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Form 990

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

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

OMB No. 1545-0047

2019

Open to Public Inspection

A For the 2019 calendar year, or tax year beginning 07-01-2019 , and ending 06-30-2020

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

C Name of organization
ESSENTIA HEALTH

Doing business as

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

502 E 2ND ST

City or town, state or province, country, and ZIP or foreign postal code
DULUTH, MN 55805

F Name and address of principal officer:
DAVID HERMAN MD
502 E 2ND ST
DULUTH, MN 55805

H(a) Is this a group return for subordinates?
☐ Yes ☒ No

H(b) Are all subordinates included?
☐ Yes ☐ No
If "No," attach a list. (see instructions)

H(c) Group exemption number ▶

D Employer identification number
20-0360007

E Telephone number
(218) 786-8376

G Gross receipts \$ 452,302,542

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

J Website: ▶ WWW.ESENTIAHEALTH.ORG

K Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation: 2003

M State of legal domicile:
MN

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities:
WE ARE CALLED TO MAKE A HEALTHY DIFFERENCE IN PEOPLE'S LIVES.

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

3 Number of voting members of the governing body (Part VI, line 1a)	3	16
4 Number of independent voting members of the governing body (Part VI, line 1b)	4	12
5 Total number of individuals employed in calendar year 2019 (Part V, line 2a)	5	2,058
6 Total number of volunteers (estimate if necessary)	6	0
7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	1,328,898
b Net unrelated business taxable income from Form 990-T, line 39	7b	77,824

Revenue

	Prior Year	Current Year
8 Contributions and grants (Part VIII, line 1h)	19,928	397,700
9 Program service revenue (Part VIII, line 2g)	176,481,882	200,055,453
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	15,006,353	14,850,803
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	2,712,470	3,764,177
12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	194,220,633	219,068,133

Expenses

13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)	3,290	3,350
14 Benefits paid to or for members (Part IX, column (A), line 4)	0	0
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	143,083,794	160,284,048
16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b Total fundraising expenses (Part IX, column (D), line 25) ▶0		
17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	39,157,280	44,608,567
18 Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	182,244,364	204,895,965
19 Revenue less expenses. Subtract line 18 from line 12	11,976,269	14,172,168

Net Assets or Fund Balances

	Beginning of Current Year	End of Year
20 Total assets (Part X, line 16)	419,201,264	549,423,564
21 Total liabilities (Part X, line 26)	220,446,635	334,218,110
22 Net assets or fund balances. Subtract line 21 from line 20	198,754,629	215,205,454

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

2021-05-11
Date

TRACI MORRIS CHIEF FINANCIAL OFFICER

Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN P00023783
Firm's name ▶ RSM US LLP			Firm's EIN ▶ 42-0714325	
Firm's address ▶ 227 W 1ST ST STE 700 DULUTH, MN 558021926			Phone no. (218) 727-5025	

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

☒ Yes ☐ No

For Paperwork Reduction Act Notice, see the separate instructions.

Cat. No. 11282Y

Form 990 (2019)

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response or note to any line in this Part III ☒**1** Briefly describe the organization's mission:

WE ARE CALLED TO MAKE A HEALTHY DIFFERENCE IN PEOPLE'S LIVES.

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 \$ 84,562,628 including grants of \$ 3,350) (Revenue \$ 200,055,453)
	See Additional Data

4b	(Code:) (Expenses \$ including grants of \$) (Revenue \$)
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4c	(Code:) (Expenses \$ including grants of \$) (Revenue \$)
-----------	--

4d	Other program services (Describe in Schedule O.)
	(Expenses \$ including grants of \$) (Revenue \$)

4e	Total program service expenses ▶ 84,562,628
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Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	1 Yes	
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	2 Yes	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3	No
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	4 Yes	
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III	5	No
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I	6	No
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II	7	No
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8	No
9 Did the organization report an amount in Part X, line 21 for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV	9	No
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi endowments? If "Yes," complete Schedule D, Part V	10	No
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI	11a Yes	
b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII	11b Yes	
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII	11c Yes	
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX	11d Yes	
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	11e Yes	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X	11f	No
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII	12a	No
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional	12b Yes	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	No
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	No
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV	14b Yes	
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV	15	No
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV	16	No
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)	17	No
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18	No
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19	No
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H	20a	No
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	21	No

Part IV Checklist of Required Schedules (continued)

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

Part V Statements Regarding Other IRS Filings and Tax 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		
1b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
1c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	Yes	

Part V **Statements Regarding Other IRS Filings and Tax Compliance** (continued)

2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	2,058			
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	2b		Yes		
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a		Yes		
b If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O	3b		Yes		
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a		Yes		
b If "Yes," enter the name of the foreign country: ►CJ See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).					
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a			No	
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b			No	
c If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c				
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a			No	
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b				
7 Organizations that may receive deductible contributions under section 170(c).					
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a			No	
b If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b				
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c			No	
d If "Yes," indicate the number of Forms 8282 filed during the year	7d				
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e			No	
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f			No	
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g				
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h				
8 Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	8				
9 Sponsoring organizations maintaining donor advised funds.					
a Did the sponsoring organization make any taxable distributions under section 4966?	9a				
b Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?	9b				
10 Section 501(c)(7) organizations. Enter:					
a Initiation fees and capital contributions included on Part VIII, line 12	10a				
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b				
11 Section 501(c)(12) organizations. Enter:					
a Gross income from members or shareholders	11a				
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b				
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?					
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year.	12b				
13 Section 501(c)(29) qualified nonprofit health insurance issuers.					
a Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O.	13a				
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b				
c Enter the amount of reserves on hand	13c				
14a Did the organization receive any payments for indoor tanning services during the tax year?	14a			No	
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14b				
15 Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year? If "Yes," see instructions and file Form 4720, Schedule N.	15		Yes		
16 Is the organization an educational institution subject to the section 4968 excise tax on net investment income? If "Yes," complete Form 4720, Schedule O.	16			No	

Part VI

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

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

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	16	
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.		
b	Enter the number of voting members included in line 1a, above, who are independent	12	
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3	No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4	No
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5	No
6	Did the organization have members or stockholders?	6	No
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a	No
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b	Yes
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a	The governing body?	8a	Yes
b	Each committee with authority to act on behalf of the governing body?	8b	Yes
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9	No

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

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

Section C. Disclosure

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

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

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

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

20 State the name, address, and telephone number of the person who possesses the organization's books and records:
▶TRACI MORRIS 502 E 2ND ST DULUTH, MN 55805 (218) 786-8376

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

See instructions for the order in which to list the persons above.

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

[illegible]

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
See Additional Data Table										
1b Sub-Total										
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)								12,874,876	8,554,018	2,437,608

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 ► 140

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
MCGOUGH CONSTRUCTION CO LLC 2737 FAIRVIEW AVE N ST PAUL, MN 55113	CONSTRUCTION SERVICES	10,793,572
EPIC SYSTEMS CORPORATION 1979 MILKY WAY VERONA, WI 53593	MEDICAL BILLING SOFTWARE SUPPORT SERVICE	7,311,049
OLAF ANDERSON CONSTRUCTION PO BOX 2766 FARGO, ND 58108	CONSTRUCTION SERVICES	7,076,407
MAYO COLLABORATIVE SERVICES 200 FIRST STREET SW ROCHESTER, MN 55905	LAB SERVICES	6,803,894
WEATHERBY LOCUMS INC PO BOX 972633 DALLAS, TX 75397	PHYSICIAN COVERAGE	6,583,934

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 ► 220

Form 990 (2019)										Page 9			
Part VIII Statement of Revenue													
Check if Schedule O contains a response or note to any line in this Part VIII												<input type="checkbox"/>	
										(A)	(B)	(C)	(D)
										Total revenue	Related or exempt function revenue	Unrelated business revenue	Revenue excluded from tax under sections 512 - 514
Contributions, Gifts, Grants and Other Similar Amounts	1a Federated campaigns		1a										
	b Membership dues		1b										
	c Fundraising events		1c										
	d Related organizations		1d	7,605									
	e Government grants (contributions)		1e	390,095									
	f All other contributions, gifts, grants, and similar amounts not included above		1f										
	g Noncash contributions included in lines 1a - 1f:\$		1g										
	h Total. Add lines 1a-1f		397,700										
Program Service Revenue	2a SUPPORT REVENUE		Business Code	541610		200,055,453		200,055,453					
	b												
	c												
	d												
	e												
	f All other program service revenue.												
	g Total. Add lines 2a-2f.		200,055,453										
	Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)					5,275,963				331		5,275,632
4 Income from investment of tax-exempt bond proceeds													
5 Royalties													
		(i) Real	(ii) Personal										
6a Gross rents		6a											
b Less: rental expenses		6b											
c Rental income or (loss)		6c											
d Net rental income or (loss)													
		(i) Securities	(ii) Other										
7a Gross amount from sales of assets other than inventory		7a	242,809,249										
b Less: cost or other basis and sales expenses		7b	233,153,420		80,989								
c Gain or (loss)		7c	9,655,829		-80,989								
d Net gain or (loss)					9,574,840						9,574,840		
8a Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18		8a											
b Less: direct expenses		8b											
c Net income or (loss) from fundraising events													
9a Gross income from gaming activities. See Part IV, line 19		9a											
b Less: direct expenses		9b											
c Net income or (loss) from gaming activities													
10a Gross sales of inventory, less returns and allowances		10a											
b Less: cost of goods sold		10b											
c Net income or (loss) from sales of inventory													
Miscellaneous Revenue			Business Code										
11a SYSTEM ACCESS/USE REVENUE			541519		3,563,609				1,318,172		2,245,437		
b SETTLEMENTS			900099		155,905						155,905		
c PARKING REVENUE			900099		26,048						26,048		
d All other revenue					18,615				10,395		8,220		
e Total. Add lines 11a-11d					3,764,177								
12 Total revenue. See instructions					219,068,133		200,055,453		1,328,898		17,286,082		

Form 990 (2019)

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	3,350	3,350		
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	10,541,037	1,544,848	8,996,189	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	14,225		14,225	
7 Other salaries and wages	113,039,799	51,438,592	61,601,207	
8 Pension plan accruals and contributions (include section 401 (k) and 403(b) employer contributions)	4,993,481	2,362,420	2,631,061	
9 Other employee benefits	22,085,946	11,444,203	10,641,743	
10 Payroll taxes	9,609,560	4,386,204	5,223,356	
11 Fees for services (non-employees):				
a Management				
b Legal	1,044,641		1,044,641	
c Accounting	506,564		506,564	
d Lobbying	293,839		293,839	
e Professional fundraising services. See Part IV, line 17				
f Investment management fees	1,115,906		1,115,906	
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.)	19,689,010	3,553,186	16,135,824	
12 Advertising and promotion	5,040,398	4,574,999	465,399	
13 Office expenses	7,077,977	420,407	6,657,570	
14 Information technology	2,713,410	1,234,733	1,478,677	
15 Royalties				
16 Occupancy	918,660	393,637	525,023	
17 Travel	1,122,401	447,606	674,795	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	563,084	258,977	304,107	
20 Interest	1,539,762	1,278,796	260,966	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	1,302,171	592,551	709,620	
23 Insurance				
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 UNRELATED BUSINESS TAX	-74,265		-74,265	
b DUES	727,766	351,526	376,240	
c FEDERAL EXCISE TAX	247,000		247,000	
d SALES TAX	192,834	8,022	184,812	
e All other expenses	587,409	268,571	318,838	
25 Total functional expenses. Add lines 1 through 24e	204,895,965	84,562,628	120,333,337	0
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720).				

