

EXTENDED TO MAY 15, 2019

Form **990**Department of the Treasury
Internal Revenue Service**Return of Organization Exempt From Income Tax**

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

OMB No 1545-0047

2017Open to Public
Inspection

▶ 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.

A For the 2017 calendar year, or tax year beginning **JUL 1, 2017** and ending **JUN 30, 2018**

B Check if applicable: ☐ Address change ☐ Name change ☐ Initial return ☐ Final return/terminated ☐ Amended return ☐ Application pending	C Name of organization LOS NINOS HOSPITAL, INC.		D Employer identification number 86-0892673
	Doing business as		E Telephone number 602-243-4231
	Number and street (or P.O. box if mail is not delivered to street address) 1402 E. SOUTH MOUNTAIN AVENUE	Room/suite	G Gross receipts \$ 14,197,510.
	City or town, state or province, country, and ZIP or foreign postal code PHOENIX, AZ 85040		H(a) Is this a group return for subordinates? ☐ Yes ☒ No H(b) Are all subordinates included? ☐ Yes ☐ No
F Name and address of principal officer PERRY PETRILLO SAME AS C ABOVE			
I Tax-exempt status ☒ 501(c)(3) ☐ 501(c)() (insert no.) ☐ 4947(a)(1) or ☐ 527			
J Website: WWW.HACIENDAHEALTHCARE.ORG			
K Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other			
L Year of formation: 1997 M State of legal domicile: AZ			

Part I Summary																																																											
Activities & Governance	1 Briefly describe the organization's mission or most significant activities CHILDREN'S HOSPITAL SERVING THE NEEDS OF ACUTE AND CHRONICALLY ILL PATIENTS																																																										
	2 Check this box ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets																																																										
	3 Number of voting members of the governing body (Part VI, line 1a) 9																																																										
	4 Number of independent voting members of the governing body (Part VI, line 1b) 9																																																										
	5 Total number of individuals employed in calendar year 2017 (Part V, line 2a) 148																																																										
	6 Total number of volunteers (estimate if necessary) 185																																																										
	7a Total unrelated business revenue from Part VIII, column (C), line 12 0.																																																										
	7b Net unrelated business taxable income from Form 990-T, line 34 0.																																																										
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Part II Signature Block	
Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.	
Sign Here	Signature of officer PERRY PETRILLO, INTERIM CEO Date 5/22/19
Paid Preparer Use Only	Print/Type preparer's name COLETTE KAMPS, CPA Preparer's signature COLETTE KAMPS, CPA Date 05/21/19 Check if self-employed ☐ PTIN P00367616 Firm's name HENRY & HORNE, LLP Firm's EIN 86-0133881 Firm's address 2055 E WARNER ROAD, SUITE 101 TEMPE, AZ 85284 Phone no. 480-839-4900

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

g-54

Part III Statement of Program Service Accomplishments

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

☒ X

1 Briefly describe the organization's mission

TO PROVIDE ACUTE AND SUBACUTE HOSPITAL CARE TO INFANTS, CHILDREN AND TEENS.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?

☐ Yes ☒ No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services?

☐ Yes ☒ No

If "Yes," describe these changes on Schedule O

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code _____) (Expenses \$ 2,908,205. including grants of \$ _____) (Revenue \$ 3,151,027.)
HOME HEALTH CARE: HOME HEALTH CARE SPECIALIZES IN THE CARE OF INFANTS, CHILDREN AND ADULTS WITH SPECIAL HEALTH CARE NEEDS REQUIRING HOME HEALTH CARE FROM NURSES AND THERAPISTS WITH SPECIAL TRAINING.

4b (Code _____) (Expenses \$ 2,212,588. including grants of \$ _____) (Revenue \$ 3,143,410.)
VENTILATOR PROGRAM: THE VENTILATOR PROGRAM ENABLES VENTILATOR DEPENDENT INDIVIDUALS TO FUNCTION IN SOCIETY AT THE OPTIMAL LEVEL OF THEIR CAPABILITIES AND POTENTIAL BY COMBINING TECHNOLOGY, SERVICES AND MEDICAL SUPPLIES. THIS IS ACHIEVED BY PROVIDING PRODUCTS, EDUCATION, TRAINING AND ON-GOING MONITORING OF EQUIPMENT. THE VENTILATOR PROGRAM PROVIDES SERVICE ON VENTILATORS AND OTHER MEDICAL EQUIPMENT IN PATIENTS' HOMES, AS WELL AS A HOME ENTERAL FEEDING SERVICE THAT SERVES THE NUTRITIONAL NEEDS OF MEDICALLY FRAGILE PATIENTS BY PROVIDING FORMULA AND SUPPLIES.

4c (Code _____) (Expenses \$ 380,521. including grants of \$ _____) (Revenue \$ 82,210.)
INPATIENT PROGRAM: INPATIENT CARE IS A 15-BED, FAMILY ORIENTED HOSPITAL SPECIALIZING IN HIGH QUALITY ACUTE AND SUB-ACUTE CARE FOR INFANTS, CHILDREN AND TEENS.

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

(Expenses \$ 684,039. including grants of \$ _____) (Revenue \$ 890,986.)4e Total program service expenses **6,185,353.**

Form 990 (2017)

Part IV Checklist of Required Schedules

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

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

Part IV Checklist of Required Schedules (continued)

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

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

Form 990 (2017)

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.	3	
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	0	
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		
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.	148	
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	X	
Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).			
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?		X
b	If "Yes," has it filed a Form 990-T for this year? If "No," to line 3b, provide an explanation in Schedule O.		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		X
b	If "Yes," enter the name of the foreign country: 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?		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
d	If "Yes," indicate the number of Forms 8282 filed during the year.	7d	
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
8	Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?		
9	Sponsoring organizations maintaining donor advised funds.		
a	Did the sponsoring organization make any taxable distributions under section 4966?		
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter:		
a	Initiation fees and capital contributions included on Part VIII, line 12.	10a	
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.	10b	
11	Section 501(c)(12) organizations. Enter:		
a	Gross income from members or shareholders.	11a	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b	
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a	
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year.	12b	
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
a	Is the organization licensed to issue qualified health plans in more than one state?	13a	
Note. See the instructions for additional information the organization must report on Schedule O.			
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans.	13b	
c	Enter the amount of reserves on hand.	13c	
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a	X
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O.	14b	

