE J, PART III	<p>PART III, LINE 4B TERMS AND CONDITIONS OF PARTICIPATION IN THE SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN THE 457(F) PLAN IS A TAX-DEFERRED RETIREMENT PLAN CONSISTING OF EMPLOYER CONTRIBUTIONS THAT ARE DESIGNED TO HELP SUPPLEMENT THE RETIREMENT SAVINGS FOR KEY EMPLOYEES THE EMPLOYEE IS IMMEDIATELY ELIGIBLE TO RECEIVE TOWER HEALTH CONTRIBUTIONS TO THE 457(F) DEFERRED COMPENSATION PLAN THE EMPLOYEE MUST BE EMPLOYED ON DECEMBER 31ST TO RECEIVE THE EMPLOYER CONTRIBUTION FOR THAT PLAN YEAR THE EMPLOYEE SHALL BECOME 100% VESTED IN THE EMPLOYER CONTRIBUTION FOR THAT PLAN YEAR THREE YEARS AFTER THE CONTRIBUTION HAS BEEN MADE TO THE ACCOUNT THE EMPLOYEE WILL ALSO BECOME 100% VESTED IN ALL OF THE EMPLOYER CONTRIBUTIONS 1) UPON ATTAINING THE AGE 65 WHILE STILL EMPLOYED BY TOWER HEALTH 2) DUE TO DEATH OR DISABILITY 3) UPON TERMINATION OF EMPLOYMENT WITHOUT CAUSE PARTICIPATION IN PLAN GARY F CONNER AND KATHLEEN WETZEL PARTICIPATED IN THE 457(F) DEFERRED COMPENSATION PLAN DURING CALENDAR YEAR 2017 BUT DID NOT RECEIVE DISTRIBUTIONS COMPENSATION DISCLOSURE THE COMPENSATION OF EXECUTIVES IS DETERMINED BY TOWER HEALTH'S BOARD OF DIRECTORS, WHICH HAS DULY APPOINTED AN EXECUTIVE COMPENSATION COMMITTEE (THE "COMMITTEE"), WHICH IS RESPONSIBLE FOR THE REVIEW AND APPROVAL OF ALL COMPENSATION AND BENEFITS PROVIDED TO THE HOSPITAL'S EXECUTIVE MANAGEMENT THE COMMITTEE HAS ADOPTED A WRITTEN EXECUTIVE COMPENSATION PHILOSOPHY STATEMENT AND AN EXECUTIVE COMPENSATION COMMITTEE CHARTER GOVERNING THE WORK AND REVIEW PROCESS OF THE COMMITTEE THE COMMITTEE FOLLOWS THE PROCEDURES DESCRIBED IN THE PHILOSOPHY STATEMENT AND THE CHARTER WHEN IT REVIEWS AND APPROVES THE COMPENSATION AND EMPLOYEE BENEFITS PROVIDED TO THE HOSPITAL'S SENIOR MANAGEMENT, INCLUDING THE CHIEF EXECUTIVE OFFICER AND THE CHIEF FINANCIAL OFFICER THE COMMITTEE'S REVIEW ANALYZES EVERY ELEMENT OF COMPENSATION, INCLUDING CURRENT AND DEFERRED COMPENSATION, AND BENEFITS, INCLUDING QUALIFIED AND NON-QUALIFIED BENEFITS THE COMMITTEE CONDUCTS ITS REVIEW AND APPROVAL PROCESS AT LEAST ANNUALLY, AND APPROVES COMPENSATION AND BENEFITS ONLY TO THE EXTENT THAT THE COMMITTEE HAS CONCLUDED THAT THE COMPENSATION AND BENEFITS CONSTITUTE NO MORE THAN REASONABLE COMPENSATION FOR EACH EXECUTIVE THE COMMITTEE CONSISTS ENTIRELY OF DISINTERESTED MEMBERS OF THE BOARD, AND THE COMMITTEE WORKS WITH AN INDEPENDENT COMPENSATION CONSULTANT TO PREPARE AND REVIEW IN ADVANCE COMPREHENSIVE DATA SHOWING THE COMPENSATION PROVIDED BY SIMILARLY SITUATED ORGANIZATIONS FOR FUNCTIONALLY SIMILAR POSITIONS THE COMMITTEE ALSO PREPARES A TIMELY AND THOROUGH WRITTEN RECORD OF ITS DELIBERATIONS AND CONCLUSIONS AS A RESULT, THE COMMITTEE'S REVIEW PROCESS IS DESIGNED TO SATISFY THE PROCEDURAL CRITERIA NECESSARY TO QUALIFY FOR THE REBUTTABLE PRESUMPTION OF REASONABLENESS UNDER THE FEDERAL INCOME TAX LAW INTERMEDIATE SANCTIONS RULES</p>

