

Form 990

Return of Organization Exempt From Income Tax

Department of the Treasury
Internal Revenue Service

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

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

► Go to www.irs.gov/Form990 for instructions and the latest information.

1806

A For the 2017 calendar year, or tax year beginning

07/01/2017, and ending

06/30/2018

<input checked="" type="checkbox"/> Check if applicable <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization STD PETERSON MEMORIAL HOSPITAL			D Employer identification number 74-2557820	
	Doing business as			E Telephone number (830) 258-7728	
	Number and street (or P O box if mail is not delivered to street address) 551 HILL COUNTRY DRIVE			Room/suite	
	City or town, state or province, country, and ZIP or foreign postal code KERRVILLE, TX 78028			G Gross receipts \$ 175,104,845.	
	F Name and address of principal officer J. PATRICK MURRAY 551 HILL COUNTRY DR KERRVILLE, TX 78028			H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
				H(b) Are all subordinates included? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
I Tax-exempt status <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () (insert no) <input type="checkbox"/> 4947(a)(1) or <input checked="" type="checkbox"/> 527			If "No," attach a list (see instructions)		
J Website ► N/A			H(c) Group exemption number ►		
K Form of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ►			L Year of formation 1990 M State of legal domicile TX		

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities THE HOSPITAL'S MISSION IS TO PROVIDE WORLD CLASS CARE TODAY, TOMORROW, ALWAYS IN DELIVERING EXCEPTIONAL, COMPASSIONATE, PATIENT-CENTERED CARE.		
	2 Check this box ► <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets		
	3 Number of voting members of the governing body (Part VI, line 1a)		
	4 Number of independent voting members of the governing body (Part VI, line 1b)		
	5 Total number of individuals employed in calendar year 2017 (Part V, line 2a)		
	6 Total number of volunteers (estimate if necessary)		
	7a Total unrelated business revenue from Part VIII, column (C), line 12 b Net unrelated business taxable income from Form 990-T, line 34		
Revenue	Prior Year	Current Year	
	8 Contributions and grants (Part VIII, line 1h)	85,391.	47,209.
	9 Program service revenue (Part VIII, line 2g)	150,294,063.	153,516,357.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	1,303,819.	3,189,994.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	2,410,130.	402,281.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	154,093,403.	157,155,841.
	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	85,853.	45,000.
Expenses	14 Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	60,826,003.	67,064,821.
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
	b Total fundraising expenses (Part IX, column (D), line 25) ► 360,288.		
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	82,270,897.	80,497,845.
	18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	143,182,753.	147,607,666.
	19 Revenue less expenses Subtract line 18 from line 12	10,910,650.	9,548,175.
Net Assets or Fund Balances	Beginning of Current Year	End of Year	
	20 Total assets (Part X, line 16)	228,611,677.	237,394,171.
	21 Total liabilities (Part X, line 26)	72,666,218.	74,340,537.
	22 Net assets or fund balances Subtract line 21 from line 20.	155,945,459.	163,053,634.

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	► <i>Lisa M. Medvick</i>		Date 6/30/19
	Signature of officer	Type or print name and title <i>Lisa M. Medvick</i>	

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
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Firm's name ►	Firm's EIN ►
Firm's address ►	Phone no

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

For Paperwork Reduction Act Notice, see the separate instructions.

Form 990 (2017)

Form 990 (2017)

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

PETERSON REGIONAL MEDICAL CENTER PROVIDES EXCEPTIONAL, COMPASSIONATE, PATIENT-CENTERED HEALTHCARE.

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 Q

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 \$ 123,550,084 including grants of \$ 45,000) (Revenue \$ 151,851,500)
ATTACHMENT 1

ATTACHMENT 1

4b (Code _____) (Expenses \$ 2,742,633 Including grants of \$ _____) (Revenue \$ 2,629,434)
ATTACHMENT 2

ATTACHMENT 2

4c (Code _____) (Expenses \$ 4,819,132 Including grants of \$ _____) (Revenue \$ 5,526,843)
ATTACHMENT 3

ATTACHMENT 3

4d Other program services (Describe in Schedule O) ATTACHMENT 4

ATTACHMENT 4

(Expenses \$ 101,806 including grants of \$

) (Revenue \$

1

Part IV Checklist of Required Schedules

1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A.

2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?

3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I.

4 **Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II.

5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III.

6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I.

7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II.

8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III.

9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV.

10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V.

11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable

a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI.

b Did the organization report an amount for investments-other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII.

c Did the organization report an amount for investments-program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII.

d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX.

e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X.

f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X.

12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII.

b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional.

13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E.

14a Did the organization maintain an office, employees, or agents outside of the United States?

b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV.

15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV.

16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV.

17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions).

18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II.

19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III.

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

Part IV Checklist of Required Schedules (continued)

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

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

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable.	1a	138
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	1b	0
1c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	X
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return.	2a	1,270
2b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).	2b	X
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a	X
3b	If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O.	3b	X
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	X
b	If "Yes," enter the name of the foreign country ► See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR)		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	X
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c	
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a	X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b	
7	Organizations that may receive deductible contributions under section 170(c).	7a	X
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7b	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7c	X
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7d	
d	If "Yes," indicate the number of Forms 8282 filed during the year	7e	X
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7f	X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7g	
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7h	
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	8	
8	Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	9a	
9	Sponsoring organizations maintaining donor advised funds.	9b	
10	Section 501(c)(7) organizations. Enter	10a	
a	Initiation fees and capital contributions included on Part VIII, line 12	10b	
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.	11a	
11	Section 501(c)(12) organizations. Enter	11b	
a	Gross income from members or shareholders.	12a	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them).	12b	
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	13a	
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year.	13b	
13	Section 501(c)(29) qualified nonprofit health insurance issuers.	13c	
a	Is the organization licensed to issue qualified health plans in more than one state?	14a	X
Note. See the instructions for additional information the organization must report on Schedule O			
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans.	14b	
c	Enter the amount of reserves on hand.		
14a	Did the organization receive any payments for indoor tanning services during the tax year?		
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O		

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

Section A. Governing Body and Management

1a Enter the number of voting members of the governing body at the end of the tax year
 If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O

1b Enter the number of voting members included in line 1a, above, who are independent

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?

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?

4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?

5 Did the organization become aware during the year of a significant diversion of the organization's assets?

6 Did the organization have members or stockholders?

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?

b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?

8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following

a The governing body?

b Each committee with authority to act on behalf of the governing body?

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.

	Yes	No
1a	11	
1b	11	
2		X
3		X
4		X
5		X
6		X
7a		X
7b		X
8a	X	
8b	X	
9		X

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

10a Did the organization have local chapters, branches, or affiliates?
 b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?

11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?
 b Describe in Schedule O the process, if any, used by the organization to review this Form 990

12a Did the organization have a written conflict of interest policy? If "No," go to line 13
 b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?
 c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done

13 Did the organization have a written whistleblower policy?

14 Did the organization have a written document retention and destruction policy?

15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?
 a The organization's CEO, Executive Director, or top management official
 b Other officers or key employees of the organization
 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?
 b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?

	Yes	No
10a		X
10b		
11a		X
12a	X	
12b	X	
12c	X	
13	X	
14	X	
15a	X	
15b	X	
16a		X
16b		

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ►

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply
 Own website Another's website Upon request Other (explain in Schedule O)

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

20 State the name, address, and telephone number of the person who possesses the organization's books and records ►
 SID PETERSON MEMORIAL HOSPITAL 551 HILL COUNTRY DRIVE KERRVILLE, TX 78028 830-896-4200

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. X

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

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

• List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation Enter -0- in columns (D), (E), and (F) if no compensation was paid

• List all of the organization's **current** key employees, if any See instructions for definition of "key employee"

• List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations

• List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations

• List all of the organization's **former** directors or trustees that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below 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
		Or director or individual trustee	Institutional trustee	Officer	Key employee	Highest compensated employee			
(1) ROBERT SCHMERBECK	5.00								
DIRECTOR	0.	X					0.	0.	0.
(2) GREG SHRADER	5.00								
DIRECTOR	0.	X					0.	0.	0.
(3) JAMES YOUNG	5.00								
DIRECTOR	0.	X					0.	0.	0.
(4) MARK H. ARMSTRONG	7.00								
VICE CHAIR	0.	X	X				0.	0.	0.
(5) ROYCE G. ITSCHNER	5.00								
DIRECTOR	0.	X					0.	0.	0.
(6) SARAH F. FONTENOT	5.00								
DIRECTOR	0.	X					0.	0.	0.
(7) SUE STEELE	5.00								
DIRECTOR	0.	X					0.	0.	0.
(8) WILLIAM E. MORRIS, JR. MD	5.00								
DIRECTOR	0.	X					0.	0.	0.
(9) WILLIAM M. JOHNSTON	7.00								
VICE CHAIR	0.	X	X				0.	0.	0.
(10) BRIAN BOWERS	5.00								
DIRECTOR	0.	X					0.	0.	0.
(11) HAROLD WILSON	10.00								
CHAIRMAN	0.	X	X				0.	0.	0.
(12) J. STEPHEN PAULTER	40.00								
COO	0.		X				260,843.	0.	32,952.
(13) JOSEPH PISZCZOR	40.00								
VP OPERATIONS	0.		X				171,882.	0.	25,730.
(14) KAELEI DRESSLER	40.00								
CNO	0.		X				179,106.	0.	16,626.

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			
(15) LISA MEDOVICH CFO	40.00 0.		X				279,179.	0.	24,890.
(16) RICHARD CRUTHIRDS CIO	40.00 0.		X				132,296.	0.	12,354.
(17) J. PATRICK MURRAY CEO	40.00 0.		X				340,957.	0.	822,711.
(18) SHANE ANDERS RN IV	40.00 0.			X			171,049.	0.	12,413.
(19) RON WALTON SR DIRECTOR OF REVENUE CYCLE	40.00 0.				X		151,075.	0.	14,510.
(20) PAULETTE NEWLIN NURSING SUPERVISOR	40.00 0.				X		155,873.	0.	14,248.
(21) SUSAN ROIG CLINICAL COORDINATOR	40.00 0.				X		129,789.	0.	23,586.
(22) JANA MCDERMOTT NURSE PRACTITIONER	40.00 0.				X		128,554.	0.	18,854.
1b Sub-total							611,831.	0.	75,308.
c Total from continuation sheets to Part VII, Section A							1,488,772.	0.	943,566.
d Total (add lines 1b and 1c)							2,100,603.	0.	1,018,874.
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 ►	11								
3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual						Yes	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? If "Yes," complete Schedule J for such individual						3	X		
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person						4	X		
						5	X		

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
ATTACHMENT 5		

Part VIII Statement of RevenueCheck if Schedule O contains a response or note to any line in this Part VIII.