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

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

Section A. Governing Body and Management

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

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

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

Section C. Disclosure

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

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 **THE ORGANIZATION - 602-243-4231**
1402 E. SOUTH MOUNTAIN AVENUE, PHOENIX, AZ 85040

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

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

☒**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees****1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

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

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) JIME GERDES BOARD MEMBER	0.50 1.50	X						0.	0.	0.
(2) PATRICK WHITE BOARD MEMBER	0.50 1.50	X						0.	0.	0.
(3) THOM NIEMIEC BOARD MEMBER	0.50 1.50	X						0.	0.	0.
(4) KEVIN BERGER BOARD MEMBER	0.50 1.50	X						0.	0.	0.
(5) GARY ORMAN EXECUTIVE VICE PRESIDENT	1.00 3.00	X		X				0.	0.	0.
(6) TOM POMEROY PRESIDENT	1.00 3.00	X		X				0.	0.	0.
(7) MIKE WADE SECRETARY	1.00 3.00	X		X				0.	0.	0.
(8) RALPH WALLWORK TREASURER	1.00 3.00	X		X				0.	0.	0.
(9) KATHRYN L DEL REAL VICE PRESIDENT	1.00 3.00	X		X				0.	0.	0.
(10) WILLIAM TIMMONS CHIEF EXECUTIVE OFFICER	10.00 30.00			X				0.	682,028.	57,923.
(11) JOSEPH O'MALLEY CHIEF FINANCIAL OFFICER	10.00 30.00			X				0.	231,253.	27,423.
(12) KEVIN PAYNE CHIEF OPERATING OFFICER OP	10.00 30.00			X				0.	183,534.	38,792.
(13) LAURA WORTHY CONTROLLER	10.00 30.00					X		0.	117,899.	21,149.
(14) DEBRA KULKAY DIRECTOR OF REVENUE	10.00 30.00					X		0.	110,052.	0.
(15) NANCY SALMON VP- CORP. COMMUNICATIONS	10.00 30.00					X		0.	105,848.	3,017.
(16) JOHN WIDDER DIRECTOR HOME MEDICAL SERVICES	40.00 0.00					X		150,592.	0.	13,071.
(17) DAVENA BALLARD DIRECTOR OF SYNAGIS	40.00 0.00					X		147,196.	0.	13,186.

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

[illegible]

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

2

		Yes	No
3	Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		X
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	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? <i>If "Yes," complete Schedule J for such person</i>		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
HACIENDA, INC., 1402 E. SOUTH MOUNTAIN AVE., PHOENIX, AZ 85042	MANAGEMENT SERVICES	469,873.
2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization ▶		1

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

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512 - 514
Contributions, Gifts, Grants and Other Similar Amounts	1 a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations	1d				
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	115,315.			
	g	Noncash contributions included in lines 1a-1f \$					
	h	Total. Add lines 1a-1f		115,315.			
Program Service Revenue	2 a	PRIVATE PATIENT REVENUE	Business Code 623990	4,131,941.	4,131,941.		
	b	GOVERNMENT PATIENT REVENUE	623990	2,755,546.	2,755,546.		
	c	THERAPY INCOME FROM RELATED AFFIL	621610	200,327.	200,327.		
	d	VENT EQUIPMENT RENTAL INCOME	623990	149,013.	149,013.		
	e	DISPROPORTIONATE SHARE HOSPITAL R	621610	30,806.	30,806.		
	f	All other program service revenue					
	g	Total. Add lines 2a-2f		7,267,633.			
	3	Investment income (including dividends, interest, and other similar amounts)		180,139.			180,139.
4	Income from investment of tax-exempt bond proceeds						
5	Royalties						
Other Revenue	6 a	Gross rents	(i) Real (ii) Personal				
	b	Less rental expenses					
	c	Rental income or (loss)					
	d	Net rental income or (loss)					
	7 a	Gross amount from sales of assets other than inventory	(i) Securities (ii) Other 6,575,790. 58,633.				
	b	Less cost or other basis and sales expenses	6,470,930. 695,818.				
	c	Gain or (loss)	104,860. <637,185.>				
	d	Net gain or (loss)		<532,325.>	<637,185.>		104,860.
	8 a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18	a				
	b	Less direct expenses	b				
	c	Net income or (loss) from fundraising events					
	9 a	Gross income from gaming activities See Part IV, line 19	a				
	b	Less direct expenses	b				
	c	Net income or (loss) from gaming activities					
	10 a	Gross sales of inventory, less returns and allowances	a				
	b	Less cost of goods sold	b				
	c	Net income or (loss) from sales of inventory					
	Miscellaneous Revenue			Business Code			
11 a							
b							
c							
d	All other revenue						
e	Total. Add lines 11a-11d						
12	Total revenue. See instructions		7,030,762.	6,630,448.	0.	284,999.	

Part IX Statement of Functional Expenses

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

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21				
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees				
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	3,366,534.	3,366,534.		
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	15,407.	15,407.		
9 Other employee benefits	219,997.	203,489.	16,508.	
10 Payroll taxes	475,100.	475,100.		
11 Fees for services (non-employees).	469,873.		469,873.	
a Management				
b Legal				
c Accounting				
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)	56,337.	37,337.	19,000.	
12 Advertising and promotion	8,512.	8,512.		
13 Office expenses	11,436.	11,436.		
14 Information technology				
15 Royalties				
16 Occupancy	282,066.	274,136.	7,930.	
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest	781.		781.	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	307,422.	232,302.	75,120.	
23 Insurance	112,660.	111,276.	1,384.	
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a SUPPLIES	1,273,578.	1,273,578.		
b EQUIPMENT EXPENSE	132,480.	66,432.	66,048.	
c MISCELLANEOUS	123,013.	86,166.	36,847.	
d FLEET EXPENSES	14,693.	14,693.		
e All other expenses	9,164.	8,955.	209.	
25 Total functional expenses Add lines 1 through 24e	6,879,053.	6,185,353.	693,700.	0.
26 Joint costs Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

Check here ☐ if following SOP 98-2 (ASC 958-720)