**Schedule K
(Form 990)**

Supplemental Information on Tax-Exempt Bonds

OMB No 1545-0047

2017

**Open to Public
Inspection**

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

Department of the Treasury
Internal Revenue Service
Name of the organization
TOWER HEALTH

Employer identification number
23-2201344

Part I Bond Issues

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pool financing	
							Yes	No	Yes	No	Yes	No
A	BERKS COUNTY MUNICIPAL AUTHORITY SERIES 2009A-3	23-6647630	084538GG6	07-15-2009	132,197,073	SEE PART VI	X			X		X
B	BERKS COUNTY MUNICIPAL AUTHORITY SERIES 2012-ABCD	23-6647630	084538GX9	06-28-2012	479,354,940	SEE PART VI	X			X		X
C	BERKS COUNTY MUNICIPAL AUTHORITY SERIES 2016-ABCD	23-6647630		05-16-2016	175,165,000	REFUND PRIOR ISSUE (6/28/12)	X			X		X
D	BERKS COUNTY IND DEV AUTHORITY SERIES 2017	23-7418629	08451PAY7	10-31-2017	646,650,683	SEE PART VI		X		X		X

Part II Proceeds

		A		B		C		D	
1	Amount of bonds retired	34,735,000		178,616,667		75,000,000			
2	Amount of bonds legally defeased	44,675,000							
3	Total proceeds of issue	132,199,246		479,394,377		175,165,000		647,148,787	
4	Gross proceeds in reserve funds								
5	Capitalized interest from proceeds								
6	Proceeds in refunding escrows							47,370,278	
7	Issuance costs from proceeds	1,712,133		3,523,736		964,718		4,343,979	
8	Credit enhancement from proceeds								
9	Working capital expenditures from proceeds			24,697		282			
10	Capital expenditures from proceeds	14,967,250						200,000,000	
11	Other spent proceeds	115,519,863		475,845,944		174,200,000		395,434,530	
12	Other unspent proceeds								
13	Year of substantial completion	2010		2005		2005		2010	
		Yes	No	Yes	No	Yes	No	Yes	No
14	Were the bonds issued as part of a current refunding issue?	X		X		X		X	
15	Were the bonds issued as part of an advance refunding issue?		X	X			X	X	
16	Has the final allocation of proceeds been made?	X		X		X		X	
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X		X		X	

Part III Private Business Use

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

Part III Private Business Use (Continued)

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

Part IV Arbitrage

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

Part IV Arbitrage (Continued)

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

Part V Procedures To Undertake Corrective Action

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

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

Return Reference	Explanation
SCHEDULE K - DATE REBATE COMPUTATION PERFORMED	BERKS COUNTY MUNICIPAL AUTHORITY 08/31/10 BERKS COUNTY MUNICIPAL AUTHORITY 12/28/12 BERKS COUNTY MUNICIPAL AUTHORITY 06/01/16 BERKS COUNTY IND DEV AUTHORITY 04/30/18 BERKS COUNTY MUNICIPAL AUTHORITY 06/27/18