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

				(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing		5,911,127	1	6,639,384
	2	Savings and temporary cash investments		42,948,609	2	147,290,731
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		9,205,454	4	11,062,062
	5	Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons			5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B)			6	
	7	Notes and loans receivable, net			7	
	8	Inventories for sale or use			8	
	9	Prepaid expenses and deferred charges		6,301,040	9	5,467,244
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a	10,270,790		
	b	Less: accumulated depreciation	10b	6,651,253		
				4,770,114	10c	3,619,537
	11	Investments—publicly traded securities			11	47,721
	12	Investments—other securities. See Part IV, line 11		209,026,007	12	221,046,398
	13	Investments—program-related. See Part IV, line 11		53,227,022	13	53,227,022
	14	Intangible assets			14	5,725,000
15	Other assets. See Part IV, line 11		87,811,891	15	95,298,465	
16	Total assets. Add lines 1 through 15 (must equal line 34)		419,201,264	16	549,423,564	
Liabilities	17	Accounts payable and accrued expenses		96,250,933	17	122,432,533
	18	Grants payable			18	
	19	Deferred revenue		1,904,510	19	2,479,287
	20	Tax-exempt bond liabilities		16,424,673	20	16,105,045
	21	Escrow or custodial account liability. Complete Part IV of Schedule D			21	
	22	Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons			22	
	23	Secured mortgages and notes payable to unrelated third parties		16,989,170	23	101,736,654
	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		88,877,349	25	91,464,591
	26	Total liabilities. Add lines 17 through 25		220,446,635	26	334,218,110
Net Assets or Fund Balances	Organizations that follow FASB ASC 958, check here <input checked="" type="checkbox"/> and complete lines 27, 28, 32, and 33.					
	27	Net assets without donor restrictions		198,754,629	27	215,205,454
	28	Net assets with donor restrictions			28	
	Organizations that do not follow FASB ASC 958, check here <input type="checkbox"/> and complete lines 29 through 33.					
	29	Capital stock or trust principal, or current funds			29	
	30	Paid-in or capital surplus, or land, building or equipment fund			30	
	31	Retained earnings, endowment, accumulated income, or other funds			31	
	32	Total net assets or fund balances		198,754,629	32	215,205,454
33	Total liabilities and net assets/fund balances		419,201,264	33	549,423,564	

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	219,068,133
2	Total expenses (must equal Part IX, column (A), line 25)	2	204,895,965
3	Revenue less expenses. Subtract line 2 from line 1	3	14,172,168
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	198,754,629
5	Net unrealized gains (losses) on investments	5	-12,170,388
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	14,449,045
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	215,205,454

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

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

Additional Data

Software ID:
Software Version:
EIN: 20-0360007
Name: ESSENTIA HEALTH

Form 990 (2019)

Form 990, Part III, Line 4a:

ESSENTIA HEALTH IS ORGANIZED AND SHALL BE OPERATED EXCLUSIVELY FOR CHARITABLE, EDUCATIONAL, SCIENTIFIC, AND RELIGIOUS PURPOSES EXCLUSIVELY FOR THE BENEFIT OF, TO PERFORM THE FUNCTIONS OF, OR TO CARRY OUT THE PURPOSES OF CRITICAL ACCESS GROUP, A MINNESOTA NONPROFIT CORPORATION, BRAINERD LAKES INTEGRATED HEALTH SYSTEM DBA ESSENTIA HEALTH CENTRAL, A MINNESOTA NONPROFIT CORPORATION, ST. MARY'S DULUTH CLINIC HEALTH SYSTEM DBA ESSENTIA HEALTH EAST, A MINNESOTA NONPROFIT CORPORATION, AND INNOVIS HEALTH, LLC DBA ESSENTIA HEALTH WEST, A DELAWARE LIMITED LIABILITY COMPANY AND IN SUPPORT OF CRITICAL ACCESS GROUP, ESSENTIA HEALTH CENTRAL, ESSENTIA HEALTH EAST, AND ESSENTIA HEALTH WEST AND EACH OF THE TAX-EXEMPT ENTITIES IDENTIFIED AS SUPPORTED ORGANIZATIONS IN THEIR ARTICLES OF INCORPORATION ALL OF WHICH ARE ORGANIZATIONS DESCRIBED IN SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE OF 1986.ESSENTIA HEALTH IS AN INTEGRATED HEALTH SYSTEM SERVING PATIENTS IN MINNESOTA, WISCONSIN, AND NORTH DAKOTA, AS WELL AS IDAHO THROUGH APRIL 1, 2020. HEADQUARTERED IN DULUTH, MINNESOTA, ESSENTIA HEALTH COMBINES THE STRENGTHS AND TALENTS OF OVER 13,000 EMPLOYEES, INCLUDING MORE THAN 2,000 PHYSICIANS AND ADVANCED PRACTITIONERS, WHO SERVE ITS PATIENTS AND COMMUNITIES THROUGH THE MISSION OF BEING CALLED TO MAKE A HEALTHY DIFFERENCE IN PEOPLE'S LIVES. ESSENTIA HEALTH, WHICH INCLUDES MANY CATHOLIC FACILITIES, IS GUIDED BY THE VALUES OF QUALITY, HOSPITALITY, RESPECT, JOY, JUSTICE, STEWARDSHIP AND TEAMWORK. THE ORGANIZATION LIVES OUT ITS MISSION BY HAVING PATIENT-CENTERED FOCUS AT 13 HOSPITALS, APPROXIMATELY 65 CLINICS, SIX LONG-TERM CARE FACILITIES, THREE ASSISTED LIVING FACILITIES, THREE INDEPENDENT LIVING FACILITIES, FIVE AMBULANCE SERVICES, AND ONE RESEARCH INSTITUTE. ESSENTIA HEALTH PROVIDES SERVICES PREDOMINANTLY IN RURAL COMMUNITIES AND IS COMMITTED TO ELIMINATING GEOGRAPHIC BARRIERS TO CARE. MANY OF ESSENTIA HEALTH'S HOSPITALS AND CLINICS ARE LOCATED IN COMMUNITIES THAT ARE FEDERALLY RECOGNIZED AS BEING MEDICALLY UNDERSERVED.ESSENTIA HEALTH IS ACCREDITED AS AN ACCOUNTABLE CARE ORGANIZATION BY THE NATIONAL COMMITTEE FOR QUALITY ASSURANCE. THE LEGAL ENTITIES COMPRISING ESSENTIA HEALTH FILE SEPARATE FORM 990'S.AT FISCAL YEAR ENDED JUNE 30, 2020, ESSENTIA HEALTH'S CONSOLIDATED TOTAL REVENUE WAS \$2,185,511,000 AND CONSOLIDATED INCOME FROM OPERATIONS WAS \$27,120,000.ESSENTIA HEALTH'S HOSPITALS HAVE A TOTAL OF 1,196 LICENSED BEDS WHICH PROVIDED OVER 177,500 HOSPITAL PATIENT DAYS AND OVER 630,000 OUTPATIENT VISITS DURING THE FISCAL YEAR ENDED JUNE 30, 2020. THE CLINICS HAD OVER 1.4 MILLION ENCOUNTERS DURING THE SAME TIME PERIOD.DURING THE FISCAL YEAR ENDED JUNE 30, 2020, ESSENTIA HEALTH PROVIDED TOTAL COMMUNITY BENEFITS OF OVER \$134 MILLION WHICH INCLUDED COSTS OF PROVIDING CHARITY CARE, COSTS IN EXCESS OF MEDICAID PAYMENTS, MEDICAID SURCHARGE, MINNESOTACARE TAX, COMMUNITY SERVICES, HEALTH PROFESSION EDUCATION, RESEARCH, AND CASH AND IN-KIND CONTRIBUTIONS.

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors										
(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(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			
DAVID HERMAN MD CHIEF EXECUTIVE OFFICER	60.00 0.00			X				2,432,299	0	265,304
JODI MANSFIELD EXECUTIVE VICE PRESIDENT, COO	60.00 0.00				X			1,304,759	0	140,851
DANIEL NIKCEVICH MD FORMER PRESIDENT - EAST	0.00 40.00						X	0	800,276	146,362
TIMOTHY SAYLER COO - WEST THRU 4/19	1.00 59.00				X			0	836,401	49,022
TRACI MORRIS CHIEF FINANCIAL OFFICER	60.00 0.00			X				788,986	0	89,171
BRADLEY BEARD CHIEF OPERATING OFFICER - EAST	1.00 59.00				X			0	754,632	122,380
GREGORY GLASNER MD PRESIDENT - WEST THRU 12/19	1.00 59.00				X			0	763,371	106,363
PETER HENRY MD CHIEF MEDICAL OFFICER	57.00 3.00				X			733,832	0	103,879
RICHARD VETTER MD INTERIM PRESIDENT/CMO - WEST	1.00 59.00				X			0	659,623	94,112
DENNIS DASSENKO CHIEF INFORMATION OFFICER THRU 3/20	60.00 0.00				X			660,348	0	93,166

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors										
(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(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			
DIANE DAVIDSON CHIEF HUMAN RESOURCE OFFICER	60.00 0.00				X			653,504	0	98,540
DEBORAH WELLE-POWELL CHIEF POPULATION HEALTH OFFICER	60.00 0.00				X			659,504	0	83,513
ANNE STEPHEN MD CHIEF MEDICAL OFFICER-EAST	1.00 59.00				X			0	581,564	91,961
JEFFREY KORSMO FORMER EVP, OPERATIONS & ADMIN	0.00 0.00						X	655,380	0	9,351
PATRICK TWOMEY MD FORMER CHIEF MEDICAL OFFICER	0.00 40.00						X	0	568,066	56,949
ADAM REES PRESIDENT - CENTRAL THRU 4/20	1.00 59.00				X			0	535,076	84,376
SHEILA HART SENIOR VP-INTEGRATED CARE DELIVERY	60.00 0.00				X			501,372	0	82,695
MARK HAYWARD FORMER SENIOR VP, OPERATIONS	1.00 59.00						X	0	482,213	85,723
AL HURLEY CHIEF OPERATING OFFICER - WEST	1.00 59.00				X			0	461,525	78,893
THOMAS PATNOE PHYSICIAN LEADER	40.00 0.00					X		500,822	0	7,752

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors										
(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(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			
TERESA O'TOOLE CHIEF LEGAL OFFICER THRU 3/19	60.00 0.00				X			415,458	0	42,485
MELANIE WILSON VICE PRESIDENT, REVENUE SERVICES	40.00 0.00					X		402,253	0	44,868
MICHAEL MAHONEY VP, PUBLIC POLICY THRU 8/19	60.00 0.00				X			404,782	0	39,890
MICHAEL VAN SCOY MD PHYSICIAN	40.00 0.00					X		379,771	0	53,901
STEFANIE GEFROH ELLISON MD BOARD DIRECTOR	3.00 57.00	X						0	375,098	52,625
JON PRYOR MD PRESIDENT - EAST	1.00 59.00				X			0	386,810	6,400
MARTIN SINCLAIR DEPUTY CHIEF LEGAL OFFICER	40.00 0.00					X		347,970	0	33,654
RAJESH PRABHU MD PHYSICIAN - SECTION CHAIR	40.00 0.00					X		341,486	0	34,235
FRANK MODICH INT CHIEF LEGAL OFFICER THRU 8/19	60.00 0.00				X			344,809	0	23,074
JANE RUDD MD BOARD DIRECTOR	3.00 57.00	X						0	297,713	57,441

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors										
(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(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			
MICHAEL WATTERS CHIEF LEGAL OFFICER	60.00 0.00				X			307,274	0	40,872
JOEL HAUGEN MD BOARD DIRECTOR THRU 12/19	3.00 37.00	X						24,500	253,599	37,592
PATRICIA DELONG CHIEF NURSING OFFICER - CENTRAL	1.00 59.00				X			0	271,827	26,755
KRISTI SCHMIDT CHIEF MKTG & COMS OFFICER THRU 1/19	60.00 0.00				X			272,649	0	3,401
TRACY MILAND FORMER CHIEF STRATEGY OFFICER	0.00 0.00						X	232,959	0	16,227
ROBERT NORMAN FORMER CHIEF FINANCIAL OFFICER	0.00 0.00						X	214,884	0	8,041
LAURA BOEHLKE-BRAY MD BOARD DIRECTOR THRU 12/19	3.00 37.00	X						20,000	184,414	15,016
THOMAS RUSS MD BOARD DIRECTOR	3.00 37.00	X						30,000	168,780	10,768
SCOTT JOHNSON MD FORMER CHIEF MEDICAL OFFICER - WEST	0.00 0.00						X	0	173,030	0
DAVID GADDIE BOARD CHAIR	3.00 0.00	X		X				45,000	0	0

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors										
(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (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			
JAMES ANDERSON BOARD DIRECTOR	3.00 8.00	X						38,750	0	0
KEVIN MOUG BOARD DIRECTOR	3.00 2.00	X						31,125	0	0
DEAN AGER BOARD DIRECTOR	3.00 2.00	X						30,000	0	0
ALAN HODNIK BOARD VICE CHAIR	3.00 0.00	X		X				20,000	0	0
KIMBERLEY STOKES BOARD DIRECTOR	3.00 0.00	X						20,000	0	0
LINDA DUNHAM BOARD VICE CHAIR THRU 12/19	3.00 0.00	X		X				20,000	0	0
WALTER LEINO MD BOARD DIRECTOR	3.00 2.00	X						20,000	0	0
CHARLES ALBRECHT BOARD DIRECTOR	3.00 2.00	X						15,900	0	0
LAURIE LEWANDOWSKI BOARD DIRECTOR	3.00 2.00	X						4,500	0	0
GEORGE GOLDFARB BOARD DIRECTOR	3.00 0.00	X						0	0	0

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (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			
SISTER BEVERLY RAWAY BOARD DIRECTOR	3.00 4.00	X						0	0	0
SISTER CLARE MARIE TRETTEL BOARD DIRECTOR	3.00 2.00	X						0	0	0
SISTER KATHLEEN HOFER BOARD DIRECTOR	3.00 0.00	X						0	0	0

SCHEDULE A
(Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Name of the organization
ESSENTIA HEALTH

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

2019

Open to Public Inspection

Employer identification number
20-0360007

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

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

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

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1- 10 above (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
(A) INNOVIS HEALTH LLC	261175213	3	Yes		54,267,672	0
Total	4				54,267,672	0

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 failed to qualify under the tests listed below, please complete Part III.)