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

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	8,378,444.	1	143,152.
	2 Savings and temporary cash investments	0.	2	1,181,086.
	3 Pledges and grants receivable, net	70,000.	3	0.
	4 Accounts receivable, net	1,316,932.	4	1,008,351.
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L.		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instr). Complete Part II of Sch L.		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use	1,323,634.	8	35,020.
	9 Prepaid expenses and deferred charges	25,366.	9	16,475.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D.	10a 4,373,739.		
	b Less accumulated depreciation	10b 3,524,420.	10c	849,319.
	11 Investments - publicly traded securities	9,020,429.	11	11,195,143.
	12 Investments - other securities. See Part IV, line 11.		12	
	13 Investments - program-related. See Part IV, line 11.		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11.	10.	15	0.
16 Total assets. Add lines 1 through 15 (must equal line 34).	21,793,907.	16	14,428,546.	
Liabilities	17 Accounts payable and accrued expenses	820,711.	17	654,759.
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D.		21	
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L.		22	
	23 Secured mortgages and notes payable to unrelated third parties	700,000.	23	700,000.
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D.		25	
	26 Total liabilities. Add lines 17 through 25.	1,520,711.	26	1,354,759.
	Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here ☒ and complete lines 27 through 29, and lines 33 and 34.		
27 Unrestricted net assets		20,263,744.	27	13,072,402.
28 Temporarily restricted net assets		9,452.	28	1,385.
29 Permanently restricted net assets			29	
Organizations that do not follow SFAS 117 (ASC 958), check here ☐ and complete lines 30 through 34.				
30 Capital stock or trust principal, or current funds			30	
31 Paid-in or capital surplus, or land, building, or equipment fund			31	
32 Retained earnings, endowment, accumulated income, or other funds			32	
33 Total net assets or fund balances		20,273,196.	33	13,073,787.
34 Total liabilities and net assets/fund balances		21,793,907.	34	14,428,546.

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	7,030,762.
2	Total expenses (must equal Part IX, column (A), line 25)	2	6,879,053.
3	Revenue less expenses Subtract line 2 from line 1	3	151,709.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	20,273,196.
5	Net unrealized gains (losses) on investments	5	846,087.
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	<8,197,205.>
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	13,073,787.

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

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

Form 990 (2017)

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ.

▶ 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

LOS NINOS HOSPITAL, INC.

Employer identification number

86-0892673

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

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

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

f Enter the number of supported organizations

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

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

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

(Complete only if you checked the box on line 5, 7, 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. ► ☐						

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. ► ☐		
b 33 1/3% support test - 2016. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization. ► ☐		
17a 10% -facts-and-circumstances test - 2017. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization. ► ☐		
b 10% -facts-and-circumstances test - 2016. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization. ► ☐		
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions. ► ☐		

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.")	44,965.	1140701.	9,164.	38,362.	115,315.	1348507.
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	15697744.	13074504.	11815697.	11511576.	7267633.	59367154.
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	15742709.	14215205.	11824861.	11549938.	7382948.	60715661.
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						0.
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						0.
c Add lines 7a and 7b						0.
8 Public support. (Subtract line 7c from line 6.)						60715661.

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	15742709.	14215205.	11824861.	11549938.	7382948.	60715661.
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources	373,602.	468,268.	421,434.	87,208.	180,139.	1530651.
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b	373,602.	468,268.	421,434.	87,208.	180,139.	1530651.
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.)	48,933.	42,310.	45,909.	385,266.		522,418.
13 Total support. (Add lines 9, 10c, 11, and 12.)	16165244.	14725783.	12292204.	12022412.	7563087.	62768730.

14 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ☐

Section C. Computation of Public Support Percentage

15 Public support percentage for 2017 (line 8, column (f) divided by line 13, column (f))	15	96.73 %
16 Public support percentage from 2016 Schedule A, Part III, line 15	16	96.73 %

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2017 (line 10c, column (f) divided by line 13, column (f))	17	2.44 %
18 Investment income percentage from 2016 Schedule A, Part III, line 17	18	2.53 %

19a **33 1/3% support tests - 2017.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ☒

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

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

Part IV Supporting Organizations

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

Section A. All Supporting Organizations

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

Part IV Supporting Organizations (continued)

- 11** Has the organization accepted a gift or contribution from any of the following persons?
- a** A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization?
- b** A family member of a person described in (a) above?
- c** A 35% controlled entity of a person described in (a) or (b) above? *If "Yes" to a, b, or c, provide detail in Part VI.*

	Yes	No
11a		
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).
- a** ☐ The organization satisfied the Activities Test. *Complete line 2 below.*
- b** ☐ The organization is the parent of each of its supported organizations. *Complete line 3 below.*
- c** ☐ The organization supported a governmental entity. *Describe in Part VI how you supported a government entity (see instructions).*

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

- a** Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? *If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.*
- b** Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? *If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.*
- 3 Parent of Supported Organizations. Answer (a) and (b) below.**
- a** Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? *Provide details in Part VI.*
- b** Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? *If "Yes," describe in Part VI the role played by the organization in this regard.*

	Yes	No
2a		
2b		
3a		
3b		

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

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

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

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

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

Schedule A (Form 990 or 990-EZ) 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			

Schedule A (Form 990 or 990-EZ) 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 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

2017Open to Public
Inspection

Name of the organization

LOS NINOS HOSPITAL, INC.

Employer identification number

86-0892673

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

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

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

- 1 Purpose(s) of conservation easements held by the organization (check all that apply)
- | | |
|--|---|
| ☐ Preservation of land for public use (e.g., recreation or education) | ☐ Preservation of a historically important land area |
| ☐ Protection of natural habitat | ☐ Preservation of a certified historic structure |
| ☐ Preservation of open space | |
- 2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year
- | | Held at the End of the Tax Year |
|--|---------------------------------|
| a Total number of conservation easements | 2a |
| b Total acreage restricted by conservation easements | 2b |
| c Number of conservation easements on a certified historic structure included in (a) | 2c |
| d Number of conservation easements included in (c) acquired after 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? ☐ Yes ☐ No
- 6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶ _____
- 7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶ \$ _____
- 8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No
- 9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

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

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

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

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

Schedule D (Form 990) 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 ☐ Public exhibition
 b ☐ Scholarly research
 c ☐ Preservation for future generations
 d ☐ Loan or exchange programs
 e ☐ Other _____

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

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets

to be sold to raise funds rather than to be maintained as part of the organization's collection?