Return Reference	Explanation
<p>SCHEDULE K - ADDITIONAL INFORMATION</p>	<p>BERKS COUNTY MUNICIPAL AUTHORITY SCHEDULE K, PART IV, ARBITRAGE, LINE 2C (A) ISSUER NAME THE BERKS COUNTY MUNICIPAL AUTHORITY DATE THE REBATE COMPUTATION WAS PERFORMED 08/31/2010 (A) ISSUER NAME THE BERKS COUNTY MUNICIPAL AUTHORITY DATE THE REBATE COMPUTATION WAS PERFORMED 12/28/2012 (A) ISSUER NAME THE BERKS COUNTY MUNICIPAL AUTHORITY DATE THE REBATE COMPUTATION WAS PERFORMED 06/01/2016 (A) ISSUER NAME THE BERKS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY DATE THE REBATE COMPUTATION WAS PERFORMED 04/30/2018 (A) ISSUER NAME THE BERKS COUNTY MUNICIPAL AUTHORITY DATE THE REBATE COMPUTATION WAS PERFORMED 06/27/2018 NOTE REGARDING THE REBATE COMPUTATIONS ON 8/31/10, 12/28/12, 6/1/16 AND 6/27/18 SINCE THE BOND PROCEEDS HAVE BEEN SPENT, A SPENDING EXCEPTION WAS MET, AND THE DEBT SERVICE FUND WAS OPERATED ON A BONA FIDE BASIS, NO FURTHER REBATE CALCULATIONS ARE NECESSARY NOTE REGARDING THE REBATE COMPUTATION ON 4/30/18 AS NO REBATABLE ARBITRAGE WAS EARNED ON THE ADVANCE REFUNDING ESCROW AND THE DEBT SERVICE FUND WAS OPERATED ON A BONA FIDE BASIS, NO FURTHER REBATE ANALYSIS IS NECESSARY PART I, ROW A, COLUMN (F) - CONSTRUCTION OF FACILITY AND REFUNDING OF PRIOR ISSUE (3/29/2001) PART I, ROW B, COLUMN (F) - REFUNDING PRIOR ISSUES (5/26/1994, 9/10/1998, 12/4/2008, 7/15/2009, 2/2/2010) PART I, ROW D, COLUMN (F) - PURCHASE FACILITY AND REFUND PRIOR ISSUES (7/15/2009 AND 9/29/2017) PART II, COLUMN C, LINE 3 - THE TOTAL PROCEEDS DO NOT AGREE TO THE ISSUE PRICE IN PART I, COLUMN (E) DUE TO INVESTMENT EARNINGS</p>

SCHEDULE O
(Form 990 or 990-EZ)

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

2017

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Name of the organization
TOWER HEALTH

Employer identification number

23-2201344

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990 - ORGANIZATION'S MISSION	<p>THE MISSION OF TOWER HEALTH IS TO PROVIDE COMPASSIONATE, ACCESSIBLE, HIGH QUALITY, COST EFFECTIVE HEALTHCARE TO THE COMMUNITY, TO PROMOTE HEALTH, TO EDUCATE HEALTHCARE PROFESSIONALS, AND TO PARTICIPATE IN APPROPRIATE CLINICAL RESEARCH TOWER HEALTH IS A NON-PROFIT HEALTHCARE SYSTEM CONSISTING OF DIRECTLY AND INDIRECTLY CONTROLLED ENTITIES (SEE FORM 990, SCHEDULE R FOR A LISTING OF AFFILIATES), INCLUDING BUT NOT LIMITED TO BRANDYWINE HOSPITAL, CHES TNOT HILL HOSPITAL, JENNERSVILLE HOSPITAL, PHOENIXVILLE HOSPITAL, AND POTTSTOWN HOSPITAL TOWER HEALTH PROVIDES CHARITABLE COMMUNITY-BASED HEALTHCARE SERVICES AND PROGRAMS TO IMPROVE THE HEALTH AND WELL-BEING OF THE PEOPLE AND COMMUNITIES IT SERVES</p>

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PAGE 2, PART III, LINE 2	MONTGOMERY/CHESTER HOSPITALS WERE ACQUIRED ON OCTOBER 1, 2017 FROM COMMUNITY HEALTH SYSTEMS. MS MONTGOMERY/CHESTER HOSPITALS ARE TAX-EXEMPT NOT-FOR-PROFIT CORPORATIONS PROVIDING ACUTE AND POST ACUTE CARE