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts	1a Federated campaigns	1a				
	1b Membership dues	1b				
	1c Fundraising events	1c				
	1d Related organizations	1d				
	1e Government grants (contributions)	1e				
	f All other contributions, gifts, grants, and similar amounts not included above	1f	47,209			
	g Noncash contributions included in lines 1a-1f \$					
	h Total. Add lines 1a-1f ►		47,209			
Program Service Revenue		Business Code				
	2a NET PATIENT SERVICE REVENUE	621110	153,135,379	153,135,379		
	b MANAGEMENT FEE REVENUE	900099	380,978	380,978		
	c					
	d					
	e					
	f All other program service revenue					
	g Total. Add lines 2a-2f ►		153,516,357			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts). ►		2,234,256			2,234,256
	4 Income from investment of tax-exempt bond proceeds . ►		0			
	5 Royalties		0			
		(i) Real	(ii) Personal			
	6a Gross rents	38,366	344,219			
	b Less rental expenses	78,270	344,219			
	c Rental income or (loss)	-39,904				
	d Net rental income or (loss) ►		-39,904			-39,904
	7a Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other			
	b Less cost or other basis and sales expenses	18,478,103	4,150			
	c Gain or (loss)	17,526,515				
	d Net gain or (loss) ►	951,588	4,150			
			955,738			955,738
	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 ►		0			
	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 ►		0			
	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 ►		0			
	Miscellaneous Revenue	Business Code				
	11a MISCELLANEOUS	900099	442,185	442,185		
	b					
	c					
	d All other revenue					
	e Total. Add lines 11a-11d ►		442,185			
	12 Total revenue. See instructions ►		157,155,841	153,958,542		3,150,090

Part IX Statement of Functional Expenses

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

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments See Part IV, line 21	0.			
2 Grants and other assistance to domestic individuals See Part IV, line 22	45,000.	45,000.		
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals See Part IV, lines 15 and 16	0.			
4 Benefits paid to or for members	0.			
5 Compensation of current officers, directors, trustees, and key employees	2,154,876.	1,831,645.	215,488.	107,743.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0.			
7 Other salaries and wages	50,856,829.	44,413,177.	6,351,112.	92,540.
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	0.			
9 Other employee benefits	10,766,355.	8,084,049.	2,682,292.	14.
10 Payroll taxes	3,286,761.	2,845,624.	439,589.	1,548.
11 Fees for services (non-employees)				
a Management	902,289.	827,601.	74,688.	
b Legal	150,803.		150,803.	
c Accounting	234,618.		234,618.	
d Lobbying	0.			
e Professional fundraising services See Part IV, line 17.	0.			
f Investment management fees	0.			
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	13,368,737.	10,272,892.	3,069,321.	26,524.
12 Advertising and promotion	865,287.	110,229.	671,083.	83,975.
13 Office expenses	209,061.	146,157.	62,865.	39.
14 Information technology	2,290,202.	1,341,731.	938,513.	9,958.
15 Royalties	0.			
16 Occupancy	1,853,824.	1,545,285.	308,302.	237.
17 Travel	436,955.	362,198.	72,819.	1,938.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0.			
19 Conferences, conventions, and meetings	40,055.	23,468.	16,587.	
20 Interest	2,452,424.	2,452,424.	0.	
21 Payments to affiliates	0.			
22 Depreciation, depletion, and amortization	7,890,689.	7,875,339.	15,350.	
23 Insurance	283,571.	212,678.	70,893.	
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 BAD DEBT EXPENSE	22,652,562.	22,652,562.		
b MEDICAL SUPPLIES	20,741,477.	20,619,054.	122,423.	
c EQUIPMENT REPAIR/MAINTENANCE	3,985,410.	3,698,663.	286,747.	
d EMPLOYEE EXPENSES	740,588.	682,429.	25,780.	32,379.
e All other expenses	1,399,293.	1,171,450.	224,450.	3,393.
25 Total functional expenses Add lines 1 through 24e	147,607,666.	131,213,655.	16,033,723.	360,288.
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)	0.			

Part X Balance Sheet

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

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	27,099,620.	1	6,496,816.
	2 Savings and temporary cash investments	10,879,380.	2	14,599,867.
	3 Pledges and grants receivable, net	0.	3	0.
	4 Accounts receivable, net	13,630,386.	4	20,167,662.
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees			
	Complete Part II of Schedule L	0.	5	0.
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L	0.	6	0.
	7 Notes and loans receivable, net	0.	7	0.
	8 Inventories for sale or use	2,773,034.	8	3,051,359.
	9 Prepaid expenses and deferred charges	1,590,870.	9	2,612,746.
	10a Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 175,787,002.		
	b Less accumulated depreciation	10b 91,567,684.		
	11 Investments - publicly traded securities	75,737,469.	10c	84,219,318.
	12 Investments - other securities See Part IV, line 11	95,128,021.	11	104,822,268.
	13 Investments - program-related See Part IV, line 11	0.	12	0.
	14 Intangible assets	0.	13	0.
15 Other assets See Part IV, line 11	0.	14	0.	
16 Total assets. Add lines 1 through 15 (must equal line 34)	228,611,677.	16	237,394,171.	
Liabilities	17 Accounts payable and accrued expenses	12,836,870.	17	15,019,640.
	18 Grants payable	0.	18	0.
	19 Deferred revenue	0.	19	0.
	20 Tax-exempt bond liabilities	57,412,148.	20	55,152,354.
	21 Escrow or custodial account liability Complete Part IV of Schedule D	0.	21	0.
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L	0.	22	0.
	23 Secured mortgages and notes payable to unrelated third parties	0.	23	0.
	24 Unsecured notes and loans payable to unrelated third parties	0.	24	0.
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D	2,417,200.	25	4,168,543.
	26 Total liabilities. Add lines 17 through 25	72,666,218.	26	74,340,537.
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here ► <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	155,456,657.	27	162,638,373.
	28 Temporarily restricted net assets	488,802.	28	415,261.
	29 Permanently restricted net assets	0.	29	0.
	Organizations that do not follow SFAS 117 (ASC 958), check here ► <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances	155,945,459.	33	163,053,634.
	34 Total liabilities and net assets/fund balances	228,611,677.	34	237,394,171.

Form 990 (2017)

Part XI Reconciliation of Net AssetsCheck if Schedule O contains a response or note to any line in this Part XI.

1	Total revenue (must equal Part VIII, column (A), line 12)	1	157,155,841.
2	Total expenses (must equal Part IX, column (A), line 25)	2	147,607,666.
3	Revenue less expenses Subtract line 2 from line 1	3	9,548,175.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	155,945,459.
5	Net unrealized gains (losses) on investments	5	3,489,517.
6	Donated services and use of facilities	6	0.
7	Investment expenses	7	0.
8	Prior period adjustments	8	0.
9	Other changes in net assets or fund balances (explain in Schedule O)	9	-5,929,517.
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	163,053,634.

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

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

Form 990 (2017)

SCHEDULE A
(Form 990 or 990-EZ)

Public Charity Status and Public Support

OMB No 1545-0047

2017

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

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.

► Go to www.irs.gov/Form990 for instructions and the latest information.

Name of the organization

SID PETERSON MEMORIAL HOSPITAL

Employer identification number

74-2557820

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)

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)						
(B)						
(C)						
(D)						
(E)						
Total						

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 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 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 ► <input type="checkbox"/>						

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 from 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. ► <input type="checkbox"/>		
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 ► <input type="checkbox"/>		
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. ► <input type="checkbox"/>		
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 ► <input type="checkbox"/>		
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 ► <input type="checkbox"/>		

Schedule A (Form 990 or 990-EZ) 2017

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. ► <input type="checkbox"/>						

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. ► <input type="checkbox"/>		
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 ► <input type="checkbox"/>		
20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ► <input type="checkbox"/>		

Part IV. Supporting Organizations

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

Section A. All Supporting Organizations

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

	Yes	No
1		
2		
3a		
3b		
3c		
4a		
4b		
4c		
5a		
5b		
5c		
6		
7		
8		
9a		
9b		
9c		
10a		
10b		

Part IV Supporting Organizations (continued)

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

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

	Yes	No
11a		
11b		
11c		

Section B. Type I Supporting Organizations

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

2 Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? If "Yes," explain in **Part VI** how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization

	Yes	No
1		
2		

Section C. Type II Supporting Organizations

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

	Yes	No
1		

Section D. All Type III Supporting Organizations

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

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

3 By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? If "Yes," describe in **Part VI** the role the organization's supported organizations played in this regard

	Yes	No
1		
2		
3		

Section E. Type III Functionally Integrated Supporting Organizations

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

- The organization satisfied the Activities Test. Complete line 2 below
- The organization is the parent of each of its supported organizations. Complete line 3 below
- 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.

- Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? If "Yes," then in **Part VI** identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities

	Yes	No
2a		

- Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? If "Yes," explain in **Part VI** the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement

	Yes	No
2b		

3 Parent of Supported Organizations. Answer (a) and (b) below.

- Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? Provide details in **Part VI**.
- Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? If "Yes," describe in **Part VI** the role played by the organization in this regard

	Yes	No
3a		
3b		

Schedule A (Form 990 or 990-EZ) 2017

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

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

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1 Net short-term capital gain	1		
2 Recoveries of prior-year distributions	2		
3 Other gross income (see instructions)	3		
4 Add lines 1 through 3	4		
5 Depreciation and depletion	5		
6 Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6		
7 Other expenses (see instructions)	7		
8 Adjusted Net Income (subtract lines 5, 6, and 7 from line 4)	8		
Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1 Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year)			
a Average monthly value of securities	1a		
b Average monthly cash balances	1b		
c Fair market value of other non-exempt-use assets	1c		
d Total (add lines 1a, 1b, and 1c)	1d		
e Discount claimed for blockage or other factors (explain in detail in Part VI)			
2 Acquisition indebtedness applicable to non-exempt-use assets	2		
3 Subtract line 2 from line 1d	3		
4 Cash deemed held for exempt use Enter 1-1/2% of line 3 (for greater amount, see instructions)	4		
5 Net value of non-exempt-use assets (subtract line 4 from line 3)	5		
6 Multiply line 5 by .035	6		
7 Recoveries of prior-year distributions	7		
8 Minimum Asset Amount (add line 7 to line 6)	8		
Section C - Distributable Amount			Current Year
1 Adjusted net income for prior year (from Section A, line 8, Column A)	1		
2 Enter 85% of line 1	2		
3 Minimum asset amount for prior year (from Section B, line 8, Column A)	3		
4 Enter greater of line 2 or line 3	4		
5 Income tax imposed in prior year	5		
6 Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions)	6		
7 <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)			

Schedule A (Form 990 or 990-EZ) 2017

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 For result greater than zero, explain in Part VI See instructions			
6 Remaining underdistributions for 2017 Subtract lines 3h and 4b from line 1 For result 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.)