☐ Yes ☐ No

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

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?

☐ Yes ☐ No

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

	Amount
1c	
1d	
1e	
1f	

c Beginning balance

d Additions during the year

e Distributions during the year

f Ending balance

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

☐ Yes ☐ No

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

☐

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

1a Beginning of year balance

b Contributions

c Net investment earnings, gains, and losses

d Grants or scholarships

e Other expenditures for facilities and programs

f Administrative expenses

g End of year balance

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a					
b					
c					
d					
e					
f					
g					

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

a Board designated or quasi-endowment ☐ %

b Permanent endowment ☐ %

c Temporarily restricted endowment ☐ %

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

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

(i) unrelated organizations

(ii) related organizations

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

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

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

Part VI Land, Buildings, and Equipment.

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment		4,373,739.	3,524,420.	849,319.
e Other				
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				849,319.

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. (Col. (b) must equal Form 990, Part X, col. (B) line 12.) ▶		

Part VIII Investments - Program Related.

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

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

Part IX Other Assets.

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

(a) Description	(b) Book value
(1)	
(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)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	

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

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	6,745,763.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12.		
a	Net unrealized gains (losses) on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII)	2d	
e	Add lines 2a through 2d	2e	0.
3	Subtract line 2e from line 1	3	6,745,763.
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	284,999.
c	Add lines 4a and 4b	4c	284,999.
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	5	7,030,762.

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	6,879,053.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIII)	2d	
e	Add lines 2a through 2d	2e	0.
3	Subtract line 2e from line 1	3	6,879,053.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII)	4b	
c	Add lines 4a and 4b	4c	0.
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	5	6,879,053.

Part XIII Supplemental Information.

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

PART X, LINE 2:

THE ORGANIZATION RECOGNIZES UNCERTAIN TAX POSITIONS IN THE FINANCIAL STATEMENTS WHEN IT IS MORE LIKELY THAN NOT THE POSITIONS WILL NOT BE SUSTAINED UPON EXAMINATION BY THE TAX AUTHORITIES. AS OF JUNE 30, 2018, THE ORGANIZATION HAD NO UNCERTAIN TAX POSITIONS THAT QUALIFY FOR EITHER RECOGNITION OR DISCLOSURE IN THE FINANCIAL STATEMENTS.

PART XI, LINE 4B - OTHER ADJUSTMENTS:

INTEREST/DIVIDENDS FROM INVESTMENTS	180,139.
REALIZED GAIN ON INVESTMENTS	104,860.
TOTAL TO SCHEDULE D, PART XI, LINE 4B	284,999.

Part XIII Supplemental Information *(continued)*

Supplemental information area with multiple horizontal lines for text entry.

SCHEDULE H
(Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

- Complete if the organization answered "Yes" on Form 990, Part IV, question 20.
► Attach to Form 990.
► 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

LOS NINOS HOSPITAL, INC.

Employer identification number
86-0892673

Part I Financial Assistance and Certain Other Community Benefits at Cost

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

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

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

7 Financial Assistance and Certain Other Community Benefits at Cost

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)						
b Medicaid (from Worksheet 3, column a)			6696532.		6696532.	97.35%
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d Total Financial Assistance and Means-Tested Government Programs			6696532.		6696532.	97.35%
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)						
f Health professions education (from Worksheet 5)						
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)						
j Total. Other Benefits						
k Total. Add lines 7d and 7j			6696532.		6696532.	97.35%

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? | |
| 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 |
| 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 |
| 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 | |
| 6 | Enter Medicare allowable costs of care relating to payments on line 5 | 6 | |
| 7 | Subtract line 6 from line 5. This is the surplus (or shortfall) | 7 | |
| 8 | Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used. | | |
| | ☐ Cost accounting system | ☒ Cost to charge ratio | ☐ Other |

Section C. Collection Practices

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

Part IV Management Companies and Joint Ventures (owned 10% or more by officers, directors, trustees, key employees, and physicians - see instructions)		50	22
---	--	----	----

[illegible]

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? | |
| 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 |
| 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 |
| 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. | |

2
3

	Yes	No
1		X
9a	X	
9b	X	

Section B. Medicare

- | | | | |
|---|--|---|--|
| 5 | Enter total revenue received from Medicare (including DSH and IME) | 5 | |
| 6 | Enter Medicare allowable costs of care relating to payments on line 5 | 6 | |
| 7 | Subtract line 6 from line 5. This is the surplus (or shortfall) | 7 | |
| 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. | | |

5	334,604.
6	245,887.
7	88,717.

☐ Cost accounting system ☒ Cost to charge ratio ☐ Other

Section C. Collection Practices

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

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

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.

LOS NINOS HOSPITAL, INC.:

PART V, SECTION B, LINE 5: PHOENIX CHILDREN'S HOSPITAL REPRESENTATIVES

SHARED "RESEARCH THAT MATTERS: PEDIATRIC DROWNINGS IN THE STATE OF

ARIZONA" WHEN THEY LEARNED OF LOS NINOS' ASSESSMENT AND FOCUS. USE OF

PHOENIX CHILDREN'S HOSPITAL DATA FROM THEIR INJURY PREVENTION CENTER

CREATED AN OPPORTUNITY FOR LOS NINOS TO FOCUS ON PREVENTION EFFORTS WHERE

THEY MATTERED MOST, AND HELPED FURTHER THE LOS NINOS IMPLEMENTATION

STRATEGY.

LOS NINOS ALSO TOOK INTO CONSIDERATION SEVERAL OTHER SOURCES OF DATA TO

IDENTIFY COMMUNITY NEEDS: DATA COMPILED AT TEH COUNTY LEVEL, DATA COMPILED

BY THE PUBLIC HEALTH DEPARTMENT, AND DATA COMPILED BY THE HEALTH CARE

SYSTEMS FROM WHICH LOS NINOS RECEIVES PATIENTS. DATA WAS ALSO OBTAINED

FROM MARICOPA COUNTY AREA NON-PROFIT HOSPITALS, INCLUDING BANNER HEALTH,

DIGNITY HEALTH, SCOTTSDALE HEALTHCARE, MAYO CLINIC, AND PHOENIX CHILDREN'S

HOSPITAL.