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PAGE 2, PART III, LINE 4A	<p>SPECIALTY AREAS CHH REMAINS COMMITTED TO THEIR GOAL OF SEEING PATIENTS IN 30 MINUTES OR LESS EMERGENCY ROOM VISITS FOR FY18 WERE 29,775 JENNERSVILLE HOSPITAL EMERGENCY DEPARTMENT PROVIDES EMERGENCY, URGENT AND PRIMARY CARE SERVICES TO THE COMMUNITY "24/7/365", REGARDLESS OF ABILITY TO PAY JENNERSVILLE HOSPITAL ALSO PROVIDES IMMEDIATE ACCESS THROUGH ITS EMERGENCY DEPARTMENT TO ALL SPECIALTY SERVICES EMERGENCY ROOM VISITS FOR FY18 WERE 11,050 PHOENIXVILLE HOSPITAL EMERGENCY DEPARTMENT PROVIDES EMERGENCY, URGENT AND PRIMARY CARE SERVICES TO THE COMMUNITY "24/7/365" REGARDLESS OF ABILITY TO PAY PHOENIXVILLE HOSPITAL ALSO PROVIDES IMMEDIATE ACCESS THROUGH ITS EMERGENCY DEPARTMENT TO ALL SPECIALTY SERVICES, FROM SURGEONS TO ALL AREAS OF SPECIALTY CARE PHOENIXVILLE HOSPITAL HAS "24/7/365" ON-CALL CONSULTANTS FOR PEDIATRIC EMERGENCY CASES THROUGH NEMOURS LOCAL EMS PROVIDERS RELY ON PHOENIXVILLE HOSPITAL FOR ON-GOING MEDICAL EDUCATION EMERGENCY ROOM VISITS FOR FY18 WERE 17,081 POTTSTOWN HOSPITAL EMERGENCY DEPARTMENT PROVIDES EMERGENCY, URGENT AND PRIMARY CARE SERVICES TO THE COMMUNITY THE EMERGENCY DEPARTMENT IS OPEN 24 HOURS A DAY, 365 DAYS A YEAR AND SERVES PATIENTS FROM BERKS, MONTGOMERY AND CHESTER COUNTIES THE POTTSTOWN HOSPITAL EMERGENCY DEPARTMENT IS THE SECOND BUSIEST EMERGENCY DEPARTMENT IN MONTGOMERY COUNTY THERE IS A FULL COMPLEMENT OF SPECIALTY SERVICES PROVIDED AT THE LOCAL AND/OR TERTIARY LEVEL WITH OUR SYSTEM HOSPITAL IN READING EMERGENCY ROOM VISITS FOR FY18 WERE 30,069</p>

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PAGE 2, PART III, LINE 4B	GASTROENTEROLOGIC, GYNECOLOGICAL, OPHTHALMOLOGY, UROLOGIC AND VASCULAR SURGICAL PROCEDURES TOTAL SURGERIES FOR FY18 WERE 1,375 POTTSTOWN HOSPITAL SURGICAL SERVICES DEPARTMENT PROVIDES EMERGENCY, URGENT AND ELECTIVE SURGERIES TO THE COMMUNITY ON AN INPATIENT AND OUTPATIENT BASIS EMERGENCY CASES CAN BE DONE 24 HOURS A DAY, 365 DAYS A YEAR - PATIENTS NEEDING A HIGHER LEVEL OF CARE CAN BE TRANSFERRED TO TERTIARY CENTERS IN THE AREA POTTSTOWN HOSPITAL OFFERS GENERAL, ORTHOPEDIC, VASCULAR, SPINE, ENT, MAXILLOFACIAL, PLASTIC, OB/GYN, OPHTHALMOLOGIC, UROLOGIC AND PODIATRIC SURGERY TOTAL SURGERIES FOR FY18 WERE 7,169