Section A. Public Support						
Calendar year (or fiscal year beginning in) ▶	(a) 2015	(b) 2016	(c) 2017	(d) 2018	(e) 2019	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grant.") . . .						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf. . . .						
3 The value of services or facilities furnished by a governmental unit to the organization without charge..						
4 Total. Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f). . .						
6 Public support. Subtract line 5 from line 4.						
Section B. Total Support						
Calendar year (or fiscal year beginning in) ▶	(a) 2015	(b) 2016	(c) 2017	(d) 2018	(e) 2019	(f) Total
7 Amounts from line 4. . .						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources. . . .						
9 Net income from unrelated business activities, whether or not the business is regularly carried on. .						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.). . .						
11 Total support. Add lines 7 through 10						
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ▶ <input type="checkbox"/>						
Section C. Computation of Public Support Percentage						
14 Public support percentage for 2019 (line 6, column (f) divided by line 11, column (f))					14	
15 Public support percentage for 2018 Schedule A, Part II, line 14					15	
16a 33 1/3% support test—2019. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/>						
b 33 1/3% support test—2018. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/>						
17a 10%-facts-and-circumstances test—2019. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/>						
b 10%-facts-and-circumstances test—2018. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/>						
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ▶ <input type="checkbox"/>						

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) 2015	(b) 2016	(c) 2017	(d) 2018	(e) 2019	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") .						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf. . .						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year.						
c Add lines 7a and 7b. .						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2015	(b) 2016	(c) 2017	(d) 2018	(e) 2019	(f) Total
9 Amounts from line 6. . .						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources. .						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975.						
c Add lines 10a and 10b.						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on.						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.) . .						
13 Total support. (Add lines 9, 10c, 11, and 12.) . .						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here. <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2019 (line 8, column (f) divided by line 13, column (f))	15	
16 Public support percentage from 2018 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2019 (line 10c, column (f) divided by line 13, column (f))	17	
18 Investment income percentage from 2018 Schedule A, Part III, line 17	18	

19a 33 1/3% support tests—2019. 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—2018. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ☐

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

Part IV Supporting Organizations

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

Section A. All Supporting Organizations

	Yes	No
1 Are all of the organization's supported organizations listed by name in the organization's governing documents? <i>If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.</i>		
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 line 10b below.</i>		
b Did the organization have any excess business holdings in the tax year? <i>(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings).</i>		

Part IV

Supporting Organizations (continued)

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

Section B. Type I Supporting Organizations

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

Section C. Type II Supporting Organizations

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

Section D. All Type III Supporting Organizations

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

Section E. Type III Functionally-Integrated Supporting Organizations

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

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations			
1 <input type="checkbox"/> Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 (explain in Part VI). See instructions. All other Type III non-functionally integrated supporting organizations must complete Sections A through E.			
Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1	Net short-term capital gain	1	
2	Recoveries of prior-year distributions	2	
3	Other gross income (see instructions)	3	
4	Add lines 1 through 3	4	
5	Depreciation and depletion	5	
6	Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6	
7	Other expenses (see instructions)	7	
8	Adjusted Net Income (subtract lines 5, 6 and 7 from line 4)	8	
Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):	1	
a	Average monthly value of securities	1a	
b	Average monthly cash balances	1b	
c	Fair market value of other non-exempt-use assets	1c	
d	Total (add lines 1a, 1b, and 1c)	1d	
e	Discount claimed for blockage or other factors (explain in detail in Part VI):		
2	Acquisition indebtedness applicable to non-exempt use assets	2	
3	Subtract line 2 from line 1d	3	
4	Cash deemed held for exempt use. Enter 1-1/2% of line 3 (for greater amount, see instructions).	4	
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6	Multiply line 5 by .035	6	
7	Recoveries of prior-year distributions	7	
8	Minimum Asset Amount (add line 7 to line 6)	8	
Section C - Distributable Amount			Current Year
1	Adjusted net income for prior year (from Section A, line 8, Column A)	1	
2	Enter 85% of line 1	2	
3	Minimum asset amount for prior year (from Section B, line 8, Column A)	3	
4	Enter greater of line 2 or line 3	4	
5	Income tax imposed in prior year	5	
6	Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions)	6	
7	<input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally-integrated Type III supporting organization (see instructions)		

Part V

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

Section D - Distributions	Current Year
1 Amounts paid to supported organizations to accomplish exempt purposes	
2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3 Administrative expenses paid to accomplish exempt purposes of supported organizations	
4 Amounts paid to acquire exempt-use assets	
5 Qualified set-aside amounts (prior IRS approval required)	
6 Other distributions (describe in Part VI). See instructions	
7 Total annual distributions. Add lines 1 through 6.	
8 Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI). See instructions	
9 Distributable amount for 2019 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-2019	(iii) Distributable Amount for 2019
1 Distributable amount for 2019 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2019 (reasonable cause required-- explain in Part VI). See instructions.			
3 Excess distributions carryover, if any, to 2019:			
a From 2014.			
b From 2015.			
c From 2016.			
d From 2017.			
e From 2018.			
f Total of lines 3a through e			
g Applied to underdistributions of prior years			
h Applied to 2019 distributable amount			
i Carryover from 2014 not applied (see instructions)			
j Remainder. Subtract lines 3g, 3h, and 3i from 3f.			
4 Distributions for 2019 from Section D, line 7:			
\$			
a Applied to underdistributions of prior years			
b Applied to 2019 distributable amount			
c Remainder. Subtract lines 4a and 4b from 4.			
5 Remaining underdistributions for years prior to 2019, if any. Subtract lines 3g and 4a from line 2. If the amount is greater than zero, explain in Part VI. See instructions.			
6 Remaining underdistributions for 2019. Subtract lines 3h and 4b from line 1. If the amount is greater than zero, explain in Part VI. See instructions.			
7 Excess distributions carryover to 2020. Add lines 3j and 4c.			
8 Breakdown of line 7:			
a Excess from 2015.			
b Excess from 2016.			
c Excess from 2017.			
d Excess from 2018.			
e Excess from 2019.			

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

Facts And Circumstances Test

990 Schedule A, Supplemental Information

Return Reference	Explanation
SCHEDULE A, PART I, LINE 12G:	SUPPORTED ORGANIZATIONS: ESSENTIA HEALTH ALSO SUPPORTS THREE 509(A)(3) ENTITIES WHO ARE LISTED IN ESSENTIA HEALTH'S GOVERNING DOCUMENTS: BRAINERD LAKES INTEGRATED HEALTH SYSTEM (EIN: 37-1532145), CRITICAL ACCESS GROUP (EIN: 26-1219624), AND ST. MARY'S DULUTH CLINIC HEALTH SYSTEM (EIN: 41-1836633). ESSENTIA HEALTH PROVIDED MONETARY SUPPORT IN THE AMOUNTS OF \$ 23,215,092 TO BRAINERD LAKES INTEGRATED HEALTH SYSTEM, \$2,867,642 TO CRITICAL ACCESS GROUP, AND \$124,545,559 TO ST. MARY'S DULUTH CLINIC HEALTH SYSTEM FOR AN OVERALL TOTAL OF \$204,895,965 IN MONETARY SUPPORT. ESSENTIA HEALTH ALSO SUPPORTS THE TAX-EXEMPT SUBSIDIARIES OF ESSENTIA HEALTH'S SUPPORTED ORGANIZATIONS, SUBSTANTIALLY ALL OF WHICH ARE PUBLICLY SUPPORTED ENTITIES UNDER IRC SECTION 509(A).

990 Schedule A, Supplemental Information	
Return Reference	Explanation
SCHEDULE A, PART I, LINE 12G, COLUMN V:	AMOUNT OF SUPPORT: THE AMOUNT OF SUPPORT INCLUDES ESSENTIA HEALTH'S FUNCTIONAL EXPENSES WHICH ARE INCURRED FOR THE BENEFIT OF ESSENTIA HEALTH'S SUPPORTED ORGANIZATIONS.

990 Schedule A, Supplemental Information

Return Reference	Explanation
SCHEDULE A, PART IV, SECTION A, LINE 2:	DETERMINATION OF STATUS OF SUPPORTED ORGANIZATIONS: THREE OF ESSENTIA HEALTH'S SUPPORTED ORGANIZATIONS (BRAINERD LAKES INTEGRATED HEALTH SYSTEM, CRITICAL ACCESS GROUP, AND ST. MARY'S DULUTH CLINIC HEALTH SYSTEM) ARE TYPE II SUPPORTING ORGANIZATIONS UNDER IRC SECTION 509(A)(3). BRAINERD LAKES INTEGRATED HEALTH SYSTEM, CRITICAL ACCESS GROUP, AND ST. MARY'S DULUTH CLINIC HEALTH SYSTEM SUPPORT TAX-EXEMPT ORGANIZATIONS ORGANIZED UNDER IRC SECTION 509(A)(1) OR 509(A)(2).

990 Schedule A, Supplemental Information

Return Reference	Explanation
SCHEDULE A, PART IV, SECTION A, LINE 6:	SUPPORT TO OTHER ORGANIZATIONS: ESSENTIA HEALTH MADE CONTRIBUTIONS TO UNRELATED ORGANIZATIONS THAT ALIGN WITH ESSENTIA HEALTH'S SUPPORTED ORGANIZATIONS' MISSIONS. THESE CONTRIBUTIONS CREATED A HEALTHY DIFFERENCE IN PEOPLES' LIVES BY PROVIDING RESOURCES TO FAMILIES IN NEED. ESSENTIA HEALTH ALSO SUPPORTS THE TAX-EXEMPT SUBSIDIARIES OF ESSENTIA HEALTH'S SUPPORTED ORGANIZATIONS BY PROVIDING VARIOUS SERVICES AND MONETARY SUPPORT.

990 Schedule A, Supplemental Information

Return Reference	Explanation
SCHEDULE A, PART IV, SECTION D, LINE 3:	<p>SUPPORTED ORGANIZATIONS' VOICE AND DIRECTION: THERE ARE MULTIPLE DIRECTORS THAT SERVE ON ESSENTIA HEALTH'S BOARD OF DIRECTORS AS WELL AS ON ESSENTIA HEALTH'S SUPPORTED ORGANIZATIONS' BOARD OF DIRECTORS. IN ADDITION, THE OFFICERS AND OTHER KEY EMPLOYEES OF ESSENTIA HEALTH AND ITS SUPPORTED ORGANIZATIONS MAINTAIN CLOSE AND CONTINUOUS WORKING RELATIONSHIPS BY SITTING ON THE SAME LEADERSHIP COMMITTEES AND TEAMS. FIRST AT THE SUPPORTED ORGANIZATION LEVEL AND THEN AT THE SUPPORTING ORGANIZATION LEVEL, ESSENTIA HEALTH'S INVESTMENTS AND USE OF INCOME AND ASSETS ARE DISCUSSED AND APPROVED RESULTING IN ESSENTIA HEALTH'S SUPPORTED ORGANIZATIONS HAVING A SIGNIFICANT VOICE IN DIRECTING THE ACTIVITIES OF ESSENTIA HEALTH.</p>

990 Schedule A, Supplemental Information

Return Reference	Explanation
SCHEDULE A, PART IV, SECTION E, LINE 3A:	POWER TO APPOINT OR ELECT DIRECTORS: ESSENTIA HEALTH APPROVES THE ELECTION OF ITS SUPPORTED ORGANIZATIONS' BOARD OF DIRECTORS AND MAY REMOVE, WITH OR WITHOUT CAUSE, THESE SAME DIRECTORS AT ANY TIME.