LOS NINOS HOSPITAL, INC.:

PART V, SECTION B, LINE 11: LOS NINOS HOSPITAL'S STRATEGY TO ADDRESS THE

SIGNIFICANT HEALTH NEEDS IDENTIFIED AS WATER-RELATED INCIDENTS INCLUDES

IMPROVING ACCESS TO RESOURCES AND PROVIDING EDUCATION TO THE UNDERSERVED

FAMILIES AND MINORITY POPULATIONS WE SERVE IN THE COMMUNITY. LNH HAS HAD

AN OUTSTANDING AND LONG-LASTING RELATIONSHIP WITH THE ARIZONA DROWNING

PREVENTION COALITION WHOSE FOCUS IS TO DEVELOP PROGRAMS AND NEW

INITIATIVES TO PREVENT CHILDHOOD DROWNINGS.

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 LOS NINOS HOSPITAL, INC.

Line number of hospital facility, or line numbers of hospital

facilities in a facility reporting group (from Part V, Section A): 1

	Yes	No
Community Health Needs Assessment		
1 Was the hospital facility first licensed, registered, or similarly recognized by a state as a hospital facility in the current tax year or the immediately preceding tax year?		X
2 Was the hospital facility acquired or placed into service as a tax-exempt hospital in the current tax year or the immediately preceding tax year? If "Yes," provide details of the acquisition in Section C		X
3 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 12	X	
If "Yes," indicate what the CHNA report describes (check all that apply):		
a ☒ A definition of the community served by the hospital facility		
b ☒ Demographics of the community		
c ☒ Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d ☒ How data was obtained		
e ☒ The significant health needs of the community		
f ☒ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g ☒ The process for identifying and prioritizing community health needs and services to meet the community health needs		
h ☒ The process for consulting with persons representing the community's interests		
i ☒ The impact of any actions taken to address the significant health needs identified in the hospital facility's prior CHNA(s)		
j ☐ Other (describe in Section C)		
4 Indicate the tax year the hospital facility last conducted a CHNA		20 <u>17</u>
5 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	X	
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		X
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		X
7 Did the hospital facility make its CHNA report widely available to the public?	X	
If "Yes," indicate how the CHNA report was made widely available (check all that apply):		
a ☒ Hospital facility's website (list url) <u>HTTP://WWW.HACIENDAINC.ORG/COMMUNITY-HEAL</u>		
b ☐ Other website (list url)		
c ☒ Made a paper copy available for public inspection without charge at the hospital facility		
d ☐ Other (describe in Section C)		
8 Did the hospital facility adopt an implementation strategy to meet the significant community health needs identified through its most recently conducted CHNA? If "No," skip to line 11	X	
9 Indicate the tax year the hospital facility last adopted an implementation strategy		20 <u>17</u>
10 Is the hospital facility's most recently adopted implementation strategy posted on a website?	X	
a If "Yes," (list url) <u>HTTP://WWW.HACIENDAINC.ORG/COMMUNITY-HEALTH-NEEDS-AS</u>		
b If "No," is the hospital facility's most recently adopted implementation strategy attached to this return?		
11 Describe in Section C how the hospital facility is addressing the significant needs identified in its most recently conducted CHNA and any such needs that are not being addressed together with the reasons why such needs are not being addressed		
12a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?		X
b If "Yes" to line 12a, did the organization file Form 4720 to report the section 4959 excise tax?		
c If "Yes" to line 12b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$		

Part V Facility Information (continued)**Financial Assistance Policy (FAP)**Name of hospital facility or letter of facility reporting group LOS NINOS HOSPITAL, INC.

	Yes	No
Did the hospital facility have in place during the tax year a written financial assistance policy that:		
13 Explained eligibility criteria for financial assistance, and whether such assistance included free or discounted care?	X	
If "Yes," indicate the eligibility criteria explained in the FAP		
a ☒ Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of <u>100</u> % and FPG family income limit for eligibility for discounted care of <u>200</u> %		
b ☒ Income level other than FPG (describe in Section C) _____		
c ☐ Asset level _____		
d ☒ Medical indigency		
e ☒ Insurance status		
f ☒ Underinsurance status		
g ☐ Residency		
h ☐ Other (describe in Section C) _____		
14 Explained the basis for calculating amounts charged to patients?	X	
15 Explained the method for applying for financial assistance?	X	
If "Yes," indicate how the hospital facility's FAP or FAP application form (including accompanying instructions) explained the method for applying for financial assistance (check all that apply)		
a ☒ Described the information the hospital facility may require an individual to provide as part of his or her application		
b ☒ Described the supporting documentation the hospital facility may require an individual to submit as part of his or her application		
c ☒ Provided the contact information of hospital facility staff who can provide an individual with information about the FAP and FAP application process		
d ☐ Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications		
e ☐ Other (describe in Section C) _____		
16 Was widely publicized within the community served by the hospital facility?	X	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply)		
a ☐ The FAP was widely available on a website (list url) _____		
b ☐ The FAP application form was widely available on a website (list url) _____		
c ☐ A plain language summary of the FAP was widely available on a website (list url) _____		
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) _____		

Schedule H (Form 990) 2017

Part V Facility Information (continued)**Billing and Collections**Name of hospital facility or letter of facility reporting group LOS NINOS HOSPITAL, INC.