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PAGE 2, PART III, LINE 4C	<p>PHOENIXVILLE HOSPITAL ONCOLOGY SERVICES DEPARTMENT PROVIDES MEDICAL ONCOLOGY AND RADIATION THERAPY SERVICES TO THE COMMUNITY PHOENIXVILLE HOSPITAL PROVIDES CHARITY SERVICES TO THE SERVICE AREA WHO MEET THE OUR CHARITY POLICY GUIDELINES TARGETED THERAPIES IN OUR RECENTLY RENOVATED INFUSION SUITE SELECTIVELY AFFECT ONLY THE CELLS RELATED TO A PARTICULAR CANCER, CAUSING LESS DAMAGE AND FEWER SIDE EFFECTS TO SURROUNDING NON- CANCEROUS CELLS AND BODY SYSTEMS THAN TRADITIONAL CHEMOTHERAPY DRUGS PHOENIXVILLE HOSPITAL ACTIVELY PARTICIPATES IN A NUMBER OF PREVENTIVE AND TREATMENT CLINICAL TRIALS THROUGH THE CANCER TRIALS SUPPORT UNIT (CTSU) TOTAL PATIENTS SEEN FOR FY18 WERE 2,046 POTTSTOWN HOSPITAL CANCER CENTER PROVIDES INPATIENT, OUTPATIENT AND INFUSION SERVICES TO ONCOLOGY PATIENTS IN THE COMMUNITY THE POTTSTOWN HOSPITAL CANCER CENTER OFFERS A ROBUST SERVICE LINE INCLUSIVE OF MEDICAL AND RADIATION ONCOLOGY WITH RAPID ARC TECHNOLOGY WITH OUR LINEAR ACCELERATOR AND CYBERKNIFE CAPABILITIES THE POTTSTOWN HOSPITAL CANCER CENTER IS A FIVE TIME RECIPIENT OF THE AMERICAN COLLEGE OF SURGEONS COUNCIL ON CANCER OUTSTANDING ACHIEVEMENT AWARD THERE ARE ONLY 4 CANCER CENTERS IN THE COUNTRY WHO HAVE ACHIEVED THIS DISTINCTION TOTAL ONCOLOGY INFUSION CASES FOR FY18 WERE 2,876</p>

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PAGE 2, PART III, LINE 4D	OTHER ACCOMPLISHMENTS INCLUDE BUT ARE NOT LIMITED TO BRANDYWINE HOSPITAL INPATIENT BEHAVIORAL HEALTH PROVIDES 24-HOUR SUPERVISION, TREATMENT, STABILIZATION AND PLACEMENT FOR ADULTS AND OLDER ADULTS COPING WITH A VARIETY OF ISSUES, FOCUSING ON RETURNING THE INDIVIDUAL TO THE HIGHEST LEVEL OF FUNCTIONING POSSIBLE THE INPATIENT EATING DISORDERS PROGRAM PROVIDES AN INDIVIDUALIZED TREATMENT PLAN, GROUP AND INDIVIDUAL THERAPY AND PSYCHIATRIC CARE FOR INDIVIDUALS AGES 13 AND OLDER TOTAL PATIENT VISITS FOR FY18 WERE 13,243 PHOENIXVILLE HOSPITAL OB/GYN WOMEN'S HEALTH SERVICES DEPARTMENT PROVIDE OB/GYN CARE AND MATERNITY SERVICES TO THE COMMUNITY "24/7/365" PHOENIXVILLE HOSPITAL PROVIDES CHARITY SERVICES TO THE SERVICE AREA THROUGH OUR HEALTHY BABY PROGRAM TO FAMILIES WHO MEET OUR CHARITY POLICY GUIDELINES SIX BOARD-CERTIFIED OB/GYNS DELIVER OVER 800 BABIES EACH YEAR AND ARE BACKED BY A LEVEL II NICU AND NEMOURS BOARD-CERTIFIED NEONATOLOGISTS PROVIDING "24/7/365" COVERAGE PRIVATE ROOMS WITH ROOM-SERVICE ARE PROVIDED LACTATION SERVICES, FAMILY PREP CLASSES AND POST-PARTUM SUPPORT IS ALSO PROVIDED TOTAL NEW BORN FOR FY18 WERE 588

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PAGE 6, PART VI, LINE 4	THE BYLAWS WERE UPDATED TO REFLECT THE NAME CHANGE FROM READING HEALTH SYSTEM TO TOWER HEALTH AND TO INCLUDE THE NEWLY ACQUIRED HOSPITALS' BRANDYWINE HOSPITAL LLC, CHESTNUT HILL HOSPITAL LLC, JENNERSVILLE HOSPITAL LLC, PHOENIXVILLE HOSPITAL LLC, AND POTTSTOWN HOSPITAL LLC