SCHEDULE C
(Form 990 or 990-EZ)**Political Campaign and Lobbying Activities**

OMB No 1545-0047

Department of the Treasury
Internal Revenue Service

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

► Complete if the organization is described below. ► Attach to Form 990 or Form 990-EZ.
► Go to www.irs.gov/Form990 for instructions and the latest information.**2017**Open to Public
Inspection

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

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

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

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

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

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

Name of organization SID PETERSON MEMORIAL HOSPITAL	Employer identification number 74-2557820
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Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

- 1 Provide a description of the organization's direct and indirect political campaign activities in Part IV (see instructions for definition of "political campaign activities")
- 2 Political campaign activity expenditures (see instructions) ► \$ _____
- 3 Volunteer hours for political campaign activities (see instructions)

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

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

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

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

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds If none, enter -0-	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization If none, enter -0-
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				

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

Schedule C (Form 990 or 990-EZ) 2017

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

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

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

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals
1a	Total lobbying expenditures to influence public opinion (grass roots lobbying)		
b	Total lobbying expenditures to influence a legislative body (direct lobbying)		
c	Total lobbying expenditures (add lines 1a and 1b)		
d	Other exempt purpose expenditures		
e	Total exempt purpose expenditures (add lines 1c and 1d)		
f	Lobbying nontaxable amount Enter the amount from the following table in both columns		
If the amount on line 1e, column (a) or (b) is, The lobbying nontaxable amount is:			
Not over \$500,000		20% of the amount on line 1e	
Over \$500,000 but not over \$1,000,000		\$100,000 plus 15% of the excess over \$500,000	
Over \$1,000,000 but not over \$1,500,000		\$175,000 plus 10% of the excess over \$1,000,000	
Over \$1,500,000 but not over \$17,000,000		\$225,000 plus 5% of the excess over \$1,500,000	
Over \$17,000,000		\$1,000,000	
g	Grassroots nontaxable amount (enter 25% of line 1f)		
h	Subtract line 1g from line 1a If zero or less, enter -0-		
i	Subtract line 1f from line 1c If zero or less, enter -0-		
j	If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

4-Year Averaging Period Under section 501(h)

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

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

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2014	(b) 2015	(c) 2016	(d) 2017	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column (e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Schedule C (Form 990 or 990-EZ) 2017

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

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

	(a)		(b)	
	Yes	No	Amount	
1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of				
a Volunteers?		X		
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		X		
c Media advertisements?		X		
d Mailings to members, legislators, or the public?		X		
e Publications, or published or broadcast statements?		X		
f Grants to other organizations for lobbying purposes?	X			5,400.
g Direct contact with legislators, their staffs, government officials, or a legislative body?		X		
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		X		
i Other activities?		X		
j Total Add lines 1c through 1i				5,400.
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		X		
b If "Yes," enter the amount of any tax incurred under section 4912				
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912				
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?				

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

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

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

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

Part IV Supplemental Information

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

PART II-B, QUESTION 1F

GRANTS TO OTHER ORGANIZATION FOR LOBBYING PURPOSES:

AMOUNT REPORTED IN PART II-B, QUESTION 1F REPRESENTS PORTION OF DUES PAID

TO TRADE ASSOCIATIONS THAT IS ATTRIBUTABLE TO LOBBYING ACTIVITIES.

SID PETERSON MEMORIAL HOSPITAL

74-2557820

Schedule C (Form 990 or 990-EZ) 2017

Page 4

Part IV Supplemental Information (continued)

**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.
► Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No 1545-0047

2017**Open to Public
Inspection**

Name of the organization

SID PETERSON MEMORIAL HOSPITAL

Employer identification number

74-2557820

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)	
<input type="checkbox"/> Preservation of land for public use (e.g., recreation or education)	<input type="checkbox"/> Preservation of a historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> Preservation of open space	
2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 7/25/06, 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?	<input type="checkbox"/> Yes <input type="checkbox"/> 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)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements	

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

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

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items	
b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items	
(i) Revenue included on Form 990, Part VIII, line 1.	► \$
(ii) Assets included in Form 990, Part X.	► \$
2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items	
a Revenue included on Form 990, Part VIII, line 1.	► \$
b Assets included in Form 990, Part X.	► \$

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

Schedule D (Form 990) 2017

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 <input type="checkbox"/> Public exhibition	d <input type="checkbox"/> Loan or exchange programs
b <input type="checkbox"/> Scholarly research	e <input type="checkbox"/> Other _____
c <input type="checkbox"/> Preservation for future generations	

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

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

Part IV Escrow and Custodial Arrangements.

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

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

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

	Amount
1c	
1d	
1e	
1f	

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

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

Part V Endowment Funds.

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	127,017.	125,808.	120,784.	122,561.	106,408.
b Contributions					
c Net investment earnings, gains, and losses	1,266.	1,532.	5,348.	-1,516.	16,403.
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses	314.	323.	324.	261.	250.
g End of year balance	127,969.	127,017.	125,808.	120,784.	122,561.

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

a Board designated or quasi-endowment ► _____ %

b Permanent endowment ► _____ %

c Temporarily restricted endowment ► _____ %

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

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

(i) unrelated organizations
(ii) related organizations

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

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

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		3,703,715.			3,703,715.
b Buildings		95,578,929.	41,768,865.		53,810,064.
c Leasehold improvements		806,065.	249,347.		556,718.
d Equipment		66,514,212.	49,549,472.		16,964,740.
e Other		9,184,081.			9,184,081.

Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10c). ► 84,219,318.

Schedule D (Form 990) 2017

Part VII Investments - Other Securities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b See Form 990, Part X, line 12

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		

Total. (Column (b) must equal Form 990, Part X, col (B) line 12) ►

Part VIII Investments - Program Related.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c See Form 990, Part X, line 13

(a) Description of investment	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		

Total. (Column (b) must equal Form 990, Part X, col (B) line 13) ►

Part IX Other Assets.

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

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	

Total. (Column (b) must equal Form 990, Part X, col (B) line 15) ►

Part X Other Liabilities.

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

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) SELF-INSURANCE COSTS	1,795,331.
(3) EST AMOUNTS FROM THIRD PARTIES	2,373,212.
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	

Total. (Column (b) must equal Form 990, Part X, col (B) line 25) ► 4,168,543.

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

Schedule D (Form 990) 2017

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	144,955,439.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains (losses) on investments	2a	3,489,517.
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII)	2d	-22,652,562.
e	Add lines 2a through 2d	2e	-19,163,045.
3	Subtract line 2e from line 1	3	164,118,484.
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	-6,962,643.
c	Add lines 4a and 4b	4c	-6,962,643.
5	Total revenue Add lines 3 and 4c. (This must equal Form 990, Part I, line 12)	5	157,155,841.

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	132,070,443.
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	7,115,339.
e	Add lines 2a through 2d	2e	7,115,339.
3	Subtract line 2e from line 1	3	124,955,104.
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	22,652,562.
c	Add lines 4a and 4b	4c	22,652,562.
5	Total expenses Add lines 3 and 4c. (This must equal Form 990, Part I, line 18)	5	147,607,666.

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

SEE PAGE 5

Part XIII Supplemental Information (continued)

SCHEDULE D, PART V, LINE 4

DESCRIBE THE INTENDED USES OF THE ORGANIZATION'S ENDOWMENT FUNDS:

ENDOWMENT FUND IS USED TO PROVIDE ASSISTANCE TO THOSE WITH END OF LIFE
ISSUES THROUGH THE HOSPICE PROGRAM.

SCHEDULE D, PART XI, LINE 2D

RECONCILIATION OF REVENUE PER AUDITED F/S WITH REVENUE PER RETURN: BAD
DEBT EXPENSE OFFSETTING AUDIT REVENUE (22,652,562)

SCHEDULE D, PART XI, LINE 4B

RECONCILIATION OF REVENUE PER AUDITED F/S WITH REVENUE PER RETURN:

LOSS ON DISPOSAL IN EXPENSES PER AUDIT	(101,606)
NET ASSETS RELEASED FROM RESTICTION	99,985
CONTRIBUTIONS TO NET ASSETS	52,711
UCC/DISPRO EXPENSE	(6,591,244)
RENTAL EXPENSE INCLUDED IN REVENUE FOR 990	(422,489)
<hr/>	
TOTAL	(6,962,643)

SCHEDULE D, PART XII, LINE 2D

RECONCILIATION OF EXPENSES PER AUDITED F/S WITH EXPENSES PER RETURN:

LOSS ON DISPOSAL IN EXPENSES PER AUDIT	101,606
UCC/DISPRO EXPENSE	6,591,244
RENTAL EXPENSE INCLUDED IN REVENUE FOR 990	422,489
<hr/>	
TOTAL	7,115,339

Part XIII Supplemental Information (continued)

SCHEDULE D, PART XII, LINE 4B

RECONCILIATION OF EXPENSES PER AUDITED F/S WITH EXPENSES PER RETURN:

BAD DEBT EXPENSE OFFSETTING AUDIT REVENUE 22,652,562

SCHEDULE H
(Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

OMB No 1545-0047

2017

**Open to Public
Inspection**

Name of the organization

SID PETERSON MEMORIAL HOSPITAL

Employer identification number

74-2557820

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	X
b If "Yes," was it a written policy?	1b	X
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 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 free care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care	3a	X
<input type="checkbox"/> 100% <input type="checkbox"/> 150% <input checked="" type="checkbox"/> 200% <input type="checkbox"/> Other _____ %		
b Did the organization use FPG as a factor in determining eligibility for providing discounted care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care	3b	X
<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 _____ %		
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	X
5a Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a	X
b If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	5b	X
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	X
b If "Yes," did the organization make it available to the public?	6b	X
Complete the following table using the worksheets provided in the Schedule H instructions. Do not submit these worksheets with the Schedule H		

7 Financial Assistance and Certain Other Community Benefits at Cost

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)			3,287,835.	1,518,062.	1,769,773.	1.39
b Medicaid (from Worksheet 3, column a)			10,448,860.	7,408,825.	3,040,035.	2.39
c Costs of other means-tested government programs (from Worksheet 3, column b)			1,261,420.	841,961.	419,459.	.33
d Total Financial Assistance and Means-Tested Government Programs			14,998,115.	9,768,848.	5,229,267.	4.11
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)						
f Health professions education (from Worksheet 5)			45,000.		45,000.	.04
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)			164,512.		164,512.	.13
j Total Other Benefits			209,512.		209,512.	.17
k Total Add lines 7d and 7j.			15,207,627.	9,768,848.	5,438,779.	4.28

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

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

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

1 Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15? 1 X

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 22,652,562.