- 17 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained all of the actions the hospital facility or other authorized party may take upon nonpayment?
- 18 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP
- a ☒ Reporting to credit agency(ies)
- b ☐ Selling an individual's debt to another party
- c ☐ Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP
- d ☒ Actions that require a legal or judicial process
- e ☒ Other similar actions (describe in Section C)
- f ☐ None of these actions or other similar actions were permitted
- 19 Did the hospital facility or other authorized party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP?
- If "Yes," check all actions in which the hospital facility or a third party engaged.
- a ☐ Reporting to credit agency(ies)
- b ☐ Selling an individual's debt to another party
- c ☐ Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP
- d ☐ Actions that require a legal or judicial process
- e ☐ Other similar actions (describe in Section C)
- 20 Indicate which efforts the hospital facility or other authorized party made before initiating any of the actions listed (whether or not checked) in line 19 (check all that apply)
- a ☐ Provided a written notice about upcoming ECAs (Extraordinary Collection Action) and a plain language summary of the FAP at least 30 days before initiating those ECAs
- b ☒ Made a reasonable effort to orally notify individuals about the FAP and FAP application process
- c ☐ Processed incomplete and complete FAP applications
- d ☐ Made presumptive eligibility determinations
- e ☐ Other (describe in Section C)
- f ☐ None of these efforts were made

	Yes	No
17	X	
18		
19		X
20		

Policy Relating to Emergency Medical Care

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

	Yes	No
21		X

Schedule H (Form 990) 2017

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

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

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

If "Yes," explain in Section C

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

If "Yes," explain in Section C

	Yes	No
23		X
24		X

Schedule H (Form 990) 2017

Part VI Supplemental Information

Provide the following information

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

PART II, COMMUNITY BUILDING ACTIVITIES:

LOS NINOS HOSPITAL HAS BEEN ACTIVELY INVOLVED WITH A WIDE ASSORTMENT OF COMMUNITY BUILDING ACTIVITIES. THIS INCLUDED DISTRIBUTION OF WATER SAFETY KITS, TRADE SHOW PARTICIPATION, DISTRIBUTION OF FLIERS, PRESENTATIONS TO VARIOUS GROUPS, AND CAMPAIGN PRESENTATIONS AT U.S. POST OFFICES AND OTHER GOVERNMENTAL AGENCIES.

PART III, LINE 9B:

ALL GUARANTORS WITH SELF-PAY BALANCES ARE PROVIDED WITH A CHARITY CARE FINANCIAL ASSISTANCE APPLICATION TO DETERMINE IF THEY QUALIFY FOR ASSISTANCE. HOSPITAL BILLING STAFF REVIEWS EACH RETURNED APPLICATION, FOLLOWS UP WITH THE GUARANTOR FOR ANY QUESTIONS AND MISSING INFORMATION, AND COMMUNICATES ELIGIBILITY STATUS TO THE GUARANTOR.

PART VI, LINE 2:

A FOCUSED APPROACH TO UNDERSTANDING THE NEEDS WITHIN THE UNDERSERVED AND MINORITY POPULATION IN WHICH LNH SERVES INCLUDED AN ANALYSIS OF THE INPUT PROVIDED BY THE MARICOPA COUNT COMMUNITY HEALTH ASSESSMENT 2012 (MCCHA) AS

Part VI Supplemental Information (Continuation)

WELL AS THE FIRST THINGS FIRST HEALTH IMPACT ASSESSMENT.

PART VI, LINE 4:

LOS NINOS HOSPITAL PROVIDES A VARIETY OF CLINICAL PROGRAMS THAT ARE CRITICAL TO THE HEALTH OF INFANTS, CHILDREN AND YOUNG ADULTS WHO ARE CHRONICALLY ILL AND MEDICALLY FRAGILE. NEARLY ALL PATIENTS ARE COVERED BY GOVERNMENTAL HEALTH PROGRAMS, AS SUCH, FEW PATIENTS HAVE A NEED FOR CHARITY DISCOUNTS.

THE LOS NINOS HOSPITAL INPATIENT UNIT PROVIDES ACUTE AND SUBACUTE HOSPITAL CARE TO INFANTS AND CHILDREN LESS EXPENSIVELY THAN LARGER ACUTE CARE HOSPITALS. BECAUSE OF LOS NINOS' LOWER COST MODEL, MEDICAL SERVICES PAYORS OFTEN REQUIRE THE TRANSFER OF PATIENTS TO LOS NINOS FROM MORE EXPENSIVE SETTINGS.

ALSO, LOS NINOS OPERATES 6 SYNAGIS CLINICS PROTECT HIGH RISK INFANTS FROM CONTRACTING RESPIRATORY SYNCYTIAL VIRUS.

LOS NINOS' HOME VENTILATOR PROGRAM AND HOME HEALTH SERVICES PROVIDE PATIENTS WITH EFFECTIVE HEALTH CARE IN THEIR HOMES, A FAR LESS EXPENSIVE SETTING THAN HOSPITALS.

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)				
(2)				
(3)				
(4)				
(5)				
(6)				

**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

LOS NINOS HOSPITAL, INC.

Employer identification number

86-0892673

Part I Questions Regarding Compensation

- 1a** Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.
- | | |
|--|---|
| ☐ First-class or charter travel | ☐ Housing allowance or residence for personal use |
| ☐ Travel for companions | ☐ Payments for business use of personal residence |
| ☐ Tax indemnification and gross-up payments | ☐ Health or social club dues or initiation fees |
| ☐ Discretionary spending account | ☐ Personal services (such as, maid, chauffeur, chef) |

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

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

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

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

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

- a** Receive a severance payment or change-of-control payment?
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?
c Participate in, or receive payment from, an equity-based compensation arrangement?
If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

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

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

- a** The organization?
b Any related organization?
If "Yes" on line 5a or 5b, describe in Part III.

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

- a** The organization?
b Any related organization?
If "Yes" on line 6a or 6b, describe in Part III.

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

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

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

Yes No

1b		
2		
4a		X
4b		X
4c		X
5a		X
5b		X
6a		X
6b		X
7		X
8		X
9		

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

Schedule J (Form 990) 2017

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, LINE 3

HACIENDA HEALTHCARE COMPLETES AN ANNUAL EXECUTIVE COMPENSATION COMPARABILITY DATA STUDY TO ENSURE THAT THE VALUE OF THE SERVICES PROVIDED BY ITS EXECUTIVES IS COMMENSURATE WITH THEIR COMPENSATION. THIS ANNUAL PROCESS DOCUMENTS HOW IMPORTANT THIS MATTER IS TO HACIENDA HEALTHCARE. IN ARIZONA MOST NON-PROFIT ORGANIZATIONS ONLY DO AN EXECUTIVE COMPENSATION ANALYSIS EVERY 3-5 YEARS WITH EVERY 3 YEARS BEING THE AUDITORS' RECOMMENDATION AND EVERY 5 YEARS BEING ACCEPTABLE. THE REASON THAT HACIENDA HEALTHCARE DOES ANNUAL EXECUTIVE COMPENSATION COMPARABILITY DATA STUDIES IS BECAUSE THE ALREADY COMPLEX AND MULTI-FACETED SERVICE DELIVERY SYSTEM CONTINUES TO GROW. FOR EXAMPLE, OVER THE LAST 25 YEARS A NEW PROGRAM WAS ADDED TO THE SERVICE DELIVERY SYSTEM APPROXIMATELY EVERY 11 MONTHS.