990 Schedule A, Supplemental Information

Return Reference	Explanation
SCHEDULE A, PART IV, SECTION E, LINE 3B:	DIRECTION OVER THE POLICIES, PROGRAMS, AND ACTIVITIES OF THE SUPPORTED ORGANIZATIONS: AS THE PARENT OF ITS SUPPORTED ORGANIZATIONS, ESSENTIA HEALTH HAS VARIOUS FINANCIAL, OPERATIONAL, AND ADVISORY POWERS, KNOWN AS RESERVED POWERS, WITH RESPECT TO ITS SUPPORTED ORGANIZATIONS AND THEIR SUBSIDIARIES CREATING A SUBSTANTIAL DEGREE OF DIRECTION OVER THE POLICIES, PROGRAMS, AND ACTIVITIES OF ESSENTIA HEALTH'S SUPPORTED ORGANIZATIONS. ESSENTIA HEALTH ESTABLISHES AND OVERSEES VARIOUS POLICIES AND PROGRAMS INCLUDING POLICIES RELATED TO BUT NOT LIMITED TO ADMINISTRATION, HUMAN RESOURCES, FINANCE, COMPLIANCE, INFORMATION SERVICES, PATIENT RELATIONS/RISK MANAGEMENT, SAFETY, EMERGENCY PREPAREDNESS & SERVICES, REVENUE SERVICES, ESSENTIA HEALTH MEDICAL GROUP, PHYSICIAN/PROVIDER SERVICES, RESEARCH AND EDUCATION, AND THE ESSENTIA HEALTH FOUNDATION. ESSENTIA HEALTH HAS THE FOLLOWING AUTHORITY OVER ITS SUPPORTED ORGANIZATIONS AND THEIR SUBSIDIARIES: CREATE AND APPROVE STRATEGIC BUSINESS PLANS; CREATE AND APPROVE THE MISSION, PURPOSE AND VISION STATEMENTS; CREATE AND APPROVE AMENDMENTS OF THE ARTICLES OF INCORPORATION AND BYLAWS AND/OR CERTIFICATES OF FORMATION AND OPERATING AGREEMENTS; AND CAUSE AND APPROVE THE DISCONTINUANCE OF SERVICES AND SERVICE LOCATIONS.

SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

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

▶Complete if the organization is described below. ▶Attach to Form 990 or Form 990-EZ.
▶Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2019

Open to Public Inspection

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

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

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

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

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

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

Name of the organization ESSENTIA HEALTH	Employer identification number 20-0360007
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Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

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

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

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

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

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

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

Part II-A Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).**A** Check ☐ if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures).**B** Check ☐ if the filing organization checked box A and "limited control" provisions apply.

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

4-Year Averaging Period Under Section 501(h)
(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the separate instructions for lines 2a through 2f.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2016	(b) 2017	(c) 2018	(d) 2019	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

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

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

		(a)		(b)
		Yes	No	Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a	Volunteers?		No	
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?	Yes		
c	Media advertisements?		No	
d	Mailings to members, legislators, or the public?	Yes		
e	Publications, or published or broadcast statements?		No	
f	Grants to other organizations for lobbying purposes?		No	
g	Direct contact with legislators, their staffs, government officials, or a legislative body?	Yes		164,679
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	Other activities?	Yes		287,839
j	Total. Add lines 1c through 1i			452,518
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

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

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

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

Part IV Supplemental Information

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

Return Reference	Explanation
PART II-B, LINE 1:	<p>ESSENTIA HEALTH EMPLOYS ONE FULL-TIME IN-HOUSE PUBLIC POLICY INDIVIDUAL AND DURING 2020 CONTRACTED WITH THREE CONSULTANT FIRMS TO MONITOR STATE LEGISLATIVE ACTIVITIES OF INTEREST, TWO CONSULTANT FIRMS TO MONITOR FEDERAL LEGISLATIVE ACTIVITIES OF INTEREST RELATED TO HEALTH AND HUMAN SERVICES ISSUES, AND ONE LEGAL FIRM TO PROVIDE LEGISLATIVE REPRESENTATION SERVICES. ESSENTIA HEALTH'S PUBLIC POLICY ACTIVITIES OCCUR ON A MULTI-STATE AND NATIONAL LEVEL. ESSENTIA HEALTH PUBLIC POLICY ACTIVITIES INCLUDED IN PERSON, TELEPHONIC, ELECTRONIC COMMUNICATION AND INFORMATION RELAY WITH LEGISLATORS AND STAFF, ADMINISTRATIVE OFFICIALS, GOVERNMENT AGENCIES AND DEPARTMENTS ON BOTH THE STATE AND FEDERAL LEVELS. THE PRIMARY ISSUES OF INTEREST AND CONCERN INCLUDE: CRITICAL ACCESS HOSPITAL DESIGNATION, STATUS AND REIMBURSEMENT PHYSICIAN AND HOSPITAL SERVICES REIMBURSEMENT MEDICARE AND MEDICAID REIMBURSEMENT POLICIES DISPROPORTIONATE SHARE HOSPITAL FUNDING SOLE COMMUNITY HOSPITAL STATUS AND FUNDING GRADUATE MEDICAL EDUCATION/INDIRECT MEDICAL EDUCATION FUNDING HEALTH INFORMATION TECHNOLOGY FUNDING AND PRIVACY ISSUES CYBERSECURITY STATE AND FEDERAL SHARED SAVINGS DEMONSTRATION PROJECTS MEDICARE REIMBURSEMENT FOR REHAB FACILITIES MEDICARE 340B PRESCRIPTION DRUG DISCOUNT PROGRAM MULTI-STATE NURSE LICENSURE COMPACT MULTI-STATE ADVANCED PRACTICE REGISTERED NURSE LICENSURE COMPACT MULTI-STATE PHYSICIAN LICENSURE COMPACT MULTI-STATE PHYSICAL THERAPY COMPACT MANDATED NURSE STAFFING QUOTAS ELECTRONIC MEDICAL RECORD INTEROPERABILITY/HEALTH INFORMATION TECHNOLOGY MEDICARE RECOVERY AUDIT CONTRACTOR AUDITS (RAC) HEALTH INFORMATION EXCHANGE MEDICAL EDUCATION AND RESEARCH COSTS (MERC) STATE CHILDREN'S HEALTH INSURANCE PROGRAM WORKFORCE DEVELOPMENT ISSUES PUBLIC HEALTH INITIATIVES COMMUNITY BENEFITS WORKERS COMPENSATION SYSTEM TAX EXEMPT STATUS ENVIRONMENTAL PROTECTION & SOLID WASTE ADVANCED CARE PLANNING PANDEMIC PREPAREDNESS AND READINESS EXPANSION OF TELEHEALTH SERVICES MENTAL HEALTH/BEHAVIORAL HEALTH ISSUES COVID-19 RELIEF ESSENTIA HEALTH WAS AN ADVOCATE SPONSOR THROUGH THE DULUTH AREA CHAMBER OF COMMERCE FOR THE 2020 "DULUTH & ST. LOUIS COUNTY AT THE CAPITAL DAYS" EVENT. WHILE ESSENTIA HEALTH PLANNED TO MEET FACE-TO-FACE WITH MINNESOTA LEGISLATORS TO DISCUSS ISSUES AFFECTING OUR COMMUNITIES AND HEALTHCARE, THE EVENT WAS CANCELLED DUE TO COVID-19. ESSENTIA HEALTH ALSO PAYS DUES TO CERTAIN ORGANIZATIONS RELATED TO THE INDUSTRY WHICH HAVE LOBBYING EXPENSES. THE AMOUNT INCLUDED IN THE TOTAL IS THE PERCENTAGE OF THE DUES PAID THAT WERE USED FOR LOBBYING.</p>

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SCHEDULE D

(Form 990)

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

2019

Open to Public Inspection

Department of the Treasury

Internal Revenue Service

Name of the organization

ESSENTIA HEALTH

Employer identification number

20-0360007

Part I

Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.

Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

1

Total number at end of year

2

Aggregate value of contributions to (during year)

3

Aggregate value of grants from (during year)

4

Aggregate value at end of year

5

Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?

Yes

No

6

Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?

Yes

No

Part II

Conservation Easements.

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

1

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

☐ Preservation of land for public use (e.g., recreation or education)

☐ Preservation of an historically important land area

☐ Protection of natural habitat

☐ Preservation of a certified historic structure

☐ Preservation of open space

2

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

2a

Total number of conservation easements

2b

Total acreage restricted by conservation easements

2c

Number of conservation easements on a certified historic structure included in (a)

2d

Number of conservation easements included in (c) acquired after 7/25/06, and not on a historic structure listed in the National Register

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.

1b

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

(i)

Revenue included on Form 990, Part VIII, line 1

▶ \$

(ii)

Assets included in Form 990, Part X

▶ \$

2

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

a

Revenue included on Form 990, Part VIII, line 1

▶ \$

b

Assets included in Form 990, Part X

▶ \$

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

Cat. No. 52283D

Schedule D (Form 990) 2019

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:

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance

	Amount
1c	
1d	
1e	
1f	

2a

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

☐ Yes

☐ No

b

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

☐

Part V

Endowment Funds.

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

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

2

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

a

Board designated or quasi-endowment ▶

b

Permanent endowment ▶

c

Temporarily restricted endowment ▶

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

3a

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

(i) unrelated organizations

(ii) related organizations

b

If "Yes" on 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		1,203,956	512,094	691,862
c Leasehold improvements				
d Equipment		9,066,834	6,139,159	2,927,675
e Other				
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).) . . . ▶				3,619,537

Schedule D (Form 990) 2019

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	453,964	F
(2) Closely-held equity interests		
(3) Other _____		
(A) POOLED INVESTMENT FUNDS	220,592,434	F
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 12.) ▶	221,046,398	

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) INVESTMENT IN BENEDICTINE HEALTH SYSTEM	53,227,022	C
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 13.) ▶	53,227,022	

Part IX

Other Assets.

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

(a) Description	(b) Book value
(1) DEFERRED DEBT FINANCING COSTS - LINE OF CREDIT	2,269
(2) DEFERRED COMPENSATION FUND	88,242,421
(3) REINSURANCE RECEIVABLE	3,747,349
(4) DEFERRED TAX ASSET	1,400,011
(5) DEFERRED TAX ALLOWANCE	-305,131
(6) OPERATING LEASE ASSET	2,211,546
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	95,298,465

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) NON CURRENT SWAP LIABILITY	834,823
(3) BENEFIT PLAN LIABILITY	88,242,421
(4) UNCLAIMED PROPERTY	147,420
(5) SHORT TERM OPERATING LEASE	209,411
(6) LONG TERM OPERATING LEASE	2,030,516
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	91,464,591

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

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

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

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

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

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

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

Part XIII Supplemental Information

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

Return Reference	Explanation	
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Part XIII	Supplemental Information (continued)
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Return Reference	Explanation
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SCHEDULE F (Form 990)	Statement of Activities Outside the United States ▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 14b, 15, or 16. ▶ Attach to Form 990. ▶ Go to www.irs.gov/Form990 for instructions and the latest information.	OMB No. 1545-0047
		2019
		Open to Public Inspection
Department of the Treasury Internal Revenue Service	Name of the organization ESSENTIA HEALTH	Employer identification number 20-0360007

Part I

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

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

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

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

(a) Region	(b) Number of offices in the region	(c) Number of employees, agents, and independent contractors in the region	(d) Activities conducted in region (by type) (such as, fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in the region	(f) Total expenditures for and investments in the region
See Add'l Data					
3a Sub-total	0	0			140,819,807
b Total from continuation sheets to Part I	0	0			0
c Totals (add lines 3a and 3b)	0	0			140,819,807

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

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

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

Part III	Grants and Other Assistance to Individuals Outside the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 16.
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Part III can be duplicated if additional space is needed.