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 9,061,025.

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 41,873,852.

6 Enter Medicare allowable costs of care relating to payments on line 5 6 50,533,181.

7 Subtract line 6 from line 5. This is the surplus (or shortfall) 7 -8,659,329.

8 Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used

Cost accounting system Cost to charge ratio Other 3

Section C. Collection Practices

9a Did the organization have a written debt collection policy during the tax year? 9a X

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 X

Part IV Management Companies and Joint Ventures (owned 10% or more by officers, directors, trustees, key employees, and physicians - see instructions)

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

Part V Facility Information (continued)

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

SCHEDULE H, PART V, SECTION B, LINE 5

CHNA COMMUNITY STAKEHOLDER OUTREACH:

PETERSON HEALTH INCLUDED ALL LEVELS AND FACETS AND POPULATIONS OF THE KERRVILLE AREA COMMUNITY, AS WELL AS 7 OTHER REGIONS/COUNTIES TO SUCCESSFULLY AND COMPREHENSIVELY COMPLETE THE COMMUNITY HEALTH NEEDS ASSESSMENT. BROKEN INTO THREE MAIN PHASES, REPRESENTATIVES OF THE COMMUNITY WERE CULLED, CONTACTED, INTERVIEWED, INVITED TO MEETINGS AND A DIRECT PART OF THE CHNA SUMMIT AND REPORT AS FOLLOWS:

PHASE I - TELEPHONE SURVEYS AND COLLECTION OF MARKET RESEARCH - OVER 400 COMMUNITY MEMBERS AT RANDOM WERE CALLED AND SURVEYED REGARDING PERCEPTION AND UTILIZATION OF THE HOSPITAL.

PHASE II - MARCH 2016 - SECONDARY RESEARCH AND EVALUATION TO INCLUDE A FOCUS GROUP OF UP TO 20 COMMUNITY LEADERS FROM 3 COUNTIES, PLUS NEARLY A DOZEN ONE-ON-ONE INTERVIEWS ASKING A RANGE OF QUESTIONS SUCH AS THE EFFECTIVENESS OF MEETING THE NEEDS UNVEILED CYCLE 1 IN 2012, THE CHANGING NEEDS AND TRENDS, AND NEW UNMET HEALTH NEEDS AS DISCUSSING HEALTHCARE CHALLENGES ON THE HORIZON. THE INVITEES INCLUDED LEADERS IN CITY/COUNTY GOVERNMENT, TWO SCHOOL DISTRICT SUPERINTENDENTS, CEO'S OF VARIOUS NOT-FOR-PROFIT ORGANIZATIONS, PHYSICIANS, EMPLOYEES, AND ACTIVE COMMUNITY LEADERS.

PHASE III - MAY 2016 - OVER 80 COMMUNITY LEADERS AS WELL AS MEMBERS OF THE COMMUNITY IDENTIFIED AS INDIGENT, ECONOMICALLY DISADVANTAGED AND WORKING FOR OR WITH NON-PROFITS, AS WELL AS LARGE BUSINESSES, CORPORATIONS, RETIREMENT FACILITIES PARTICIPATED IN A FULL DAY SUMMIT TO DEVELOP CONSENSUS AND PRIORITIZE COMMUNITY HEALTH ISSUES AND HOW

Part V Facility Information (continued)

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

STAKEHOLDERS CAN WORK TOGETHER TO MEET THE HEALTH NEEDS OF THE ENTIRE COMMUNITY.

AS IN CYCLE 1 IN 2012, CYCLE 2 COMPLETED IN 2016 PURPOSELY INCLUDED EVERY FACET OF THE COMMUNITY FOR INPUT, ACTION AND ACCOUNTABILITY FOR THE CHNA.

SCHEDULE H, PART V, SECTION B, LINE 7A & 10A

COMMUNITY HEALTH NEEDS ASSESSMENT AND IMPLEMENTATION STRATEGY: THE IMPLEMENTATION STRATEGY IS INCLUDED IN THE COMMUNITY HEALTH NEEDS ASSESSMENT REPORT AND IS POSTED ONLINE AT THE FOLLOWING WEBSITE ADDRESS:
<https://www.petersonhealth.com/wp-content/downloads/CHNA2016.pdf>

SCHEDULE H, PART V, SECTION B, LINE 18, 19, & 20

FINANCIAL ASSISTANCE AND COLLECTIONS:

NEITHER PETERSON REGIONAL MEDICAL CENTER, NOR THIRD PARTIES AUTHORIZED BY PRMC, TAKE ANY ACTIONS UPON NON-PAYMENT FROM A PATIENT BEFORE MAKING A REASONABLE EFFORT TO DETERMINE IF THE PATIENT IS ELIGIBLE FOR THE FACILITY'S FINANCIAL ASSISTANCE POLICY.

SCHEDULE H, PART V, SECTION B, LINE 22D

THE ORGANIZATION GIVES SELF-PAY PATIENTS A HIGHER DISCOUNT THAN THE CONTRACTED INSURANCE PLANS.

SCHEDULE H, PART V, SECTION B, LINE 16C

<https://www.petersonhealth.com/wp-content/downloads/PLS2017.pdf>

Part V Facility Information (continued)

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

SCHEDULE H, PART V, SECTION B, LINE 16B

[HTTPS://WWW.PETERSONHEALTH.COM/WP-CONTENT/UPLOADS/2018/07/FAA2018.PDF](https://www.petersonhealth.com/wp-content/uploads/2018/07/FAA2018.pdf)

SCHEDULE H, PART V, SECTION B, LINE 16I

THE FINANCIAL ASSISTANCE APPLICATION IS ALSO AVAILABLE IN SPANISH AT THE FOLLOWING WEBSITE:

[HTTPS://WWW.PETERSONHEALTH.COM/WP-CONTENT/DOWNLOADS/PLS2017-SPANISH.PDF](https://www.petersonhealth.com/wp-content/downloads/pls2017-spanish.pdf)

SCHEDULE H, PART V, SECTION B, LINE 11

A COLLABORATIVE VENTURE WHICH BROUGHT TOGETHER ALL OF THE CARE PROVIDERS, CITIZENS, GOVERNMENT, SCHOOLS, CHURCHES, NOT-FOR-PROFIT ORGANIZATIONS, AND BUSINESS AND INDUSTRY AROUND AN EFFECTIVE PLAN OF ACTION TOOK PLACE.

PRMC SELECTED KEY ELEMENTS OF THE ASSESSMENT TO ADDRESS, AS SET FORTH IN THE IMPLEMENTATION PLAN, AND ENCOURAGED OTHER ORGANIZATIONS IN THE COMMUNITY TO DO THE SAME.

BASED ON THE RESULTS OF THIS CHNA, PRMC SELECTED THREE (3) OF THE IDENTIFIED SIGNIFICANT HEALTH NEEDS TO ADDRESS.

1. MENTAL HEALTH/SUBSTANCE ABUSE
2. CHRONIC DISEASES
3. ACCESS TO HEALTHCARE

PRMC WILL MONITOR THE PROGRESS THROUGH THE HOSPITAL'S EXECUTIVE TEAM AND WILL ANNUALLY REPORT THE PROGRESS TO THEIR BOARD AND THE COMMUNITY.

Part V Facility Information (continued)

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

SCHEDULE H, PART V, SECTION B, LINE 16A

[HTTPS://WWW.PETERSONHEALTH.COM/WP-CONTENT/UPLOADS/2017/05/BUS-CHARITY-CARE-POLICY.PDF](https://www.petersonhealth.com/wp-content/uploads/2017/05/BUS-CHARITY-CARE-POLICY.PDF)

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? 5

Name and address	Type of Facility (describe)
1 PETERSON AMBULATORY CARE CENTER 260 CULLY DRIVE KERRVILLE TX 78028	AMBULATORY SURGICAL CENTER
2 PETERSON HOME CARE 1420 WATER STREET KERRVILLE TX 78028	HOME HEALTH SERVICES
3 PETERSON HOSPICE 1121 BROADWAY KERRVILLE TX 78028	HOSPICE CARE
4 KMP OUTREACH LAB 1331 BANDERA HIGHWAY KERRVILLE TX 78028	LAB DRAW SITE
5 PETERSON COMMUNITY CARE CLINIC 823 JUNCTION HWY KERVILLE TX 78028	HOSPITAL BASED CLINIC
6	
7	
8	
9	
10	

Schedule H (Form 990) 2017

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 PETERSON REGIONAL MEDICAL CENTER**Line number of hospital facility, or line numbers of hospital facilities in a facility reporting group (from Part V, Section A):** 1**Community Health Needs Assessment**

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?

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

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)

a A definition of the community served by the hospital facility

b Demographics of the community

c Existing health care facilities and resources within the community that are available to respond to the health needs of the community

d How data was obtained

e The significant health needs of the community

f Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups

g The process for identifying and prioritizing community health needs and services to meet the community health needs

h The process for consulting with persons representing the community's interests

i The impact of any actions taken to address the significant health needs identified in the hospital facility's prior CHNA(s)

j Other (describe in Section C)

4 Indicate the tax year the hospital facility last conducted a CHNA 20 15

5 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted

6a Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C

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 Hospital facility's website (list url) SEE PART V, SECTION C

b Other website (list url) _____

c Made a paper copy available for public inspection without charge at the hospital facility

d Other (describe in Section C)

8 Did the hospital facility adopt an implementation strategy to meet the significant community health needs identified through its most recently conducted CHNA? If "No," skip to line 11

9 Indicate the tax year the hospital facility last adopted an implementation strategy 20 16

10 Is the hospital facility's most recently adopted implementation strategy posted on a website?
a If "Yes," (list url) SEE PART V, SECTION C

b If "No," is the hospital facility's most recently adopted implementation strategy attached to this return?