HACIENDA HEALTHCARE IS A COMPLEX, MULTI-FACETED HEALTH CARE AND SOCIAL SERVICE DELIVERY SYSTEM THAT PROVIDES 43 PROGRAMS THROUGHOUT THE STATE OF ARIZONA, MANY OF WHICH ARE ONE-OF-A-KIND. THUS, A THREE COMPONENT EXECUTIVE COMPENSATION COMPARABILITY DATA STUDY IS USED. IT INCLUDES TWO SALARY/PAYROLL WEBSITES AND A THOROUGH COMPENSATION COMPARABILITY

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.

STUDY USING 990'S FROM APPROXIMATELY 50 NOT-FOR-PROFIT HEALTH CARE ORGANIZATIONS THAT SHARE A NUMBER OF COMMON VARIABLES WITH HACIENDA HEALTHCARE.

WE CONSIDERED THE UTILIZATION OF REBUTTABLE PRESUMPTION STUDIES AS ANOTHER WAY TO DETERMINE APPROPRIATE EXECUTIVE COMPENSATION. WE DETERMINED THAT A COMPARABLE ORGANIZATION WOULD HAVE TO BE SIMILAR TO HACIENDA HEALTHCARE IN 12 WAYS IN ORDER TO BE VALID. WE REQUESTED THE NAMES OF SEVERAL COMPANIES THAT PERFORM REBUTTABLE PRESUMPTION STUDIES. WE WERE PROVIDED FOUR NAMES. NONE OF THE COMPANIES WE CONTACTED WERE WILLING TO CONTRACT WITH HACIENDA HEALTHCARE SINCE THEY DID NOT FEEL THEY COULD MEET THE 12 CATEGORIES REQUIREMENT.

THE HACIENDA HEALTHCARE BOARD OF DIRECTORS APPROVES CHANGES IN EXECUTIVE COMPENSATION ANNUALLY BEFORE THE CHANGES TAKE PLACE.

THE ANNUAL EXECUTIVE COMPENSATION COMPARABILITY DATA STUDY AND THE BOARD OF DIRECTORS' APPROVAL OF EXECUTIVE COMPENSATION ARE THOROUGHLY DOCUMENTED.

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.

[illegible]

SCHEDULE L

(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions With Interested Persons

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

▶ Attach to Form 990 or Form 990-EZ.

▶ 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

LOS NINOS HOSPITAL, INC.

Employer identification number

86-0892673

Part I

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

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

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

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

▶ \$

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

▶ \$

Part II

Loans to and/or From Interested Persons.

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

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

Total ▶ \$

Part III

Grants or Assistance Benefiting Interested Persons.

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

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

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

Schedule L (Form 990 or 990-EZ) 2017

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
SOUTH MOUNTAIN HEALTH SUPPLY	OFFICERS OF SMHS ARE	2,201,913.	LNH PURCHASES		X
HACIENDA SKILLED NURSING FACILITY	COMMON BOARD MEMBER	394,755.	FILING ORGANIZATION		X
HACIENDA, INC.	COMMON BOARD MEMBER	469,873.	FILING ORGANIZATION		X
TOM POMEROY	BOARD PRESIDENT	0.	COMMISSIONS		X

Part V Supplemental Information

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

SCH L, PART IV, BUSINESS TRANSACTIONS INVOLVING INTERESTED PERSONS:

(A) NAME OF PERSON: SOUTH MOUNTAIN HEALTH SUPPLY, INC. (SMHS)

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

OFFICERS OF SMHS ARE BOARD MEMBERS OF FILING ORGANIZATION

(D) DESCRIPTION OF TRANSACTION: LNH PURCHASES HEALTH CARE SUPPLIES FROM SMHS.

(A) NAME OF PERSON: HACIENDA SKILLED NURSING FACILITY, INC.

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

COMMON BOARD MEMBERS

(D) DESCRIPTION OF TRANSACTION: FILING ORGANIZATION PROVIDED CONSULTING & THERAPY SERVICES TO SNF

(A) NAME OF PERSON: HACIENDA, INC.

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

COMMON BOARD MEMBERS

(D) DESCRIPTION OF TRANSACTION: FILING ORGANIZATION PAID MANAGEMENT FEES TO HACIENDA, INC.

PART IV

Part V Supplemental Information

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

TOM POMEROY, BOARD PRESIDENT, WAS HIRED BY LOS NINOS HOSPITAL, INC. (LNH) AND RELATED AFFILIATES FOR HIS SERVICES AS THE ENTITY'S (AND RELATED AFFILIATES') INSURANCE BROKER. HOWEVER, LNH AND RELATED AFFILIATES DID NOT MAKE ANY PAYMENTS TO TOM POMEROY FOR THESE SERVICES AS HIS WHOLLY OWNED BROKERAGE COMPANY WAS PAID DIRECTLY BY THE INSURANCE COMPANIES IN THE FORM OF COMMISSIONS. PER THE IRS INSTRUCTIONS TO PART IV OF SCHEDULE L, "IN GENERAL, AN ORGANIZATION MUST REPORT BUSINESS TRANSACTIONS IN PART IV WITH AN INTERESTED PERSON IF: (1) ALL PAYMENTS DURING THE TAX YEAR BETWEEN THE ORGANIZATION AND THE INTERESTED PERSON EXCEEDED \$100,000..." SINCE THERE WERE NO PAYMENTS BETWEEN LNH AND TOM POMEROY, THE AMOUNT IN PART IV IS REPORTED AS ZERO.

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.

▶ Go to www.irs.gov/Form990 for the latest information.

OMB No 1545-0047

2017

Open to Public
Inspection

Name of the organization

LOS NINOS HOSPITAL, INC.