[illegible]

Part IV Foreign Forms

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

Part V **Supplemental Information**

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

990 Schedule F, Supplemental Information

Return Reference	Explanation
PART III ACCOUNTING METHOD:	

Additional Data

Software ID:

Software Version:

EIN: 20-0360007

Name: ESSENTIA HEALTH

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

(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region	(d) Activities conducted in region (by type) (i.e., fundraising, program services, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for region
CENTRAL AMERICA AND THE CARIBBEAN - ANTIGUA & BARBUDA, ARUBA, BAHAMAS,	0	0	INVESTMENTS		123,006,307
CENTRAL AMERICA AND THE CARIBBEAN - ANTIGUA & BARBUDA, ARUBA, BAHAMAS,	0	0	PROGRAM SERVICES	SELF INDEMNITY	17,813,500

Schedule J (Form 990)	Compensation Information	OMB No. 1545-0047
		2019
		Open to Public Inspection
Department of the Treasury Internal Revenue Service	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.	
Name of the organization ESSENTIA HEALTH		Employer identification number 20-0360007

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

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

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

[illegible]

Part III Supplemental Information

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

Return Reference	Explanation
PART I, LINE 1A	BENEFITS PROVIDED: DURING CALENDAR YEAR 2019, CHARTER TRAVEL WAS USED BY ONE OFFICER AND TWO KEY EMPLOYEES FOR TRAVEL BETWEEN ESSENTIA HEALTH'S OFFICE IN DULUTH, MN AND OTHER ORGANIZATIONS. THE USE OF CHARTER TRAVEL IS NOT TREATED AS TAXABLE COMPENSATION TO THESE INDIVIDUALS AS ALL TRAVEL WAS BUSINESS RELATED. DURING CALENDAR YEAR 2019, AS NEW EMPLOYEES RELOCATING FROM ANOTHER AREA, KEY EMPLOYEES JODI MANSFIELD AND MICHAEL WATTERS RECEIVED HOUSING ALLOWANCES. THESE BENEFITS WERE TREATED AS TAXABLE COMPENSATION TO BOTH INDIVIDUALS.
PART I, LINES 4A-B	SEVERANCE PAYMENT: KEY EMPLOYEE, TIMOTHY SAYLER, RECEIVED PAYMENT TOTALING \$293,561 IN CALENDAR YEAR 2019 RELATED TO HIS TERMINATION. THE TERMINATION TERMS ARE FROM APRIL 15, 2019 TO OCTOBER 14, 2020. MR. SAYLER WILL RECEIVE PAY TOTALING \$630,396 & BENEFITS TOTALING \$83,636 RELATED TO HIS TERMINATION. FORMER KEY EMPLOYEE, JEFFREY KORSMO, RECEIVED PAYMENT TOTALING \$655,380 IN CALENDAR YEAR 2019 RELATED TO HIS TERMINATION. THE TERMINATION TERMS ARE FROM MARCH 5, 2018 TO SEPTEMBER 5, 2019. MR. KORSMO WILL RECEIVE PAY TOTALING \$1,285,222 & BENEFITS TOTALING \$15,611 RELATED TO HIS TERMINATION. KEY EMPLOYEE, KRISTI SCHMIDT, RECEIVED PAYMENT TOTALING \$189,800 IN CALENDAR YEAR 2019 RELATED TO HER TERMINATION. THE TERMINATION TERMS ARE FROM JANUARY 14, 2019 TO JANUARY 14, 2020. MS. SCHMIDT WILL RECEIVE PAY TOTALING \$244,296 & BENEFITS TOTALING \$2,218 RELATED TO HER TERMINATION. FORMER KEY EMPLOYEE, TRACY MILAND, RECEIVED PAYMENT TOTALING \$232,959 IN CALENDAR YEAR 2019 RELATED TO HER TERMINATION. THE TERMINATION TERMS ARE FROM MARCH 5, 2018 TO SEPTEMBER 5, 2019. MS. MILAND WILL RECEIVE PAY TOTALING \$514,488 & BENEFITS TOTALING \$38,144 RELATED TO HER TERMINATION. FORMER OFFICER, ROBERT NORMAN, RECEIVED PAYMENT TOTALING \$200,659 IN CALENDAR YEAR 2019 RELATED TO HIS TERMINATION. THE TERMINATION TERMS ARE FROM NOVEMBER 1, 2017 TO MAY 1, 2019. MR. NORMAN WILL RECEIVE PAY TOTALING \$854,786 & BENEFITS TOTALING \$20,120 RELATED TO HIS TERMINATION. ALL OTHER INDIVIDUALS LISTED AS FORMERS IN FORM 990, PART VII, SECTION A, LINE 1A DID NOT RECEIVE A SEVERANCE PAYMENT DURING CALENDAR YEAR 2019. SOME OF THESE INDIVIDUALS REMAIN EMPLOYED WITHIN ESSENTIA HEALTH AND ITS SUBSIDIARIES. SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN: ESSENTIA HEALTH'S NONQUALIFIED RETIREMENT PLAN IS OFFERED TO DESIGNATED ESSENTIA HEALTH EXECUTIVES. THERE IS A MINIMUM FOUR YEAR VESTING DATE, OR VESTING IS AUTOMATIC UPON REACHING RETIREMENT AGE, DEATH, DISABILITY OR INVOLUNTARY TERMINATION WITHOUT CAUSE. BENEFITS ARE SUBJECT TO INCOME TAXES UPON VESTING AND PAYABLE FROM ESSENTIA HEALTH'S GENERAL ASSETS. REPORTED AS OTHER REPORTABLE COMPENSATION IN SCHEDULE J, PART II, COLUMN B (III), THE FOLLOWING INDIVIDUALS LISTED IN FORM 990, PART VII, SECTION A, LINE 1A RECEIVED PAYMENT OF THE VESTED BENEFIT FROM THE SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN DURING THE YEAR: DAVID HERMAN, MD \$265,768 DANIEL NIKCEVICH, MD \$108,279 TIMOTHY SAYLER \$200,851 TRACI MORRIS \$4,970 GREGORY GLASNER, MD \$62,691 PETER HENRY, MD \$50,337 DENNIS DASSENKO \$44,577 DIANE DAVIDSON \$43,615 DEBORAH WELLE-POWELL \$41,224 PATRICK TWOMEY, MD \$67,863 ADAM REES \$38,544 SHEILA HART \$29,760 MARK HAYWARD \$34,199 TERESA O'TOOLE \$56,714 MICHAEL MAHONEY \$40,740 ROBERT NORMAN \$14,225 MARTIN SINCLAIR \$33,902 KRISTI SCHMIDT \$46,899 SCOTT JOHNSON, MD \$3,766 REPORTED AS RETIREMENT AND OTHER DEFERRED COMPENSATION IN SCHEDULE J, PART II, COLUMN C, ESSENTIA HEALTH MADE CONTRIBUTIONS, SUBJECT TO THE VESTING TERMS, DURING THE YEAR INTO THE SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN ON BEHALF OF THE FOLLOWING INDIVIDUALS LISTED IN FORM 990, PART VII, SECTION A, LINE 1A: DAVID HERMAN, MD \$238,252 JODI MANSFIELD \$115,602 DANIEL NIKCEVICH, MD \$90,132 TIMOTHY SAYLER \$9,520 TRACI MORRIS \$63,527 BRADLEY BEARD \$65,421 GREGORY GLASNER, MD \$58,950 PETER HENRY, MD \$55,316 RICHARD VETTER, MD \$44,511 DENNIS DASSENKO \$47,319 DIANE DAVIDSON \$46,635 DEBORAH WELLE-POWELL \$47,898 ANNE STEPHEN, MD \$46,398 ADAM REES \$35,019 SHEILA HART \$32,235 MARK HAYWARD \$30,831 AL HURLEY \$57,570 TERESA O'TOOLE \$14,842 MICHAEL MAHONEY \$11,777 MARTIN SINCLAIR \$8,900 MICHAEL WATTERS \$28,999
PART I, LINE 8	INITIAL CONTRACT EXCEPTION: ESSENTIA HEALTH'S CHIEF LEGAL OFFICER, MICHAEL WATTERS, RECEIVED COMPENSATION DURING THE YEAR UNDER AN INITIAL EMPLOYMENT AGREEMENT SUBJECT TO THE INITIAL CONTRACT EXCEPTION. THROUGH THE ESSENTIA HEALTH EXECUTIVE COMPENSATION COMMITTEE, THIS COMPENSATION ARRANGEMENT WAS REVIEWED AND APPROVED BY INDEPENDENT PERSONS USING COMPARABILITY DATA AND DELIBERATIONS AND DECISIONS WERE DOCUMENTED.

Additional Data

Software ID:
Software Version:
EIN: 20-0360007
Name: ESSENTIA HEALTH

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1DAVID HERMAN MD CHIEF EXECUTIVE OFFICER	(i)	1,319,117	835,750	277,432	260,652	4,652	2,697,603	265,768
	(ii)	0	0	0	0	0	0	0
1JODI MANSFIELD EXECUTIVE VICE PRESIDENT, COO	(i)	873,923	337,781	93,055	138,002	2,849	1,445,610	0
	(ii)	0	0	0	0	0	0	0
2DANIEL NIKCEVICH MD FORMER PRESIDENT - EAST	(i)	0	0	0	0	0	0	0
	(ii)	684,335	0	115,941	112,532	33,830	946,638	108,279
3TIMOTHY SAYLER COO - WEST THRU 4/19	(i)	0	0	0	0	0	0	0
	(ii)	130,687	154,447	551,267	24,266	24,756	885,423	101,448
4TRACI MORRIS CHIEF FINANCIAL OFFICER	(i)	542,604	191,087	55,295	85,927	3,244	878,157	4,970
	(ii)	0	0	0	0	0	0	0
5BRADLEY BEARD CHIEF OPERATING OFFICER - EAST	(i)	0	0	0	0	0	0	0
	(ii)	544,648	190,562	19,422	86,752	35,628	877,012	0
6GREGORY GLASNER MD PRESIDENT - WEST THRU 12/19	(i)	0	0	0	0	0	0	0
	(ii)	509,044	184,090	70,237	77,024	29,339	869,734	62,691
7PETER HENRY MD CHIEF MEDICAL OFFICER	(i)	487,136	185,112	61,584	77,716	26,163	837,711	50,337
	(ii)	0	0	0	0	0	0	0
8RICHARD VETTER MD INTERIM PRESIDENT/CMO - WEST	(i)	0	0	0	0	0	0	0
	(ii)	488,717	163,773	7,133	66,911	27,201	753,735	0
9DENNIS DASSENKO CHIEF INFORMATION OFFICER THRU 3/20	(i)	435,264	170,370	54,714	69,719	23,447	753,514	44,383
	(ii)	0	0	0	0	0	0	0
10DIANE DAVIDSON CHIEF HUMAN RESOURCE OFFICER	(i)	422,922	167,907	62,675	69,035	29,505	752,044	43,374
	(ii)	0	0	0	0	0	0	0
11DEBORAH WELLE-POWELL CHIEF POPULATION HEALTH OFFICER	(i)	442,531	165,572	51,401	70,298	13,215	743,017	41,224
	(ii)	0	0	0	0	0	0	0
12ANNE STEPHEN MD CHIEF MEDICAL OFFICER- EAST	(i)	0	0	0	0	0	0	0
	(ii)	426,689	144,991	9,884	68,798	23,163	673,525	0
13JEFFREY KORSMO FORMER EVP, OPERATIONS & ADMIN	(i)	0	0	655,380	0	9,351	664,731	0
	(ii)	0	0	0	0	0	0	0
14PATRICK TWOMEY MD FORMER CHIEF MEDICAL OFFICER	(i)	0	0	0	0	0	0	0
	(ii)	497,775	0	70,291	22,400	34,549	625,015	67,863
15ADAM REES PRESIDENT - CENTRAL THRU 4/20	(i)	0	0	0	0	0	0	0
	(ii)	351,940	139,200	43,936	57,419	26,957	619,452	38,544
16SHEILA HART SENIOR VP-INTEGRATED CARE DELIVERY	(i)	331,437	132,453	37,482	54,635	28,060	584,067	29,485
	(ii)	0	0	0	0	0	0	0
17MARK HAYWARD FORMER SENIOR VP, OPERATIONS	(i)	0	0	0	0	0	0	0
	(ii)	326,188	116,873	39,152	53,231	32,492	567,936	34,199
18AL HURLEY CHIEF OPERATING OFFICER - WEST	(i)	0	0	0	0	0	0	0
	(ii)	356,358	90,844	14,323	59,836	19,057	540,418	0
19THOMAS PATNOE PHYSICIAN LEADER	(i)	129,202	0	371,620	7,752	0	508,574	0
	(ii)	0	0	0	0	0	0	0

Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees								
(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
21TERESA O'TOOLE CHIEF LEGAL OFFICER THRU 3/19	(i)	154,410	201,425	59,623	39,324	3,161	457,943	56,714
	(ii)	0	0	0	0	0	0	0
1MELANIE WILSON VICE PRESIDENT, REVENUE SERVICES	(i)	345,415	56,538	300	14,000	30,868	447,121	0
	(ii)	0	0	0	0	0	0	0
2MICHAEL MAHONEY VP, PUBLIC POLICY THRU 8/19	(i)	175,733	68,828	160,221	27,021	12,869	444,672	36,936
	(ii)	0	0	0	0	0	0	0
3MICHAEL VAN SCOY MD PHYSICIAN	(i)	378,017	0	1,754	22,400	31,501	433,672	0
	(ii)	0	0	0	0	0	0	0
4STEFANIE GEFRÖH ELLISON MD BOARD DIRECTOR	(i)	0	0	0	0	0	0	0
	(ii)	374,486	0	612	21,836	30,789	427,723	0
5JON PRYOR MD PRESIDENT - EAST	(i)	0	0	0	0	0	0	0
	(ii)	375,739	0	11,071	0	6,400	393,210	0
6MARTIN SINCLAIR DEPUTY CHIEF LEGAL OFFICER	(i)	259,637	48,595	39,738	30,745	2,909	381,624	30,987
	(ii)	0	0	0	0	0	0	0
7RAJESH PRABHU MD PHYSICIAN - SECTION CHAIR	(i)	340,784	0	702	22,400	11,835	375,721	0
	(ii)	0	0	0	0	0	0	0
8FRANK MODICH INT CHIEF LEGAL OFFICER THRU 8/19	(i)	318,591	26,014	204	12,355	10,719	367,883	0
	(ii)	0	0	0	0	0	0	0
9JANE RUDD MD BOARD DIRECTOR	(i)	0	0	0	0	0	0	0
	(ii)	296,371	0	1,342	22,400	35,041	355,154	0
10MICHAEL WATTERS CHIEF LEGAL OFFICER	(i)	163,507	80,000	63,767	28,999	11,873	348,146	0
	(ii)	0	0	0	0	0	0	0
11JOEL HAUGEN MD BOARD DIRECTOR THRU 12/19	(i)	24,500	0	0	0	0	24,500	0
	(ii)	251,020	0	2,579	20,352	17,240	291,191	0
12PATRICIA DELONG CHIEF NURSING OFFICER - CENTRAL	(i)	0	0	0	0	0	0	0
	(ii)	240,874	29,389	1,564	13,219	13,536	298,582	0
13KRISTI SCHMIDT CHIEF MKTG & COMS OFFICER THRU 1/19	(i)	16,854	0	255,795	2,864	537	276,050	22,671
	(ii)	0	0	0	0	0	0	0
14TRACY MILAND FORMER CHIEF STRATEGY OFFICER	(i)	0	0	232,959	0	16,227	249,186	0
	(ii)	0	0	0	0	0	0	0
15ROBERT NORMAN FORMER CHIEF FINANCIAL OFFICER	(i)	0	0	214,884	0	8,041	222,925	0
	(ii)	0	0	0	0	0	0	0
16LAURA BOEHLKE-BRAY MD BOARD DIRECTOR THRU 12/19	(i)	20,000	0	0	0	0	20,000	0
	(ii)	183,464	0	950	14,110	906	199,430	0
17THOMAS RUSS MD BOARD DIRECTOR	(i)	30,000	0	0	0	0	30,000	0
	(ii)	168,670	0	110	10,768	0	179,548	0
18SCOTT JOHNSON MD FORMER CHIEF MEDICAL OFFICER - WEST	(i)	0	0	0	0	0	0	0
	(ii)	0	0	173,030	0	0	173,030	2,493

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

Schedule K
(Form 990)

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

Supplemental Information on Tax-Exempt Bonds

- Complete if the organization answered "Yes" to Form 990, Part VI, line 24a. Provide descriptions, explanations, and any additional information in Part VI.
- Attach to Form 990.
- Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2019

Open to Public
Inspection

Employer identification number
20-0360007

Part I Bond Issues

(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pool financing	
						Yes	No	Yes	No	Yes	No
A DULUTH ECONOMIC DEVELOPMENT AUTHORITY	90-0848286	26444CHF2	11-01-2018	704,253,406	SERIES 2018A (SEE PART VI)		X		X		X
B CASS COUNTY ND	45-6002205	000000000	02-18-2020	61,320,000	SERIES 2020A (SEE PART VI)		X		X		X
C WI HEALTH & EDU FAC AUTH	39-1337855	000000000	02-18-2020	13,095,000	SERIES 2020B (SEE PART VI)		X		X		X
D DULUTH ECONOMIC DEVELOPMENT AUTHORITY	90-0848286	000000000	02-18-2020	116,955,000	SERIES 2020C (SEE PART VI)		X		X		X

Part II Proceeds

		A		B		C		D	
1	Amount of bonds retired								
2	Amount of bonds legally defeased								
3	Total proceeds of issue	3,776,805		3,985,800		851,175		7,602,074	
4	Gross proceeds in reserve funds								
5	Capitalized interest from proceeds								
6	Proceeds in refunding escrows								
7	Issuance costs from proceeds	32,652		14,300		7,800		46,800	
8	Credit enhancement from proceeds								
9	Working capital expenditures from proceeds								
10	Capital expenditures from proceeds								
11	Other spent proceeds	3,744,153		3,971,500		843,375		7,555,274	
12	Other unspent proceeds								
13	Year of substantial completion			2020		2020		2020	
		Yes	No	Yes	No	Yes	No	Yes	No
14	Were the bonds issued as part of a current refunding issue of tax-exempt bonds (or, if issued prior to 2018, a current refunding issue)?	X		X		X		X	
15	Were the bonds issued as part of an advance refunding issue of taxable bonds (or, if issued prior to 2018, an advance refunding issue)?		X		X		X		X
16	Has the final allocation of proceeds been made?		X	X		X		X	
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X		X		X	

Part III Private Business Use

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

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

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

Part IV Arbitrage (Continued)

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
5a Were gross proceeds invested in a guaranteed investment contract (GIC)?	X			X		X		X
b Name of provider	SEE PART VI							
c Term of GIC	340.0000000000 %							
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?	X							
6 Were any gross proceeds invested beyond an available temporary period?		X		X		X		X
7 Has the organization established written procedures to monitor the requirements of section 148?	X		X		X		X	

Part V Procedures To Undertake Corrective Action

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

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

Return Reference	Explanation
DATE REBATE COMPUTATION PERFORMED	ISSUER NAME: DULUTH ECONOMIC DEVELOPMENT AUTHORITY DATE THE REBATE COMPUTATION WAS PERFORMED: 06/30/2020

Return Reference	Explanation
SCHEDULE K:	<p>ADDITIONAL INFORMATION/COMMENTS RELATING TO THE REPORTING OF LIABILITIES BY RELATED ORGANIZATIONS: ESSENTIA HEALTH HAS AN OBLIGATED GROUP CREATED UNDER THE MASTER TRUST INDENTURE WHICH IS COMPOSED OF THE FOLLOWING MEMBERS: ESSENTIA HEALTH, CRITICAL ACCESS GROUP, ESSENTIA HEALTH EAST, ESSENTIA HEALTH ST. JOSEPH'S MEDICAL CENTER, ESSENTIA HEALTH ST. MARY'S-DETROIT LAKES, ESSENTIA HEALTH ST. MARY'S MEDICAL CENTER, ESSENTIA HEALTH DULUTH, ESSENTIA HEALTH POLINSKY MEDICAL REHABILITATION CENTER, ESSENTIA HEALTH ST. MARY'S HOSPITAL-SUPERIOR, ESSENTIA HEALTH BRAINERD SPECIALTY CLINIC, ESSENTIA HEALTH CENTRAL, ST. MARY'S INNOVIS HEALTH, THE DULUTH CLINIC, LTD. AND ESSENTIA HEALTH WEST (THE "OBLIGATED GROUP MEMBERS"). THE OBLIGATED GROUP MEMBERS ARE JOINTLY AND SEVERALLY OBLIGATED ON ALL INDEBTEDNESS EVIDENCED OR SECURED BY NOTES ISSUED UNDER THE MASTER TRUST INDENTURE. SERIES 2018A: THE SERIES 2018A BONDS ARE SECURED BY NOTES ISSUED UNDER THE MASTER TRUST INDENTURE. THE OBLIGATED GROUP MEMBERS: ESSENTIA HEALTH, ESSENTIA HEALTH EAST, THE DULUTH CLINIC, LTD., ESSENTIA HEALTH DULUTH, ESSENTIA HEALTH ST. MARY'S MEDICAL CENTER, ESSENTIA HEALTH ST. JOSEPH'S MEDICAL CENTER, ESSENTIA HEALTH ST. MARY'S-DETROIT LAKES, ESSENTIA HEALTH CENTRAL, ESSENTIA HEALTH BRAINERD SPECIALTY CLINIC, AND ESSENTIA HEALTH WEST ARE THE CONDUIT BORROWERS OF THE SERIES 2018A BONDS. THE CONDUIT BORROWERS, ESSENTIA HEALTH, ESSENTIA HEALTH ST. MARY'S-DETROIT LAKES, ESSENTIA HEALTH DULUTH, THE DULUTH CLINIC, LTD., ESSENTIA HEALTH WEST, AND ESSENTIA HEALTH ST. JOSEPH'S MEDICAL CENTER, HAVE RECORDED A PORTION OF THE BOND LIABILITY ON THEIR BALANCE SHEETS WHICH ARE CONSOLIDATED WITH ESSENTIA HEALTH. SERIES 2020A: THE SERIES 2020A BONDS ARE SECURED BY NOTES ISSUED UNDER THE MASTER TRUST INDENTURE. THE OBLIGATED GROUP MEMBERS: ESSENTIA HEALTH, ESSENTIA HEALTH WEST, THE DULUTH CLINIC, LTD., ESSENTIA HEALTH ST. MARY'S-DETROIT LAKES, ESSENTIA HEALTH EAST, ESSENTIA HEALTH DULUTH, ESSENTIA HEALTH ST. MARY'S MEDICAL CENTER, ESSENTIA HEALTH ST. JOSEPH'S MEDICAL CENTER, ESSENTIA HEALTH ST. MARY'S HOSPITAL-SUPERIOR, AND ESSENTIA HEALTH POLINSKY MEDICAL REHABILITATION CENTER ARE THE CONDUIT BORROWERS OF THE SERIES 2020A BONDS. THE CONDUIT BORROWERS, ESSENTIA HEALTH, THE DULUTH CLINIC, LTD., ESSENTIA HEALTH WEST, ESSENTIA HEALTH ST. MARY'S-DETROIT LAKES, AND ST. MARY'S INNOVIS HEALTH HAVE RECORDED A PORTION OF THE BOND LIABILITY ON THEIR BALANCE SHEETS WHICH ARE CONSOLIDATED WITH ESSENTIA HEALTH. SERIES 2020B: THE SERIES 2020B BONDS ARE SECURED BY NOTES ISSUED UNDER THE MASTER TRUST INDENTURE. THE OBLIGATED GROUP MEMBERS: ESSENTIA HEALTH, ESSENTIA HEALTH WEST, THE DULUTH CLINIC, LTD., ESSENTIA HEALTH ST. MARY'S-DETROIT LAKES, ESSENTIA HEALTH EAST, ESSENTIA HEALTH DULUTH, ESSENTIA HEALTH ST. MARY'S MEDICAL CENTER, ESSENTIA HEALTH ST. JOSEPH'S MEDICAL CENTER, ESSENTIA HEALTH ST. MARY'S HOSPITAL-SUPERIOR, AND ESSENTIA HEALTH POLINSKY MEDICAL REHABILITATION CENTER ARE THE CONDUIT BORROWERS OF THE SERIES 2020B</p>

Return Reference	Explanation
SCHEDULE K:	<p>BONDS. THE CONDUIT BORROWERS, ESSENTIA HEALTH, THE DULUTH CLINIC, LTD., ESSENTIA HEALTH W EST, ESSENTIA HEALTH ST. MARY'S-DETROIT LAKES, AND ST. MARY'S INNOVIS HEALTH HAVE RECORDED A PORTION OF THE BOND LIABILITY ON THEIR BALANCE SHEETS WHICH ARE CONSOLIDATED WITH ESSEN TIA HEALTH. SERIES 2020C: THE SERIES 2020C BONDS ARE SECURED BY NOTES ISSUED UNDER THE MAS TER TRUST INDENTURE. THE OBLIGATED GROUP MEMBERS: ESSENTIA HEALTH, ESSENTIA HEALTH WEST, T HE DULUTH CLINIC, LTD., ESSENTIA HEALTH ST. MARY'S-DETROIT LAKES, ESSENTIA HEALTH EAST, ES SENTIA HEALTH DULUTH, ESSENTIA HEALTH ST. MARY'S MEDICAL CENTER, ESSENTIA HEALTH ST. JOSEP H'S MEDICAL CENTER, ESSENTIA HEALTH ST. MARY'S HOSPITAL-SUPERIOR, AND ESSENTIA HEALTH POLI NSKY MEDICAL REHABILITATION CENTER ARE THE CONDUIT BORROWERS OF THE SERIES 2020C BONDS. TH E CONDUIT BORROWERS, ESSENTIA HEALTH, THE DULUTH CLINIC, LTD., ESSENTIA HEALTH WEST, ESSEN TIA HEALTH ST. MARY'S-DETROIT LAKES, AND ST. MARY'S INNOVIS HEALTH HAVE RECORDED A PORTION OF THE BOND LIABILITY ON THEIR BALANCE SHEETS WHICH ARE CONSOLIDATED WITH ESSENTIA HEALTH .</p>