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)?

b If "Yes" to line 12a, did the organization file Form 4720 to report the section 4959 excise tax?

c If "Yes" to line 12b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$ _____

	Yes	No
1	X	
2	X	
3	X	
5	X	
6a	X	
6b	X	
7	X	
8	X	
10	X	
10b	X	
12a	X	
12b		

Part V Facility Information (continued)**Financial Assistance Policy (FAP)**Name of hospital facility or letter of facility reporting group PETERSON REGIONAL MEDICAL CENTER

Did the hospital facility have in place during the tax year a written financial assistance policy that

13 Explained eligibility criteria for financial assistance, and whether such assistance included free or discounted care? If "Yes," indicate the eligibility criteria explained in the FAP

a Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of 200 0000 % and FPG family income limit for eligibility for discounted care of 400 0000 %

b Income level other than FPG (describe in Section C)

c Asset level

d Medical indigency

e Insurance status

f Underinsurance status

g Residency

h Other (describe in Section C)

14 Explained the basis for calculating amounts charged to patients?

15 Explained the method for applying for financial assistance? If "Yes," indicate how the hospital facility's FAP or FAP application form (including accompanying instructions) explained the method for applying for financial assistance (check all that apply)

a Described the information the hospital facility may require an individual to provide as part of his or her application

b Described the supporting documentation the hospital facility may require an individual to submit as part of his or her application

c Provided the contact information of hospital facility staff who can provide an individual with information about the FAP and FAP application process

d Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications

e Other (describe in Section C)

16 Was widely publicized within the community served by the hospital facility? If "Yes," indicate how the hospital facility publicized the policy (check all that apply)

a The FAP was widely available on a website (list url) SEE PART V, SECTION C

b The FAP application form was widely available on a website (list url) SEE PART V, SECTION C

c A plain language summary of the FAP was widely available on a website (list url) SEE PART V, SECTION C

d The FAP was available upon request and without charge (in public locations in the hospital facility and by mail)

e The FAP application form was available upon request and without charge (in public locations in the hospital facility and by mail)

f A plain language summary of the FAP was available upon request and without charge (in public locations in the hospital facility and by mail)

g Individuals were notified about the FAP by being offered a paper copy of the plain language summary of the FAP, by receiving a conspicuous written notice about the FAP on their billing statements, and via conspicuous public displays or other measures reasonably calculated to attract patients' attention

h Notified members of the community who are most likely to require financial assistance about availability of the FAP

i The FAP, FAP application form, and plain language summary of the FAP were translated into the primary language(s) spoken by LEP populations

j Other (describe in Section C)

	Yes	No
13	X	
14	X	
15	X	
16	X	

Part V Facility Information (continued)Billing and CollectionsName of hospital facility or letter of facility reporting group PETERSON REGIONAL MEDICAL CENTER

		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?	X	
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 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	X	
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)		
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 checked="" 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 checked="" type="checkbox"/> Made a reasonable effort to orally notify individuals about the FAP and FAP application process		
c	<input checked="" type="checkbox"/> Processed incomplete and complete FAP applications		
d	<input checked="" type="checkbox"/> Made presumptive eligibility determinations		
e	<input type="checkbox"/> Other (describe in Section C)		
f	<input 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	X	
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)		

Part V Facility Information (continued)**Charges to Individuals Eligible for Assistance Under the FAP (FAP-Eligible Individuals)**Name of hospital facility or letter of facility reporting group PETERSON REGIONAL MEDICAL CENTER

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

	Yes	No
22		
23		X
24		X

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

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

SCHEDULE H, PART III, SECTION A, LINE 2

AMOUNT REPORTED ON LINE 2 IS BASED ON BAD DEBTS PER THE AUDITED FINANCIAL STATEMENTS.

SCHEDULE H, PART III, SECTION A, LINE 3

AMOUNT REPORTED IN ITEM 3 IS THE ORGANIZATION'S ESTIMATE OF THE AMOUNT OF BAD DEBT ATTRIBUTABLE TO CHARITY CARE PATIENTS ESTIMATED AT 40%.

SCHEDULE H, PART III, SECTION B, LINE 8:

THE MEDICAL CENTER USES MEDICARE COST REPORT METHODOLOGY, WHICH APPORTIONS ROUTINE COSTS (ROOM AND BOARD) BASED ON MEDICARE OR MEDICAID DAYS TO TOTAL DAYS AND APPORTIONS ANCILLARY COSTS BASED ON PROGRAM CHARGES TO TOTAL CHARGES. THE ORGANIZATION HAD A MEDICARE SHORTFALL IN THE AMOUNT OF \$8,659,329 LESSENING THE BURDEN OF GOVERNMENT. IN ADDITION, THE STATE OF TEXAS TREATS MEDICARE SHORTFALL AS COMMUNITY BENEFIT FOR MEETING STATUTORY REQUIREMENTS FOR CHARITY CARE AND COMMUNITY BENEFIT.

Part VI Supplemental Information

Provide the following information

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part II and Part III, lines 2, 3, 4, 8 and 9b
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B
- 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
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- 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

SCHEDULE H, PART III, SECTION C, LINE 9B:

IF THE PATIENT QUALIFIES FOR CHARITY CARE PER WRITTEN HOSPITAL CRITERIA,
THE QUALIFYING BALANCE IS WRITTEN OFF TO CHARITY CARE AND NO FURTHER
COLLECTION EFFORTS ARE MADE.

SCHEDULE H, PART I, LINE 7, COLUMN F

PERCENT OF TOTAL EXPENSE: BAD DEBT EXPENSE OF \$22,652,562 WAS INCLUDED ON
FORM 990, PART IX, LINE 25, COLUMN (A), BUT WAS SUBTRACTED FROM TOTAL
EXPENSE FOR THE CALCULATION OF "PERCENT OF TOTAL EXPENSE" IN THIS COLUMN.

SCHEDULE H, PART V, LINE 2:

NEEDS ASSESSMENT:

PETERSON REGIONAL MEDICAL CENTER (PRMC) ASSESSES COMMUNITY NEEDS THROUGH
A COMBINATION OF OUTSIDE SOURCES, LIKE FOCUS GROUPS TO DETERMINE
COMMUNITY PERCEPTIONS ABOUT OUR SERVICES (EMERGENCY DEPARTMENT AND
WOMEN'S HEALTH SERVICES MOST RECENTLY), THOMSON REUTERS, TEXAS DEPARTMENT
OF HEALTH AND HUMAN SERVICES, AND ORGANIZATIONS INCLUDING CHAMBER OF
COMMERCE, ECONOMIC DEVELOPMENT COMMISSION AND TEXAS HOSPITAL ASSOCIATION.

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

ALONG WITH INFORMATION AND DATA GATHERED FROM THESE EXTERNAL SOURCES PRMC USES PRESSGANNEY SURVEYS FOR PATIENTS, EMPLOYEES AND PHYSICIANS. PRESENTLY PRMC OFFERS MOST OF THE SAME HIGH-TECH MEDICAL TREATMENTS AND PROCEDURES FOUND IN NEARBY URBAN AREAS. ADDITIONALLY, THE 35-ACRE PRMC CAMPUS INCLUDES AN AMBULATORY CARE CENTER COMPLETE WITH OUTPATIENT SURGERY, IMAGING, LABORATORY, INFUSION SERVICES AND REHABILITATION SERVICES INCLUDING A LARGE INDOOR HEATED THERAPY POOL AS WELL AS A REGIONAL WOUND HEALING CENTER.

SCHEDULE H, PART I, LINE 3:

PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE: PATIENTS WHO HAVE OR WILL HAVE A PATIENT RESPONSIBILITY ARE APPROACHED BY PATIENT REGISTRATION STAFF TO MAKE FINANCIAL ARRANGEMENTS PRIOR TO OR AT THE TIME OF SERVICE. ANY PATIENT WHO CANNOT MAKE APPROPRIATE FINANCIAL ARRANGEMENTS IS REFERRED TO HOSPITAL RECEIVABLES SOLUTION (H.S.I.) (A GROUP CONTRACTED BY HOSPITAL TO ASSIST PATIENTS IN QUALIFYING FOR FINANCIAL ASSISTANCE) FOR POSSIBLE FINANCIAL ASSISTANCE FOR WHICH THEY MAY QUALIFY. IF PATIENT DOES NOT QUALIFY FOR ASSISTANCE THROUGH H.S.I., REGISTRATION STAFF OFFER AN

Part VI Supplemental Information

Provide the following information

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part II and Part III, lines 2, 3, 4, 8 and 9b
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B
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- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves
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- 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

INTERNAL FINANCIAL AID APPLICATION (CHARITY CARE) AND EXPLAIN THE PROCESS. H.S.I. CONTACTS ALL REFERRED UNINSURED PATIENTS, NOT SEEN AT THE TIME OF HOSPITAL PRE-REGISTRATION OR AT REGISTRATION, BY SENDING A LETTER, CONTACT BY PHONE, AND OR PERSONAL VISIT, INFORMING THEM OF FEDERAL, STATE OR LOCAL GOVERNMENT PROGRAMS THAT MAY ASSIST WITH UNPAID MEDICAL BILLS. THE PATIENT IS INSTRUCTED TO CALL OR COME BY THE OFFICE TO BE SCREENED FOR POSSIBLE ASSISTANCE. IF PATIENT IS POTENTIALLY ELIGIBLE, H.S.I. WILL ASSIST WITH THE APPLICATION PROCESS AND GATHERING OF NECESSARY VERIFICATION. IF NO ASSISTANCE IS AVAILABLE THROUGH THESE PROGRAMS, H.S.I. WILL OFFER A FINANCIAL AID APPLICATION (CHARITY CARE) FOR POSSIBLE ASSISTANCE WITH THE HOSPITAL BILL. AT THE TIME OF BILLING FOR PATIENTS WITH SELF PAY BALANCES, BUSINESS OFFICE INCLUDE LETTERS WHICH STATE TO CALL IF FINANCIAL ASSISTANCE IS NEEDED. WHEN PAYMENTS ARE NOT RECEIVED IN A TIMELY MANNER, A COURTESY CALL TO THE PATIENT IS ATTEMPTED TO MAKE PAYMENT ARRANGEMENTS. IF THE PATIENT STATES THAT THEY DO NOT HAVE MEANS TO PAY THE BILL, AN OFFER IS AGAIN MADE TO CONTACT H.S.I. FOR FINANCIAL ASSISTANCE OR WE OFFER TO MAIL OUR FINANCIAL AID APPLICATION. A POSTING IS DISPLAYED IN REGISTRATION AREAS THAT WE OFFER

Part VI Supplemental Information

Provide the following information

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part II and Part III, lines 2, 3, 4, 8 and 9b
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B
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- 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

CHARITY CARE AND TO CONTACT THE BUSINESS OFFICE (PHONE NUMBER IS

PROVIDED) FOR DETAILS.