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PAGE 6, PART VI, LINE 7A	THE MANAGEMENT OF THE CORPORATION SHALL BE VESTED IN THE BOARD OF DIRECTORS WHO SERVES AS THE SOLE MEMBER

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PAGE 6, PART VI, LINE 7B	THE MANAGEMENT OF THE CORPORATION SHALL BE VESTED IN THE BOARD OF DIRECTORS WHO SERVE AS THE SOLE MEMBER

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PAGE 6, PART VI, LINE 11B	THE FORM 990 IS PREPARED BY HOSPITAL STAFF, REVIEWED BY AN EXTERNAL TAX ADVISOR AND POSTED ON A WEBSITE FOR BOARD MEMBERS PRIOR TO FILING MEMBERS ARE ALERTED TO INFORMATION AND NOTICES A COPY OF THE 990 IS MAILED TO ANY BOARD MEMBER UNABLE TO VIEW THIS SITE

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PAGE 6, PART VI, LINE 12C	IT SHALL BE THE POLICY OF THE HOSPITAL TO REQUIRE EACH BOARD MEMBER TO SUBMIT IN WRITING TO THE CHIEF EXECUTIVE OFFICER A LIST OF BUSINESS OR OTHER ORGANIZATIONS OF WHICH THE MEMBER OR MEMBER'S SPOUSE IS AN OFFICER, DIRECTOR, MEMBER EMPLOYEE OR OWNER (35% OR GREATER SHARE) WITH WHICH THE COMPANY MIGHT REASONABLY ENTER INTO A RELATIONSHIP OR A TRANSACTION IN WHICH THE BOARD MEMBER WOULD HAVE CONFLICTING INTERESTS EACH YEAR A COPY OF THE WRITTEN STATEMENT WILL BE SENT TO THE BOARD MEMBER FOR UPDATING AND RESUBMISSION AND BY WHICH THE BOARD MEMBER SHALL CONFIRM HIS AWARENESS OF THIS POLICY

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PAGE 6, PART VI, LINE 15A	TOWER HEALTH'S BOARD OF DIRECTORS HAS DULY APPOINTED AN EXECUTIVE COMPENSATION COMMITTEE (THE "COMMITTEE"), WHICH IS RESPONSIBLE FOR THE REVIEW AND APPROVAL OF ALL COMPENSATION AND BENEFITS PROVIDED TO THE HOSPITAL'S EXECUTIVE MANAGEMENT THE COMMITTEE HAS ADOPTED A WRITTEN EXECUTIVE COMPENSATION PHILOSOPHY STATEMENT AND AN EXECUTIVE COMPENSATION COMMITTEE CHARTER GOVERNING THE WORK AND REVIEW PROCESS OF THE COMMITTEE THE COMMITTEE FOLLOWS THE PROCEDURES DESCRIBED IN THE PHILOSOPHY STATEMENT AND THE CHARTER WHEN IT REVIEWS AND APPROVES THE COMPENSATION AND EMPLOYEE BENEFITS PROVIDED TO THE HOSPITAL'S SENIOR MANAGEMENT, INCLUDING THE CHIEF EXECUTIVE OFFICER AND THE CHIEF FINANCIAL OFFICER THE COMMITTEE'S REVIEW ANALYZES EVERY ELEMENT OF COMPENSATION, INCLUDING CURRENT AND DEFERRED COMPENSATION, AND BENEFITS, INCLUDING QUALIFIED AND NON-QUALIFIED BENEFITS THE COMMITTEE CONDUCTS ITS REVIEW AND APPROVAL PROCESS AT LEAST ANNUALLY, AND APPROVES COMPENSATION AND BENEFITS ONLY TO THE EXTENT THAT THE COMMITTEE HAS CONCLUDED THAT THE COMPENSATION AND BENEFITS CONSTITUTE NO MORE THAN REASONABLE COMPENSATION FOR EACH EXECUTIVE THE COMMITTEE CONSISTS ENTIRELY OF DISINTERESTED MEMBERS OF THE BOARD, AND THE COMMITTEE WORKS WITH AN INDEPENDENT COMPENSATION CONSULTANT TO PREPARE AND REVIEW IN ADVANCE COMPREHENSIVE DATA SHOWING THE COMPENSATION PROVIDED BY SIMILARLY SITUATED ORGANIZATIONS FOR FUNCTIONALLY SIMILAR POSITIONS THE COMMITTEE ALSO PREPARES A TIMELY AND THOROUGH WRITTEN RECORD OF ITS DELIBERATIONS AND CONCLUSIONS AS A RESULT, THE COMMITTEE'S REVIEW PROCESS IS DESIGNED TO SATISFY THE PROCEDURAL CRITERIA NECESSARY TO QUALIFY FOR THE REBUTTABLE PRESUMPTION OF REASONABLENESS UNDER THE FEDERAL INCOME TAX LAW INTERMEDIATE SANCTIONS RULES