Return Reference	Explanation
<p>SCHEDULE K, PART I, COLUMN (F):</p>	<p>DESCRIPTION OF PURPOSE: SERIES 2018A: ACQUIRE, CONSTRUCT, BUILD, AND EQUIP MEDICAL CAMPUS PROJECT IN DULUTH, MN; REFUND SERIES 2008E BONDS ISSUED MAY 2, 2008 TO REFINANCE SERIES 1997 BONDS ISSUED DECEMBER 18, 1997 TO FINANCE EQUIPMENT PURCHASES IN DULUTH, MN AND FINANCE PROPERTY ACQUISITIONS, CAPITAL IMPROVEMENTS AND EQUIPMENT PURCHASES IN NORTHERN MINNESOTA; AND REFUND SERIES 2014 BONDS ISSUED JULY 29, 2014 TO REFINANCE PRIOR NOTE USED FOR CAPITAL IMPROVEMENTS TO SKILLED NURSING FACILITY LOCATED IN DETROIT LAKES, MN AND VARIOUS CONSTRUCTION PROJECTS AND EQUIPMENT PURCHASES IN BAXTER, FRAZEE, AND PELICAN RAPIDS, MN AND FINANCE CAPITAL EXPENDITURES TO REPLACE THE CHILLER UNIT FOR ESSENTIA HEALTH VIRGINIA, RENOVATE APPROXIMATELY 118,000 SQUARE FEET OF CLINIC SPACE FOR ESSENTIA HEALTH BRAINERD SPECIALTY CLINIC, REMODEL AND EQUIP EXISTING CLINIC SPACE IN EMILY, MN FOR ESSENTIA HEALTH ST. JOSEPH'S MEDICAL CENTER, AND EXPAND AND REMODEL THE IMAGING AREA IN THE EMERGENCY ROOM OF ESSENTIA HEALTH ST. MARY'S-DETROIT LAKES' HOSPITAL. SERIES 2020A: REFUND SERIES 2008A BONDS ISSUED FEBRUARY 25, 2010 TO REOFFER BONDS ORIGINALLY ISSUED MARCH 4, 2008 TO REFINANCE A PORTION OF THE ACQUISITION OF CERTAIN ASSETS OF ESSENTIA HEALTH WEST IN CONNECTION WITH THE AFFILIATION OF ESSENTIA HEALTH WITH ESSENTIA HEALTH WEST. SERIES 2020B: REFUND SERIES 2008B BONDS ISSUED FEBRUARY 25, 2010 TO REOFFER BONDS ORIGINALLY ISSUED MARCH 4, 2008 TO REFUND SERIES 1999B BONDS ISSUED MAY 18, 1999 FOR CONSTRUCTION PROJECTS AND EQUIPMENT PURCHASES IN SUPERIOR, WI AND VARIOUS DULUTH CLINIC LOCATIONS IN NORTHWESTERN WISCONSIN. SERIES 2020C: REFUND SERIES 2008C BONDS ISSUED FEBRUARY 25, 2010 TO REOFFER BONDS ORIGINALLY ISSUED MARCH 4, 2008 TO REFUND SERIES 2004 BONDS ISSUED MARCH 19, 2004 FOR VARIOUS ACQUISITIONS, CONSTRUCTION PROJECTS, CAPITAL IMPROVEMENTS AND EQUIPMENT PURCHASES IN DULUTH, BRAINERD, AND DETROIT LAKES, MN AND REFUND SERIES 1999A BONDS ISSUED MAY 18, 1999 FOR VARIOUS ACQUISITIONS, CONSTRUCTION PROJECTS, CAPITAL IMPROVEMENTS AND EQUIPMENT PURCHASES IN BRAINERD, DETROIT LAKES AND DULUTH, MN AND VARIOUS DULUTH CLINIC SITES IN NORTHERN MINNESOTA.</p>

Return Reference	Explanation
SCHEDULE K, PART II, LINE 3:	ISSUE PRICE: THE SERIES 2018A, SERIES 2020A, SERIES 2020B AND SERIES 2020C BONDS WERE ISSUED BY THE ESSENTIA HEALTH OBLIGATED GROUP. THE ISSUE PRICE LISTED IN ESSENTIA HEALTH'S SCHEDULE K, PART I, COLUMN (E) REPRESENTS THE ESSENTIA HEALTH OBLIGATED GROUP'S TOTAL BORROWING.

Return Reference	Explanation
SCHEDULE K, PART II, LINES 3 THROUGH 12:	PROCEEDS: THE SERIES 2018A, SERIES 2020A, SERIES 2020B, AND SERIES 2020C BONDS WERE ISSUED BY THE ESSENTIA HEALTH OBLIGATED GROUP. A PORTION OF THE SERIES 2018A, SERIES 2020A, SERIES 2020B, AND SERIES 2020C BORROWINGS WERE ALLOCATED TO ESSENTIA HEALTH, AN ESSENTIA HEALTH OBLIGATED GROUP MEMBER. THE PROCEEDS LISTED IN ESSENTIA HEALTH'S SCHEDULE K, PART II, LINES 3 THROUGH 12 REPRESENT ESSENTIA HEALTH'S ALLOCATED PORTION OF THE PROCEEDS.

Return Reference	Explanation
SCHEDULE K, PART IV, LINE 5B:	NAME OF PROVIDER OF GIC: NATIXIS FUNDING CORP & THE TORONTO-DOMINION BANK

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury

Internal Revenue Service

Name of the organization
ESSENTIA HEALTH

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

2019

Open to Public Inspection

Employer identification number

20-0360007

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART V, LINE 1A:	1099 REPORTING: CERTAIN VENDOR PAYMENTS AND FORM 1099'S WERE PROCESSED THROUGH ESSENTIA HEALTH ON BEHALF OF CERTAIN LEGAL ENTITIES COMPRISING ESSENTIA HEALTH.

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART V, LINE 1C:	NO GAMING (GAMBLING) WINNINGS.

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7B	<p>MEMBER WITH RIGHT TO APPROVE GOVERNING BODY DECISIONS: THE BENEDICTINE SISTERS BENEVOLENT ASSOCIATION ("BSBA") HAS CERTAIN RESERVED POWERS OVER ESSENTIA HEALTH'S CATHOLIC FACILITIES. BSBA'S RESERVED POWERS ARE AS FOLLOWS: MISSION. AUTHORITY TO APPROVE THE MISSION AND PURPOSE STATEMENTS FOR CATHOLIC FACILITIES AND ENTITIES WITHIN THE SYSTEM. *ADHERENCE TO ETHICAL AND RELIGIOUS DIRECTIVES FOR CATHOLIC HEALTH CARE SERVICES (ERDS). AUTHORITY TO APPROVE THE METHODS, POLICIES AND PROCEDURES PERTAINING TO THE ADHERENCE OF CATHOLIC FACILITIES AND ENTITIES WITHIN THE SYSTEM TO THE ERDS. *OFFICIAL CATHOLIC DIRECTORY. AUTHORITY TO OVERSEE THE LISTING OF QUALIFIED ENTITIES AND FACILITIES WITHIN THE SYSTEM IN THE OFFICIAL CATHOLIC DIRECTORY, SUBJECT TO THE APPROVAL OF APPLICABLE CATHOLIC AUTHORITIES. *CATHOLIC HEALTH ASSOCIATION. AUTHORITY TO REQUIRE CATHOLIC FACILITIES AND ENTITIES WITHIN THE SYSTEM TO JOIN THE MEMBERSHIP OF THE CATHOLIC HEALTH ASSOCIATION OF THE UNITED STATES. ALIENATION OF STABLE PATRIMONY OR ECCLESIASTICAL GOODS. AUTHORITY TO APPROVE ALIENATION OF EITHER STABLE PATRIMONY OR OTHER ECCLESIASTICAL GOODS WITHIN THE SYSTEM IF SUCH GOODS INVOLVED IN A SPECIFIC TRANSACTION APPROVED BY ESSENTIA HEALTH PURSUANT TO THE AFFILIATION AGREEMENT, HAVE A DOLLAR VALUE EQUAL TO OR GREATER THAN 70% OF THE AMOUNT ESTABLISHED FROM TIME TO TIME THAT REQUIRES APPROVAL FROM THE HOLY SEE; PROVIDED, HOWEVER, THAT IT IS THE INTENT OF THE PARTIES THAT THIS PROVISION NOT BE APPLIED TO RESTRICT OR TO IMPEDE ESSENTIA HEALTH FROM ACTING AND MAKING DECISIONS ON BEHALF OF THE SYSTEM IN THE ORDINARY COURSE OF BUSINESS BUT BE APPLIED TO PREVENT THE TRANSFER OF SUBSTANTIAL ASSETS OF CATHOLIC ENTITIES WITHIN THE SYSTEM TO SUPPORT THE SECULAR ENTITIES WITHIN THE SYSTEM WITHOUT THE PRIOR APPROVAL OF BSBA. *MISSION EFFECTIVENESS. AUTHORITY TO APPROVE ANNUAL PLANS AND EVALUATIONS RELATING TO MISSION EFFECTIVENESS AND CHAPLAINCY FOR CATHOLIC FACILITIES AND ENTITIES WITHIN THE SYSTEM, INCLUDING THE USE OF RELIGIOUS SYMBOLS AND PRAYERS. AMENDMENTS. AUTHORITY TO APPROVE ANY AMENDMENTS TO THE GOVERNING DOCUMENTS OF ESSENTIA HEALTH, ESSENTIA HEALTH EAST (SMDC), ESSENTIA HEALTH CENTRAL (BLHS), ESSENTIA HEALTH WEST (INNOVIS) OR CRITICAL ACCESS GROUP (CAG) THAT WOULD ALTER THE NUMBER OF DULUTH BENEDICTINES OR BSBA BOARD OF DIRECTOR MEMBERS OR OTHER APPOINTEES OF THE DULUTH BENEDICTINES SERVING AS MEMBERS OF SUCH ENTITY'S BOARD OF DIRECTORS; AUTHORITY TO APPROVE ANY AMENDMENTS TO THE GOVERNING DOCUMENTS OF THE CATHOLIC CAG SUBSIDIARIES, THE CATHOLIC SMDC SUBSIDIARIES, THE CATHOLIC BLHS SUBSIDIARIES OR THE CATHOLIC SUBSIDIARIES OF INNOVIS, WHICH COULD MATERIALLY AFFECT SUCH ENTITY'S IDENTITY AS A CATHOLIC INSTITUTION, INCLUDING WITHOUT LIMITATION ANY AMENDMENT THAT WOULD ALTER THE NUMBER OF DULUTH BENEDICTINES OR BSBA BOARD OF DIRECTOR MEMBERS OR OTHER APPOINTEES OF THE DULUTH BENEDICTINES SERVING AS MEMBERS OF SUCH ENTITY'S BOARD OF DIRECTORS; AND AUTHORITY TO CAUSE ESSENTIA HEALTH TO MA</p>

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7B	<p>KE AMENDMENTS TO THE GOVERNING DOCUMENTS OF THE CATHOLIC SUBSIDIARIES OF ESSENTIA HEALTH'S DIRECT SUBSIDIARIES, WHICH AMENDMENTS BSBA DETERMINES IN GOOD FAITH ARE NECESSARY TO PRESERVE SUCH ENTITY'S IDENTITY AS A CATHOLIC INSTITUTION. MERGERS AND DISSOLUTION. SUBJECT TO THE APPROVAL OF THE DULUTH BENEDICTINES, AUTHORITY TO APPROVE A PROPOSED MERGER, CONSOLIDATION, LIQUIDATION, OR DISSOLUTION OF ST. MARY'S MEDICAL CENTER (SMMC) AND ST. JOSEPH'S MEDICAL CENTER (SJMC) OR THE DISPOSITION OF ALL OR SUBSTANTIALLY ALL THE ASSETS OF SMMC AND SJMC. BSBA SPONSORSHIP. AUTHORITY TO ESTABLISH, ACCEPT, TRANSFER OR TERMINATE BSBA SPONSORSHIP OR CO-SPONSORSHIP OF A HEALTHCARE FACILITY. *RESERVED POWER CURRENTLY DELEGATED TO THE SPONSORSHIP COUNCIL. NOTE: SOME OF THE RESERVED POWERS OF THE BSBA BOARD LISTED ABOVE MAY ALSO BE RESERVED TO THE BENEDICTINE SISTERS OF ST. SCHOLASTICA MONASTERY OF DULUTH (THE "CHAPTER OR "DULUTH BENEDICTINES"). PRIOR TO THESE MATTERS GOING TO THE CHAPTER, ORDINARIL Y THEY WILL BE CONSIDERED AND ACTED UPON BY THE BSBA BOARD. THE FOLLOWING ACTIONS OF THE BSBA BOARD ARE SUBJECT TO APPROVAL BY THE CHAPTER: 1. APPROVE MERGERS, CONSOLIDATIONS, LIQUIDATIONS, OR DISSOLUTIONS INVOLVING SMMC OR SJMC. 2. APPROVE THE ACQUISITION OR DISPOSITION OF REAL ESTATE OWNED BY BSBA. 3. APPROVE DISPOSITION OF ALL, OR SUBSTANTIALLY ALL, ASSETS OF SMMC OR SJMC. 4. APPROVE INDEBTEDNESS THAT WILL BE GUARANTEED BY BSBA.</p>

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11B	FORM 990 REVIEW PROCESS: THE 2019 FORM 990, INCLUDING ALL SCHEDULES, WAS REVIEWED BY MANAGEMENT AND THE GOVERNING BODY PRIOR TO FILING WITH THE INTERNAL REVENUE SERVICE. THE FINANCE LEADER REVIEWED THE FORM AND SCHEDULES AND ANY QUESTIONS WERE DISCUSSED. EACH CURRENT DIRECTOR OF THE GOVERNING BODY RECEIVED A FINAL COPY OF THE 2019 FORM 990.