SCHEDULE H, PART V, LINE 5:

COMMUNITY INFORMATION:

PRMC SERVES A REGION OF APPROXIMATELY 6 COUNTIES, MORE THAN 40,000 PEOPLE
LIVE WITHIN PRMC'S PRIMARY SERVICE AREA AND APPROXIMATELY 80,000 PEOPLE
RESIDE IN PRMC'S OVERALL SERVICE AREA REPRESENTED BY KERR, KENDALL,
KIMBLE, BANDERA, EDWARDS, GILLESPIE AND REAL COUNTIES. PRMC OPERATES
WITHIN A COMPETITIVE HEALTHCARE MARKETPLACE. LOCATED APPROXIMATELY 60
MILES NORTHWEST OF SAN ANTONIO, RESIDENTS OF THE TEXAS HILL COUNTRY HAVE
RELATIVELY EASY ACCESS TO THE SOUTH TEXAS MEDICAL CENTER, A MEDICAL
DISTRICT CONSISTING OF 45 MEDICALLY RELATED INSTITUTIONS- VARIOUS
SEPARATE MEDICAL, DENTAL AND NURSING SCHOOLS, TWELVE HOSPITALS AND FIVE
SPECIALTY INSTITUTIONS.

Part VI Supplemental Information

Provide the following information

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part II and Part III, lines 2, 3, 4, 8 and 9b
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B
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- 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

SCHEDULE H, PART V, LINE 5:

PROMOTION OF COMMUNITY HEALTH: PRMC ACTIVELY PROMOTES HEALTHCARE AND WELLNESS EDUCATION WITHIN THE COMMUNITIES WE SERVE THROUGH LOW OR NO COST SCREENINGS, MONTHLY EDUCATIONAL SEMINARS ADDRESSING IMPORTANT AND TIMELY MEDICAL ISSUES, EVENTS AND PUBLICATIONS. PRMC EMPLOYS A HEALTH AND WELLNESS COORDINATOR TO HELP ORGANIZE, SCHEDULE, AND EXECUTE THE COMMUNITY SEMINARS AND SCREENINGS. WORKING WITH LOCAL BUSINESSES, CHURCHES, COMMUNITY GROUPS, AND SENIORS, PRMC BRINGS INFORMATION AND EDUCATION OUT INTO THE COMMUNITIES WE SERVE THROUGH PROGRAMS LIKE THE FOLLOWING: ANNUAL: COMMUNITY FLU CLINIC CELEBRATE YOUR PREGNANCY ADOPT-A-HIGHWAY COMMUNITY MEMORIAL SERVICE BARK FOR LIFE WALK FOR LIFE MONTHLY EDUCATIONAL PRESENTATIONS, MEMBERSHIPS & SUPPORT GROUPS: 3RD SATURDAY AFFORDABLE LAB TESTING DIABETES SUPPORT GROUP COMMUNITY JOINT REPLACEMENT CLASS THE BABY PLACE: FOR MOMS-TO-BE AND THEIR PARTNERS DEMENTIA SUPPORT GROUP: CARING FOR A LOVED ONE SUPPORT & LEARNING CANCER SUPPORT GROUP STOMY SUPPORT GROUP STROKE SUPPORT GROUP MENTAL HEALTH SUPPORT GROUP PETERSON HOME CARE PLAZA ON THE RIVER BLOOD PRESSURE CHECKS LIFE AFTER LOSS BRIDGING THE GAP CHILDREN & PARENT GRIEF SUPPORT BLOOD

Part VI Supplemental Information

Provide the following information

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part II and Part III, lines 2, 3, 4, 8 and 9b
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B
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- 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

DRIVESBOY SCOUT LEADERSHIP YMCA BOARD OF DIRECTORS PARTICIPATION

SCHREINER UNIVERSITY NURSING PROGRAM MENTORSHIP ADVANCED DIRECTIVES/DNR

COMMUNITY WORK SHOPS TIVY HIGH SCHOOL BOARD OF DIRECTORS PARTICIPATION

SOUTH TEXAS BLOOD & TISSUE DRIVE COMMUNITY ART LENDING PROGRAM ROTARY CLUB

OF KERRVILLE REMARKABLE WOMEN COMMUNITY HEALTH FAIR COMMANCHE TRACE

MEDICAL LECTURE SERIES CAR SEAT SAFETY CLINIC THE MEN'S EVENT COMMUNITY

HEALTH WORK SHOP MOTHER-DAUGHTER COMMUNITY BUTTERFLY TEA AMERICAN CANCER

SOCIETY "RELAY FOR LIFE" EVENT COMMUNITY SKIN CANCER SCREENING TIVY /

INGRAM HIGH SCHOOL SHADOW DAY: CAREERS IN HEALTHCARE PRMC LADIES

AUXILIARY PATIENT & FAMILY ADVISORY COUNCIL FIRST AID & CPR BREASTFEEDING

CLASS CHILDBIRTH CLASS NEWBORN CARE & INFANT NUTRITION INFANT SAFETY &

CPR JUNIOR AUXILIARY ELEMENTARY SCHOOL PRESENTATIONS THERAPY & REHAB WEEK

CARING FOR YOUR KIDNEY HALO OF LOVE FAMILIES IN LITERACY COMFORT &

CONVERSATION

SCHEDULE H, PART V, LINE 6

PRMC IS NOT PART OF AN AFFILIATED HEALTH CARE SYSTEM.

Part VI Supplemental Information

Provide the following information

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part II and Part III, lines 2, 3, 4, 8 and 9b
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B
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- 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

SCHEDULE H, PART III, SECTION A, LINE 4

ACCOUNTS RECEIVABLE ARE REDUCED BY AN ALLOWANCE FOR DOUBTFUL ACCOUNTS. IN EVALUATING THE COLLECTABILITY OF ACCOUNTS RECEIVABLE, THE MEDICAL CENTER ANALYZES ITS PAST HISTORY AND IDENTIFIES TRENDS FOR EACH OF ITS MAJOR PAYER SOURCES OF REVENUE TO ESTIMATE THE APPROPRIATE ALLOWANCE FOR DOUBTFUL ACCOUNTS AND PROVISION FOR UNCOLLECTIBLE ACCOUNTS. MANAGEMENT REGULARLY REVIEWS DATA ABOUT THESE MAJOR PAYER SOURCES OF REVENUE IN EVALUATING THE SUFFICIENCY OF THE ALLOWANCE FOR DOUBTFUL ACCOUNTS. FOR RECEIVABLES ASSOCIATED WITH SERVICES PROVIDED TO PATIENTS WHO HAVE THIRD-PARTY COVERAGE, THE MEDICAL CENTER ANALYZES CONTRACTUALLY DUE AMOUNTS AND PROVIDES AN ALLOWANCE FOR DOUBTFUL ACCOUNTS AND A PROVISION FOR UNCOLLECTIBLE ACCOUNTS, IF NECESSARY. 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 MEDICAL CENTER RECORDS A SIGNIFICANT PROVISION FOR UNCOLLECTIBLE ACCOUNTS ON THE BASIS OF ITS PAST EXPERIENCE, WHICH INDICATES THAT MANY PATIENTS ARE UNABLE OR UNWILLING TO PAY THE PORTION OF THEIR BILL FOR WHICH THEY ARE FINANCIALLY RESPONSIBLE.

Part VI Supplemental Information

Provide the following information

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part II and Part III, lines 2, 3, 4, 8 and 9b
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B
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- 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

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 DOUBTFUL ACCOUNTS. THE MEDICAL CENTER'S ALLOWANCE FOR DOUBTFUL ACCOUNTS FOR SELF-PAY PATIENTS DECREASED FROM 93 PERCENT OF SELF-PAY ACCOUNTS RECEIVABLE AT JUNE 30, 2017, TO 92 PERCENT OF SELF-PAY ACCOUNTS RECEIVABLE AT JUNE 30, 2018. THE MEDICAL CENTER'S WRITE-OFFS DECREASED APPROXIMATELY \$1,940,000 FROM APPROXIMATELY \$21,773,000 FOR THE YEAR ENDED JUNE 30, 2017, TO APPROXIMATELY \$19,833,000 FOR THE YEAR ENDED JUNE 30, 2018. THE INCREASE IN THE ALLOWANCE FOR DOUBTFUL ACCOUNTS IS THE RESULT OF INCREASED RESOURCES TOWARDS THE COLLECTION OF ACCOUNTS RECEIVABLE AND STRICTER POLICIES REGARDING CHARITY CARE.

SCHEDULE H, PART I, LINE 3C

IN ADDITION TO FEDERAL POVERTY GUIDELINES, THE ORGANIZATION USED INSURANCE STATUS TO DETERMINE ELIGIBILITY FOR FREE OR DISCOUNTED CARE.

SCHEDULE I
(Form 990)**Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States**

OMB No 1545-0047

2017Department of the Treasury
Internal Revenue Service

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

► Attach to Form 990.

► Go to www.irs.gov/Form990 for the latest information.Name of the organization
SID PETERSON MEMORIAL HOSPITAL

Name of the organization

74-25557820

Employer identification number

Part I General Information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? Yes No
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

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

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

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

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

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

►

►

►

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

Part III can be duplicated if additional space is needed

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1 EDUCATION ASSISTANCE	10	45,000.			
2					
3					
4					
5					
6					
7					

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

PART I, QUESTION 2

IN ORDER TO BE ELIGIBLE TO RECEIVE FUNDS FROM PETERSON REGIONAL MEDICAL

CENTERYS SCHOOL OR WORK STUDY PROGRAMS, THE FOLLOWING CRITERIA MUST BE

MET: 1) A COPY OF THE STUDENT'S DEGREE PLAN FROM THE EDUCATIONAL

INSTITUTION 2) A COPY OF THE BILL3) THE REQUESTED COURSES FOR THE SEMESTER

4) A CURRENT COPY OF THE STUDENT'S FAFSA CONFIRMATION 5) E-MAIL/MOX FROM

THE UNIT MANAGER ACKNOWLEDGING THE STUDENT IS ENROLLING6) PERSONAL DATA

FROM CURRENT TO THIS SEMESTER 7) GRADES FROM ANY PREVIOUS PAID CLASSES

8) IF WORK STUDY, A COPY OF THE SIGNED PROMISSORY AGREEMENT 9) IF WORK

STUDY, THE APPLICATION. EVERY STUDENT IS REQUIRED TO COMPLETE AND PRESENT

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

Part III can be duplicated if additional space is needed.

	(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1						
2						
3						
4						
5						
6						
7						

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

THIS INFORMATION FOR EVERY SEMESTER THEY REQUEST SCHOLARSHIP FUNDS. THE REQUEST FOR FUNDS IS CONSIDERED ONLY AFTER ALL PAPERWORK IS TURNED IN AND PASSING GRADES FROM THE PREVIOUS SEMESTER FUNDS ARE PRESENTED.

SCHEDULE J
(Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

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

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

► Attach to Form 990.