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PAGE 6, PART VI, LINE 15B	SAME RESPONSE AS LINE 15A

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PAGE 6, PART VI, LINE 19	THE ORGANIZATION DOES NOT MAKE ITS GOVERNING DOCUMENTS, CONFLICTS OF INTEREST POLICY AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART IX, LINE 11G	OUTSIDE SERV/OTHER PROG FEES 34,450,854 0 0 OUTSIDE SERV/OTHER FEES M&G 0 28,223,085 0 OU T SIDE SERV/OTHER FEES 6,214,350 0 0 OUTSIDE SERV/OTHER FEES 3,120,691 0 0 OUTSIDE SERV/OTH ER FEES 5,975,232 0 0 TOTAL 49,761,127 28,223,085 0

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART XI, LINE 9	ASSETS RELEASED FROM RESTRICTION & OTHER 101,457,481 INTERCOMPANY ASSET TRANSFER -264,222,547 TOTAL -162,765,066

**SCHEDULE R
(Form 990)**

Related Organizations and Unrelated Partnerships

OMB No 1545-0047

2017

**Open to Public
Inspection**

▶ **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.**

Department of the Treasury
Internal Revenue Service

Name of the organization
TOWER HEALTH

Employer identification number

23-2201344

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

See Additional Data Table

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(1) READING HOSPITAL 420 SOUTH 5TH AVENUE WEST READING, PA 19611 23-1352204	HEALTHCARE	PA	501 C3	3	TH	Yes	
(2) THE FRIENDS OF THE READING HOSPITAL 420 SOUTH 5TH AVENUE WEST READING, PA 19611 23-6026108	SUPPORTING	PA	501 C3	12B	TH	Yes	
(3) THE RDG HOSPITAL & MED CENTER SELF- 420 SOUTH 5TH AVENUE WEST READING, PA 19611 23-2087514	TRUST FUND	PA	501 C3	12B	TH	Yes	
(4) TOWER HEALTH MEDICAL GROUP 420 SOUTH 5TH AVENUE WEST READING, PA 19611 23-2266054	HEALTHCARE	PA	501 C3	3	TH	Yes	
(5) THE HIGHLANDS AT WYOMISSING 2000 CAMBRIDGE AVE WYOMISSING, PA 19610 22-2790840	RETIREMENT	PA	501 C3	10	TH	Yes	
(6) READING HOSPITAL FOUNDATION 420 SOUTH 5TH AVENUE WEST READING, PA 19611 47-3054125	SUPPORT	PA	501C3	12B	TH	Yes	

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) SOUTHERN CHESTER CNTY MED BLDG 1 1015 WEST BALTIMORE PIKE WEST GROVE, PA 19390 23-2200841	HEALTHCARE	PA	TOWER HLTH	EXCLUDED	2,744	20,900		No		Yes		54.660 %

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No
(1) TOWER HEALTH PPO FKA BHP PO BOX 14744 READING, PA 19612 23-2430798	PPO	PA	NA	C CORP				Yes	
(2) MEDICUS RESOURCE MANAGEMENT PO BOX 14744 READING, PA 19612 23-2565297	CM REVIEW	PA	NA	C CORP				Yes	
(3) TOWER HEALTH RECIPROCAL RISK 151 MEETING STREET SUITE 301 CHARLESTON, SC 29401 82-2758845	INSURANCE	SC	TOWER HLTH	C CORP	1,588,435	6,070,188	100.000 %	Yes	