Employer identification number
86-0892673

FORM 990- REASONABLE CAUSE WAIVER REQUEST

IRC 6651- FAILURE TO FILE PENALTY- LATE FILED RETURN DUE TO CCH

SOFTWARE OUTAGE

FORM 990, PART III, LINE 4D, OTHER PROGRAM SERVICES:

SYNAGIS CLINICS: THE ORGANIZATION OPERATES 6 OUTPATIENT SYNAGIS CLINICS

LOCATED IN ARIZONA AND COLORADO. SYNAGIS IS AN INJECTIBLE USED TO

IMMUNIZE INFANTS AND YOUNG CHILDREN AGAINST RESPIRATORY SYNCYTIAL VIRUS

(RSV). THE CLINICS ARE OPEN FROM NOVEMBER TO APRIL EACH YEAR, WHICH IS

THE HIGH SEASON FOR RSV.

THERAPY SERVICES: THERAPY SERVICES PROVIDE PHYSICAL, OCCUPATIONAL, AND

SPEECH THERAPY TO INFANTS, CHILDREN AND ADULTS. SERVICES ARE PROVIDED

IN BOTH INPATIENT AND OUTPATIENT SETTINGS, INCLUDING HOME HEALTH CARE.

THESE SERVICES INCLUDE EVALUATIONS, CONSULTATIONS, INTERVENTION,

SKILLED HANDS-ON CARE, ADAPTIVE EQUIPMENT AND FAMILY/CAREGIVER

TRAINING.

REGISTRY SERVICES: INNOVATIVE STAFFING PROVIDES STAFFING NEEDS TO FILL

VACANT POSITIONS AND OPEN SHIFTS WITH MEDICAL PROFESSIONALS INCLUDING

REGISTERED NURSES, LICENSED PRACTICAL NURSES, CERTIFIED NURSING

ASSISTANTS, CAREGIVERS AND RESPIRATORY THERAPISTS.

ENTERAL SERVICES: THE ENTERAL PROGRAM SERVES THE NUTRITIONAL NEEDS OF

MEDICALLY FRAGILE PATIENTS BY PROVIDING FORMULA AND SUPPLIES.

EXPENSES \$ 684,039. INCLUDING GRANTS OF \$ 0. REVENUE \$ 890,986.

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

Schedule O (Form 990 or 990-EZ) (2017)

732211 09-07-17

Name of the organization

LOS NINOS HOSPITAL, INC.

Employer identification number

86-0892673

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

THE ORGANIZATION'S BOARD TREASURER, CEO AND CONTROLLER WILL REVIEW AND APPROVE THE FORM 990 PRIOR TO FILING. THEY WILL THEN REVIEW THE FINAL FORM 990 WITH THE ENTIRE BOARD.

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

THE ORGANIZATION HAS A CONFLICT OF INTEREST POLICY THAT ADDRESSES THE CONSIDERATION OF POTENTIAL CONFLICTS OF INTEREST BY THE BOARD OF DIRECTORS, COMMITTEE MEMBERS, KEY EMPLOYEES, AND THEIR RELATIVES. AS PER THE POLICY, SUCH PERSONS MUST MAKE DISCLOSURE OF ANY POTENTIAL CONFLICTS OF INTEREST AND MUST ABSTAIN FROM VOTING ON ANY ACTION IN WHICH THEY MAY HAVE AN INTEREST. ON AN ANNUAL BASIS, ALL BOARD MEMBERS ARE REQUIRED TO SIGN OFF ON AN ANNUAL CONFLICT OF INTEREST FORM, EITHER STATING ANY KNOWN CONFLICTS, OR STATING THAT THERE ARE NONE.

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

THE BOARD OF DIRECTORS DETERMINES REASONABLE AND APPROPRIATE SALARIES FOR KEY EMPLOYEES OF THE ORGANIZATION.

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

THE ORGANIZATION GENERALLY MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC UPON REQUEST.

FORM 990, PART VII, LINE 1A

LOS NINOS HOSPITAL, INC. IS RELATED TO THREE TAX EXEMPT AFFILIATES, HACIENDA, INC., HACIENDA SKILLED NURSING FACILITY, INC. AND HACIENDA

Name of the organization

LOS NINOS HOSPITAL, INC.

Employer identification number

86-0892673

CHILDRENS HOSPITAL, INC. THESE ORGANIZATIONS SHARE A COMMON MANAGEMENT TEAM. THE INDIVIDUALS ON THE MANAGEMENT TEAM ARE COMPENSATED AS EMPLOYEES THROUGH HACIENDA, INC.

HACIENDA, INC. CHARGES A MANAGEMENT FEE FOR THESE SERVICES TO THESE ORGANIZATIONS. THE COMPENSATION AMOUNTS LISTED IN PART VII ARE THE TOTAL GROSS WAGES AND OTHER COMPENSATION PAID TO THESE INDIVIDUALS FOR THEIR SERVICES TO ALL AFFILIATED ORGANIZATIONS.

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

TRANSFERS TO AFFILIATES -8,197,205.

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

OMB No. 1545-0047

2017

Open to Public
Inspection

Name of the organization

LOS NINOS HOSPITAL, INC.

Employer identification number
86-0892673

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
HACIENDA SKILLED NURSING FACILITY, INC. - 14-1906233, 1402 E. SOUTH MOUNTAIN AVE., PHOENIX, AZ 85042	NURSING CARE & RESPIRATORY INTERVENTION	ARIZONA	501(c)(3)	LINE 10 N/A			X
HACIENDA, INC. - 86-0253158 1402 E. SOUTH MOUNTAIN AVE. PHOENIX, AZ 85042	PROVIDE SERVICES FOR HANDICAPPED & CHRONICALLY ILL CHILDREN	ARIZONA	501(c)(3)	LINE 10 N/A			X
HACIENDA CHILDRENS HOSPITAL, INC. - 47-3035370, 1402 E. SOUTH MOUNTAIN AVE., PHOENIX, AZ 85042	NON-PROFIT CHILDREN'S HOSPITAL	ARIZONA	501(c)(3)	LINE 10 N/A			X

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

Schedule R (Form 990) 2017

Part VII Supplemental Information.

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