► Go to www.irs.gov/Form990 for instructions and the latest information

OMB No 1545-0047

2017

Open to Public
Inspection

Name of the organization

SID PETERSON MEMORIAL HOSPITAL

Employer identification number

74-2557820

Part I Questions Regarding Compensation

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

First-class or charter travel
 Travel for companions
 Tax indemnification and gross-up payments
 Discretionary spending account

Housing allowance or residence for personal use
 Payments for business use of personal residence
 Health or social club dues or initiation fees
 Personal services (such as, maid, chauffeur, chef)

	Yes	No
1a		
1b		
2		
3		
4a		X
4b	X	
4c	X	
5a		X
5b		X
6a		X
6b		X
7		X
8		X
9		

b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

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

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

Compensation committee
 Independent compensation consultant
 Form 990 of other organizations

Written employment contract
 Compensation survey or study
 Approval by the board or compensation committee

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

a Receive a severance payment or change-of-control payment?
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?
c Participate in, or receive payment from, an equity-based compensation arrangement?

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

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

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

a The organization?
b Any related organization?

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

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

a The organization?
b Any related organization?

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

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

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

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

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

Schedule J (Form 990) 2017

Schedule J (Form 990) 2017

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

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

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

(A) Name and Title	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 J. STEPHEN PAULTER COO	(i) 240,843.	20,000.	0.	0.	27,620.	5,332.	293,795.
	(ii) 0.	0.	0.	0.	0.	0.	0.
2 JOSEPH PISZCZOR VP OPERATIONS	(i) 151,882.	20,000.	0.	0.	10,632.	15,098.	197,612.
	(ii) 0.	0.	0.	0.	0.	0.	0.
3 KAELI DRESSLER CNO	(i) 157,186.	21,920.	0.	0.	13,509.	3,117.	195,732.
	(ii) 0.	0.	0.	0.	0.	0.	0.
4 LISA MEDOVICH CEO	(i) 239,179.	40,000.	0.	0.	16,742.	8,148.	304,069.
	(ii) 0.	0.	0.	0.	0.	0.	0.
5 J. PATRICK MURRAY CEO	(i) 339,997.	960.	0.	0.	809,297.	13,414.	1,163,668.
	(ii) 0.	0.	0.	0.	0.	0.	0.
6 SHANE ANDERS RN IV	(i) 169,928.	1,121.	0.	0.	6,962.	5,451.	183,462.
	(ii) 0.	0.	0.	0.	0.	0.	0.
7 RON WALTON SR DIRECTOR OF REVENUE CYCLE	(i) 140,400.	10,675.	0.	0.	4,212.	10,298.	165,585.
	(ii) 0.	0.	0.	0.	0.	0.	0.
8 PAULETTE NEWLIN NURSING SUPERVISOR	(i) 155,436.	437.	0.	0.	10,881.	3,367.	170,121.
	(ii) 0.	0.	0.	0.	0.	0.	0.
9 SUSAN ROIG CLINICAL COORDINATOR	(i) 129,168.	621.	0.	0.	20,442.	3,144.	153,375.
	(ii) 0.	0.	0.	0.	0.	0.	0.
10							
11							
12							
13							
14							
15							
16							

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.

PART I, QUESTION 4B

PERSONS PARTICIPATING IN, OR RECEIVING PAYMENT FROM, A RETIREMENT PLAN:

THE FOLLOWING INDIVIDUALS PARTICIPATED IN A SERP PLAN. AMOUNTS FOR THE

CURRENT YEAR WERE AS FOLLOWS:

PARTICIPANTS IN SERP	REPORTED IN W-2	DEFERRED COMPENSATION
----------------------	-----------------	-----------------------

STEVE PAUTLER	NONE	\$ 16,781
PAT MURRAY	NONE	\$ 785,186
KAELI DRESSLER	NONE	NONE
JOE PISZCZOR	NONE	NONE

INDIVIDUALS ARE NOT ELIGIBLE TO RECEIVE ANY FUNDS UNTIL AFTER 5 YEARS OF SERVICE OR RETIRE AFTER 3 YEARS OF PROGRAM IMPLEMENTATION. SERVICE OR RETIRE AFTER 3 YEARS OF PROGRAM IMPLEMENTATION.

SCHEDULE K
(Form 990)

OMB No 1545-0047

2017Department of the Treasury
Internal Revenue ServiceName of the organization
SID PETERSON MEMORIAL HOSPITAL
Supplemental Information on Tax-Exempt Bonds

► Complete if the organization answered "Yes" on Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part VI.

► Attach to Form 990.

► Go to www.irs.gov/Form990 for instructions and the latest information.Name of the organization
SID PETERSON MEMORIAL HOSPITALOpen to Public
InspectionEmployer identification number
74-2557820**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) Pooled financing
A CITY OF KERRVILLE, TX HEALTH FACILITIES DEV CORP	20-3591155	492436A23	11/24/2015	59,726,042	TO REFINANCE 2005 BONDS	X	X	X
B								
C								
D								

Part II Proceeds

	A	B	C	D				
1 Amount of bonds retired								
2 Amount of bonds legally defeased								
3 Total proceeds of issue				59,726,042.				
4 Gross proceeds in reserve funds								
5 Capitalized interest from proceeds								
6 Proceeds in refunding escrows								
7 Issuance costs from proceeds				1,053,005.				
8 Credit enhancement from proceeds								
9 Working capital expenditures from proceeds								
10 Capital expenditures from proceeds								
11 Other spent proceeds								
12 Other unspent proceeds								
13 Year of substantial completion				2015				
	Yes	No	Yes	No	Yes	No	Yes	No
14 Were the bonds issued as part of a current refunding issue?		X						
15 Were the bonds issued as part of an advance refunding issue?		X						
16 Has the final allocation of proceeds been made?		X						
17 Does the organization maintain adequate books and records to support the final allocation of proceeds?		X						

Part III Private Business Use

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

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

JSA 7EF2851.000

Part III Private Business Use (Continued)

CITY OF KERRVILLE, TX HEALTH FACILITIES DEV CORP

	A	B	C	D
	Yes	No	Yes	No
3a Are there any management or service contracts that may result in private business use of bond-financed property?	X			
b If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?				
c Are there any research agreements that may result in private business use of bond-financed property?				
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?	X			
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			
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			
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			

Part IV Arbitrage

	A	B	C	D
	Yes	No	Yes	No
1 Has the issuer filed Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate?	X			
2 If "No" to line 1, did the following apply?				
a Rebate not due yet?	X			
b Exception to rebate?				
c No rebate due?	X			
d 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			
4a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?	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														
5a	Were gross proceeds invested in a guaranteed investment contract (GIC)?																
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?																
7	Has the organization established written procedures to monitor the requirements of section 148?																

Part V Procedures To Undertake Corrective Action

		A				B				C				D			
		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 isn't available under applicable regulations?																	

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

SCHEDULE O
(Form 990 or 990-EZ)Department of the Treasury
Internal Revenue Service**Supplemental Information to Form 990 or 990-EZ**Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

► Attach to Form 990 or 990-EZ.

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

OMB No 1545-0047

2017**Open to Public
Inspection**

Name of the organization

SID PETERSON MEMORIAL HOSPITAL

Employer identification number

74-2557820

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

PROCESS TO REVIEW THE FORM 990: THE ORGANIZATION PREPARES THE FORM 990

AND THE FORM IS REVIEWED BY THE ORGANIZATION'S INTERNAL ACCOUNTANTS PRIOR

TO FILING.

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

REVIEW OF CEO OR TOP MGMT OFFICIAL COMPENSATION:

THE BOARD OF DIRECTORS USED AN OUTSIDE AGENCY TO CONDUCT A MARKET SURVEY.

THE RESULTS OF THE SURVEY WERE USED TO DETERMINE THE CEO'S SALARY FOR THE

YEAR.

FORM 990, PART VI, SECTION C, LINE 19

GOVERNING DOCUMENTS AVAILABLE TO THE PUBLIC:

THE ORGANIZATION MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST

POLICY, AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC UPON REQUEST.

FORM 990, PART VI, QUESTION 12C

PROCESS FOR MONITORING COMPLIANCE WITH CONFLICT OF INTEREST POLICY: THE

ORGANIZATION INTERNALLY REVIEWS TRANSACTIONS FOR POSSIBLE CONFLICT ON A

ROUTINE BASIS THROUGHOUT THE YEAR. ALL BOARD MEMBERS ARE COVERED UNDER

THIS POLICY. THE BOARD REVIEWS ALL POSSIBLE CONFLICTS.

FORM 990, PART III, LINE 4D

DESCRIPTION OF OTHER PROGRAM SERVICES: THE ORGANIZATION HAS ONE LAB

Name of the organization

SID PETERSON MEMORIAL HOSPITAL

Employer identification number

74-2557820

OFF-SITE OUTREACH LOCATION. THERE WERE 16,007 LAB TESTS PERFORMED FOR THE YEAR.

FORM 990, PART XI, LINE 9

OTHER CHANGES IN NET ASSETS OF FUND BALANCES:

TRANSFER TO AFFILIATES: (5,803,265)

NET ASSETS RELEASED FROM RESTICTION: (99,985)

CLASSIFICATION DIFFERENCE: (26,267)

ATTACHMENT 1

FORM 990, PART III - PROGRAM SERVICE, LINE 4A

PETERSON REGIONAL MEDICAL CENTER IS A PRIVATE, NOT-FOR-PROFIT COMMUNITY HOSPITAL IN KERRVILLE, TEXAS. KERRVILLE IS LOCATED IN KERR COUNTY, APPROXIMATELY 60 MILES NORTHWEST OF SAN ANTONIO AND 80 MILES SOUTH WEST OF AUSTIN. PETERSON REGIONAL MEDICAL CENTER SERVES THE COMMUNITIES AND RESIDENTS IN THE FOLLOWING COUNTIES:

KERR, BANDERA, GILLESPIE, KIMBLE, EDWARDS AND REAL. PETERSON REGIONAL MEDICAL CENTER ANCHORS A 35-ACRE CAMPUS INCLUDING A 124 BED ACUTE CARE HOSPITAL PROVIDING SERVICES INCLUDING: 24/7 EMERGENCY DEPARTMENT, WOMEN'S SERVICES (INCLUDING MATERNAL/NEWBORN), ACUTE INPATIENT REHABILITATION, ORTHOPEDICS, GENERAL SURGERY, DIAGNOSTIC IMAGING, INTENSIVE CARE UNIT, AND LABORATORY. ON THE SAME CAMPUS IS AN AMBULATORY CARE CENTER PROVIDING OUTPATIENT REHAB SERVICES, OUTPATIENT SURGERY, OUTPATIENT DIAGNOSTIC IMAGING AND HYPERBARIC WOUND CARE. PETERSON HOSPICE SERVICE AND PETERSON HOME CARE SERVICES ARE ALSO MEMBERS OF THE PETERSON REGIONAL FAMILY OF SERVICES BUT LOCATED OFF-SITE.