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

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

	Yes	No
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	1a	No
b Gift, grant, or capital contribution to related organization(s)	1b	No
c Gift, grant, or capital contribution from related organization(s)	1c	No
d Loans or loan guarantees to or for related organization(s)	1d	Yes
e Loans or loan guarantees by related organization(s)	1e	No
f Dividends from related organization(s)	1f	No
g Sale of assets to related organization(s)	1g	No
h Purchase of assets from related organization(s)	1h	No
i Exchange of assets with related organization(s)	1i	No
j Lease of facilities, equipment, or other assets to related organization(s)	1j	No
k Lease of facilities, equipment, or other assets from related organization(s)	1k	No
l Performance of services or membership or fundraising solicitations for related organization(s)	1l	No
m Performance of services or membership or fundraising solicitations by related organization(s)	1m	No
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n	No
o Sharing of paid employees with related organization(s)	1o	No
p Reimbursement paid to related organization(s) for expenses	1p	No
q Reimbursement paid by related organization(s) for expenses	1q	No
r Other transfer of cash or property to related organization(s)	1r	No
s Other transfer of cash or property from related organization(s)	1s	No

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

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) READING HOSPITAL	D	61,266,390	GL TRANSACTIONS

Part VII **Supplemental Information**

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

Return Reference	Explanation
SCHEDULE R	SCHEDULE R, PART II IDENTIFICATION OF RELATED TAX-EXEMPT ORGANIZATIONS THE HIGHLANDS OF WYOMISSING CHOSE TO OPERATE UNDER LOCAL OWNERSHIP SEPARATE FROM TOWER HEALTH AS OF 9/30/17

Additional Data

Software ID:
Software Version:
EIN: 23-2201344
Name: TOWER HEALTH

Form 990, Schedule R, Part I - Identification of Disregarded Entities

(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
TOWER HEALTH PARTNERS LLC PO BOX 16053 READING, PA 196126052 46-3459501	HEALTHCARE	PA	3,355,152	881,730	TOWER HLTH
BRANDYWINE HOSPITAL LLC 201 REECEVILLE ROAD COATESVILLE, PA 19320 82-2086906	HOSPITAL	PA	85,546,438	120,567,864	TOWER HLTH
CHESTNUT HILL HOSPITAL LLC 8835 GERMANTOWN AVE PHILADELPHIA, PA 19118 82-2108660	HOSPITAL	PA	98,071,813	183,347,917	TOWER HLTH
JENNERSVILLE HOSPITAL LLC 1015 W BALTIMORE PIKE WEST GROVE, PA 19390 82-2116582	HOSPITAL	PA	28,770,072	21,829,851	TOWER HLTH
PHOENIXVILLE HOSPITAL LLC 140 NUTT ROAD PHOENIXVILLE, PA 19460 82-2062413	HOSPITAL	PA	117,831,031	106,785,682	TOWER HLTH
POTTSTOWN HOSPITAL LLC 1600 EAST HIGH STREET POTTSTOWN, PA 19464 82-2132538	HOSPITAL	PA	141,642,191	186,422,739	TOWER HLTH
TOWER HEALTH ENTERPRISES LLC 420 SOUTH 5TH AVENUE WEST READING, PA 19611 82-2203526	HEALTHCARE	PA	167,415	3,685,100	TOWER HLTH

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512 (b)(13) controlled entity?	
						Yes	No
420 SOUTH 5TH AVENUE WEST READING, PA 19611 23-1352204	HEALTHCARE	PA	501 C3	3	TH	Yes	
420 SOUTH 5TH AVENUE WEST READING, PA 19611 23-6026108	SUPPORTING	PA	501 C3	12B	TH	Yes	
420 SOUTH 5TH AVENUE WEST READING, PA 19611 23-2087514	TRUST FUND	PA	501 C3	12B	TH	Yes	
420 SOUTH 5TH AVENUE WEST READING, PA 19611 23-2266054	HEALTHCARE	PA	501 C3	3	TH	Yes	
2000 CAMBRIDGE AVE WYOMISSING, PA 19610 22-2790840	RETIREMENT	PA	501 C3	10	TH	Yes	
420 SOUTH 5TH AVENUE WEST READING, PA 19611 47-3054125	SUPPORT	PA	501C3	12B	TH	Yes	