Name of the organization

SID PETERSON MEMORIAL HOSPITAL

Employer identification number

74-2557820

ATTACHMENT 2FORM 990, PART III - PROGRAM SERVICE, LINE 4B

PETERSON HOME CARE - PETERSON HOME CARE PROVIDES A COMPREHENSIVE TEAM OF HEALTHCARE PROFESSIONALS TO THE RESIDENTS OF THE HILL COUNTRY, SPECIFICALLY KERR, GILLESPIE AND BANDERA COUNTIES.

PETERSON HOME CARE IS A NOT-FOR PROFIT ORGANIZATION PROVIDING A COMPREHENSIVE RANGE OF PROFESSIONAL SERVICES INCLUDING: NURSING CARE, PHYSICAL AND SPEECH THERAPY, OSTOMY AND WOUND CARE, IV ANTIBIOTICS, CHEMOTHERAPY, AIDE SERVICES AND MEDICATION MANAGEMENT. ALL SERVICES ARE COORDINATED THROUGH AN INTERDISCIPLINARY APPROACH TO PATIENT CARE AND ESTABLISHED UNDER A PLAN OF TREATMENT OF A PHYSICIAN. DIAGNOSTIC AND LABORATORY SERVICES, AS WELL AS MEDICAL AND SURGICAL SUPPLIES ARE ALSO PROVIDED IN CONJUNCTION WITH SKILLED CARE. HOME CARE HAD 1,291 ADMISSIONS DURING THE YEAR AND 23,793 VISITS.

ATTACHMENT 3FORM 990, PART III - PROGRAM SERVICE, LINE 4C

PETERSON HOSPICE IS A DEPARTMENT OF PRMC AND IS LOCATED OFF CAMPUS. IT OPERATES AS ONE OF THE HOSPITAL'S MANY OUTREACHES FOR THE HILL COUNTRY COMMUNITIES IT SERVES. PETERSON HOSPICE IS THE ONLY NON-PROFIT HOSPICE IN THE HILL COUNTRY WITH A MISSION THAT NO ONE WILL BE DENIED HOSPICE CARE BECAUSE OF AN INABILITY TO PAY. IN ADDITION TO PROVIDING HOSPICE CARE, PETERSON HOSPICE ALSO PROVIDES THE FOLLOWING UNFUNDDED COMMUNITY SERVICES: 1. NAVIGATING THE WATERS OF GRIEF ~ A SIX WEEK GRIEF SUPPORT GROUP FOR ADULTS. THIS

Name of the organization

SID PETERSON MEMORIAL HOSPITAL

Employer identification number

74-2557820

ATTACHMENT 3 .(CONT'D)

PROGRAM IS FACILITATED TWICE A YEAR BY A GRIEF EXPERT WHO IS A LICENSED MEDICAL SOCIAL WORKER (MSW). NAVIGATING THE WATERS OF GRIEF WORKS CLOSELY WITH HILL COUNTRY CLERGY AND THE LOCAL COMMUNITIES TO SERVE HOSPICE FAMILIES AS WELL AS OTHERS FACING THE LOSS OF A LOVED ONE OR FRIEND. 2. BRIDGING THE GAP ~ A SIX WEEK GRIEF SUPPORT GROUP FOR CHILDREN AGES KINDER THROUGH 12TH GRADE. THIS PROGRAM GIVES THEM THE TOOLS THEY NEED TO WORK THROUGH THE GRIEVING PROCESS. THE PARENTS ATTEND AS WELL TO OPEN COMMUNICATION AND FEELINGS TO HELP THE CHILD DEAL WITH GRIEF AT THEIR AGE APPROPRIATE LEVEL. BTG WORKS WITH ALL HILL COUNTRY SCHOOLS AND THEIR COUNSELORS. THE LOCAL COMMUNITY SERVES AS FACILITATORS AND VOLUNTEERS FOR THIS EXCELLENT PROGRAM. 3. CAMP RAYS OF HOPE ~ IS A STATEWIDE PROGRAM WHICH IS A WEEKEND RETREAT FOR GRIEVING CHILDREN THAT INCORPORATES THE PARENTS AS WELL. THE CHILDREN LEARN NEW WAYS TO COPE WITH THEIR LOSS, AND TO MEET OTHERS WITH SIMILAR CIRCUMSTANCES TO REMEMBER SPECIAL TIMES, TO MAKE NEW FRIENDS, AND TO HAVE FUN. 4. FLORAL PROGRAM ~ IS A VOLUNTEER DRIVEN PROGRAM THAT DELIVERS FLOWERS TO OUR PATIENTS. THE LOCAL FLORISTS IN THE AREA DONATE THE FLOWERS AND VOLUNTEERS ARRANGE AND DELIVER THEM. VOLUNTEERS ALSO SUPPORT FAMILIES AND PATIENTS WITH THEIR VISITS. 5. PATHWAYS ~ THIS VOLUNTEER OUTREACH OFFERS HOME BASED SOCIAL AND EMOTIONAL SUPPORT TO CLIENTS WITH AN ILLNESS THAT HAS A LIMITED LIFE EXPECTANCY BUT IS NOT YET HOSPICE APPROPRIATE. VOLUNTEERS HELP REDUCE THE ISOLATION AND VULNERABILITY THAT CLIENTS AND FAMILIES EXPERIENCE DURING A DIFFICULT TIME. EDUCATION IS AVAILABLE THROUGH PRMC RESOURCES REGARDING DISEASE PROCESSES,

Name of the organization

SID PETERSON MEMORIAL HOSPITAL

Employer identification number

74-2557820

ATTACHMENT 3 (CONT'D)

COPING STRATEGIES, ADVANCE DIRECTIVES, AND PRACTICAL AND SPIRITUAL

ISSUES. THIS SUPPORT HELPS CLIENTS DEFINE THEIR QUALITY OF LIFE.

6. COMMUNITY SERVE PROGRAM ~ OFFERING OPPORTUNITIES FOR CITIZENS

TO FULFILL COURT OBLIGATIONS IN A BENEFICIAL MANNER. 366

ADMISSIONS ACCOUNTED FOR 35,985 PATIENT DAYS.

ATTACHMENT 4FORM 990, PART III, LINE 4D - OTHER PROGRAM SERVICES

<u>DESCRIPTION</u>	<u>GRANTS</u>	<u>EXPENSES</u>	<u>REVENUE</u>
ONE LAB OFF-SITE OUTREACH LOCATION			101,806.
TOTALS			<u>101,806.</u>

ATTACHMENT 5990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS

<u>NAME AND ADDRESS</u>	<u>DESCRIPTION OF SERVICES</u>	<u>COMPENSATION</u>
LUKER PHARMACY MANAGEMENT PO BOX 1072 BLANCO, TX 78606	RX MANAGEMENT	2,594,391.
SOUND PHYSICIANS 1123 PACIFIC AVE TACOMA, WA 98402	PHYSICIAN	2,612,975.
ROGERS-OBRIEN CONSTRUCTION CO 1901 REGAL ROW DALLAS, TX 75235	CONSTRUCTION	2,694,283.
HEALTH CAROUSEL, LLC P.O. BOX 714216 CINCINNATI, OH 45271	CONTRACT LABOR	2,056,508.
SODEXO CTM PO BOX 41500 NASHVILLE, TN 37241-5000	DIETARY&HOUSEKEEPING	1,468,916.

SCHEDULE R
(Form 990)**Related Organizations and Unrelated Partnerships**

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

► Attach to Form 990.

► Go to www.irs.gov/Form990 for instructions and the latest information.Department of the Treasury
Internal Revenue ServiceName of the organization
SID PETERSON MEMORIAL HOSPITALOMB No 1545-0047
2017Open to Public
InspectionName of the organization
SID PETERSON MEMORIAL HOSPITAL

74-2557820

Employer identification number
74-2557820**Part I Identification of Disregarded Entities.** Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

(a)	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					

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?
(1) PETERSON REGIONAL MEDICAL CENTER FDN 551 HILL COUNTRY DRIVE KERRVILLE, TX 78028	74-2645149 SUPPORT	TX	501 (C) (3)	11A	PRMC	Yes
(2) HEALTHCARE PARTNERSHIP GRTR SAN ANTONIO 551 HILL COUNTRY DRIVE KERRVILLE, TX 78028	45-0599888 SUPPORT	TX	501 (C) (3)	7	PRMC	No
(3)						
(4)						
(5)						
(6)						
(7)						

Schedule R (Form 990) 2017

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

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) Disposition(s) situations?	(i) Code V - UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?	(k) Percentage ownership
(1)										
(2)										
(3)										
(4)										
(5)										
(6)										
(7)										

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?	(j) Yes/No
(1) PETERSON MEDICAL ASSOCIATES 551 HILL COUNTRY DR KERRVILLE, TX 78028	27-2184637	HEALTHCARE	TX	PRMC	509 (A) C corp	-5,643,074	434,835,100	0000 x	
(2)									
(3)									
(4)									
(5)									
(6)									
(7)									

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

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

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

- a Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity.
- b Gift, grant, or capital contribution to related organization(s)
- c Gift, grant, or capital contribution from related organization(s)
- d Loans or loan guarantees to or for related organization(s)
- e Loans or loan guarantees by related organization(s)
- f Dividends from related organization(s)
- g Sale of assets to related organization(s)
- h Purchase of assets from related organization(s)
- i Exchange of assets with related organization(s)
- j Lease of facilities, equipment, or other assets to related organization(s)
- k Lease of facilities, equipment, or other assets from related organization(s)
- l Performance of services or membership or fundraising solicitations for related organization(s)
- m Performance of services or membership or fundraising solicitations by related organization(s)
- n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)
- o Sharing of paid employees with related organization(s)
- p Reimbursement paid to related organization(s) for expenses
- q Reimbursement paid by related organization(s) for expenses
- r Other transfer of cash or property to related organization(s)
- s Other transfer of cash or property from related organization(s)

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

	(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1)	PETERSON REGIONAL MEDICAL CENTER FOUNDATION	C		FMV
(2)				
(3)				
(4)				
(5)				
(6)				

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

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

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(e) Are all partners in section 501(c)(3) organizations?	(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)												
(2)												
(3)												
(4)												
(5)												
(6)												
(7)												
(8)												
(9)												
(10)												
(11)												
(12)												
(13)												
(14)												
(15)												
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Part VII Supplemental Information

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