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 12C	<p>MONITORING AND ENFORCING CONFLICT OF INTEREST POLICY: ESSENTIA HEALTH'S COMPREHENSIVE CONFLICT OF INTEREST PROGRAM PREVENTS, DETECTS, AND RESOLVES ACTUAL CONFLICTS OF INTERESTS OR THE ACTUAL OR POTENTIAL APPEARANCE OF SUCH. FIDUCIARIES, DEFINED AS AN ESSENTIA HEALTH BOARD MEMBER/TRUSTEE, OFFICER, BOARD COMMITTEE MEMBER, SENIOR MANAGEMENT EMPLOYEE, OR ANY OTHERS CONSIDERED TO BE IN A POSITION OF INFLUENCE, ARE COVERED UNDER ESSENTIA HEALTH'S CONFLICT OF INTEREST PROGRAM. UPON INITIAL APPOINTMENT, EACH FIDUCIARY MUST COMPLETE AN INITIAL CONFLICT OF INTEREST STATEMENT AND DISCLOSURE QUESTIONNAIRE. AT THE CONCLUSION OF EACH CALENDAR YEAR, EACH FIDUCIARY MUST COMPLETE AN ANNUAL CONFLICT OF INTEREST STATEMENT AND DISCLOSURE QUESTIONNAIRE. AS NEEDED, A FIDUCIARY WILL UPDATE HIS/HER MOST RECENTLY COMPLETED QUESTIONNAIRE EACH TIME THE FIDUCIARY BECOMES AWARE OF A FINANCIAL INTEREST, A POTENTIAL CONFLICT, OR CHANGE TO ANY INFORMATION THAT THE FIDUCIARY PREVIOUSLY REPORTED. ESSENTIA HEALTH'S CHIEF COMPLIANCE OFFICER WILL COLLECT THE QUESTIONNAIRES AND EVALUATE THE DISCLOSURES. IF A FIDUCIARY HAS A POTENTIAL CONFLICT OF INTEREST, THE CHIEF COMPLIANCE OFFICER OR DESIGNEE MAY REQUEST ADDITIONAL INFORMATION FROM THE FIDUCIARY, THE MANAGEMENT TEAM, AND OTHERS. DURING THE EVALUATION PROCESS, THE CHIEF COMPLIANCE OFFICER MAY ALSO CONSULT WITH ESSENTIA HEALTH'S BOARD AND AUDIT COMMITTEE CHAIRS, SENIOR MANAGEMENT, LEGAL DEPARTMENT, OR APPROPRIATE REPRESENTATIVES FROM ESSENTIA HEALTH. THE CHIEF COMPLIANCE OFFICER REPORTS TO THE ESSENTIA HEALTH AUDIT COMMITTEE AND THE ESSENTIA HEALTH BOARD OF DIRECTORS ANY ACTUAL OR POTENTIAL CONFLICTS OF INTEREST DISCLOSED BY THE FIDUCIARY, ALONG WITH RECOMMENDED ACTIONS. THE ESSENTIA HEALTH BOARD OF DIRECTORS (OR DESIGNEE) WILL THEN DETERMINE WHETHER TO APPROVE THE SITUATION OR TO IMPLEMENT SPECIAL CONTROLS TO MANAGE THE POTENTIAL CONFLICT OF INTEREST. THE CHIEF COMPLIANCE OFFICER WILL THEN OFFICIALLY NOTIFY THE FIDUCIARY IN WRITING OF THE BOARD'S DECISION. THE DECISION OF WHETHER OR NOT THE DISCLOSURE CONSTITUTES A CONFLICT WILL BE AT THE ESSENTIA HEALTH BOARD OF DIRECTORS' (OR DESIGNEE) SOLE DISCRETION, AND ITS CONCERN MUST BE THE WELFARE OF ESSENTIA HEALTH AND ITS AFFILIATE(S) AND THE ADVANCEMENT OF ITS PURPOSES. WHEN THE ESSENTIA HEALTH BOARD OF DIRECTORS (OR DESIGNEE) CONSIDERS A FIDUCIARY'S DISCLOSURE AS A CONFLICT OF INTEREST, SPECIAL CONTROLS WILL BE IDENTIFIED TO MANAGE, ELIMINATE OR REDUCE THE LIKELIHOOD AND/OR APPEARANCE OF A CONFLICT ARISING. CONTROLS MAY INCLUDE, BUT ARE NOT LIMITED TO: A. IF THE CONFLICT INVOLVES AN ON-GOING MATTER OR RELATIONSHIP, THE FIDUCIARY MUST NOT PARTICIPATE IN BOARD, BOARD COMMITTEE, OR MANAGEMENT DISCUSSIONS RELATED TO THE CONFLICT AND MUST RECUSE THEMSELVES AND IF APPROPRIATE, WITHDRAW, FROM ANY BOARD MEETING OR PORTION THEREOF WHERE THE MATTER IS BEING DISCUSSED AND DURING THE VOTE ON THE POTENTIAL CONFLICT OF INTEREST. THE FIDUCIARY MAY ANSWER QUESTIONS AT THE BOARD'S OR THE BOARD COMMITTEE</p>

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 12C	<p>E'S REQUEST. B. IF THE CONFLICT INVOLVES A SPECIFIC TRANSACTION OR DECISION, THE FIDUCIARY WILL FULLY DISCLOSE THEIR INTEREST AND ALL RELATED MATERIAL FACTS. THE BOARD OR COMMITTEE OF THE BOARD WILL DETERMINE WHETHER THE CONTEMPLATED TRANSACTION MAY BE AUTHORIZED AS JUST, FAIR, AND REASONABLE TO ESSENTIA HEALTH OR ITS AFFILIATE(S). IF THE BOARD DETERMINES A CONFLICT DOES NOT EXIST, THE FIDUCIARY MAY PROCEED WITH THE TRANSACTION; HOWEVER, HE OR SHE WILL NOT BE ELIGIBLE TO VOTE ON RELATED ISSUES SHOULD THEY ARISE. IF THE BOARD DETERMINE S A CONFLICT DOES EXIST, THE FIDUCIARY WILL BE NOTIFIED OF THE DECISION REGARDING WHETHER THE CONTEMPLATED TRANSACTION WILL BE AUTHORIZED AS JUST, FAIR, AND REASONABLE.</p>

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 15	<p>PROCESS FOR DETERMINING COMPENSATION: THE INDEPENDENT EXECUTIVE COMPENSATION COMMITTEE OF ESSENTIA HEALTH'S BOARD OF DIRECTORS IS AUTHORIZED TO FULFILL THE BOARD'S RESPONSIBILITIES REGARDING EXECUTIVE COMPENSATION CONSISTENT WITH ESSENTIA'S MISSION, VALUES AND TAX-EXEMPT STATUS, AND THE EXECUTIVE COMPENSATION COMMITTEE'S CHARTER. THE EXECUTIVE COMPENSATION COMMITTEE MEETS AT LEAST TWICE ANNUALLY TO CARRY OUT ITS RESPONSIBILITIES, WHICH INCLUDE, BUT ARE NOT LIMITED TO, ESTABLISHING, REVIEWING AND MODIFYING, AS APPROPRIATE, REASONABLE COMPENSATION AND BENEFITS FOR DESIGNATED ESSENTIA EXECUTIVES WHO ARE OFFICERS OR KEY EMPLOYEES OF ESSENTIA OR ANY OF ITS AFFILIATES WHICH MAY BE PAID BY RELATED ORGANIZATIONS. THE EXECUTIVE COMPENSATION COMMITTEE ENGAGES QUALIFIED INDEPENDENT COMPENSATION ADVISORS TO PROVIDE OBJECTIVE AND IMPARTIAL COMPARATIVE DATA AND TO EXPRESS OPINIONS ON TOTAL COMPENSATION REASONABLENESS. THE EXECUTIVE COMPENSATION COMMITTEE MAY REQUEST ITS INDEPENDENT ADVISORS TO: MONITOR COMPARABILITY DATA AND MARKETPLACE TRENDS; MAKE APPROPRIATE RECOMMENDATIONS REGARDING SALARY RANGES; AND PERIODICALLY REVIEW THE MARKET COMPETITIVENESS OF ESSENTIA EXECUTIVE COMPENSATION PACKAGES. PRIOR TO ESTABLISHING OR ADJUSTING EXECUTIVE COMPENSATION, THE EXECUTIVE COMPENSATION COMMITTEE WILL OBTAIN AND RELY UPON APPROPRIATE DATA AS TO COMPARABILITY OF THE PROPOSED COMPENSATION OR ADJUSTMENTS. THE EXECUTIVE COMPENSATION COMMITTEE WILL ADEQUATELY DOCUMENT THE BASIS FOR ITS DETERMINATION CONCURRENTLY WITH MAKING THOSE DETERMINATIONS. THE EXECUTIVE COMPENSATION COMMITTEE MINUTES WILL INCLUDE: THE TERMS OF THE APPROVED COMPENSATION AND THE DATE APPROVED; THE EXECUTIVE COMPENSATION COMMITTEE MEMBERS PRESENT DURING THE REVIEW, DISCUSSION AND APPROVAL OF THE PROPOSED COMPENSATION AND THOSE WHO VOTED ON THE PROPOSED COMPENSATION; IDENTIFICATION OF THE COMPARABILITY DATA OBTAINED AND RELIED UPON BY THE EXECUTIVE COMPENSATION COMMITTEE AND HOW THE DATA WAS OBTAINED; ANY ACTIONS BY A MEMBER OF THE EXECUTIVE COMPENSATION COMMITTEE HAVING A CONFLICT OF INTEREST; AND DOCUMENTATION OF THE BASIS FOR THE DETERMINATION. THE YEAR THIS PROCESS WAS LAST UNDERTAKEN FOR ESSENTIA HEALTH'S CHIEF EXECUTIVE OFFICER, CHIEF FINANCIAL OFFICER, CHIEF INFORMATION OFFICER, CHIEF HUMAN RESOURCE OFFICER, SENIOR VICE PRESIDENT OF INTEGRATED CARE DELIVERY, CHIEF MEDICAL OFFICER, EXECUTIVE VICE PRESIDENT, COO, CHIEF POPULATION HEALTH OFFICER, AND CHIEF LEGAL OFFICER; ESSENTIA HEALTH EAST'S PRESIDENT, CHIEF OPERATING OFFICER AND CHIEF MEDICAL OFFICER, AND ESSENTIA HEALTH WEST'S INTERIM PRESIDENT, CHIEF MEDICAL OFFICER, AND CHIEF OPERATING OFFICER WAS 2020. THE YEAR THIS PROCESS WAS LAST UNDERTAKEN FOR ESSENTIA HEALTH'S VICE PRESIDENT OF PUBLIC POLICY AND ESSENTIA HEALTH CENTRAL'S CHIEF NURSING OFFICER WAS 2019. THE YEAR THIS PROCESS WAS LAST UNDERTAKEN FOR ESSENTIA HEALTH'S CHIEF MARKETING AND COMMUNICATIONS OFFICER WAS 2018.</p>

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION C, LINE 19	AVAILABILITY OF GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, & FINANCIAL STATEMENTS TO THE PUBLIC: GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS ARE MADE AVAILABLE TO THE PUBLIC UPON REQUEST FOR THE SAME PERIOD OF DISCLOSURE AS SET FORTH IN SECTION 6104(D).

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART XI, LINE 9:	NET ASSET TRANSFERS WITH RELATED ORGS 14,449,045.

990 Schedule O, Supplemental Information

Return Reference	Explanation
PART XII LINE 3:	CONSOLIDATED A-133: ESSENTIA HEALTH, AS PART OF ESSENTIA HEALTH'S CONSOLIDATED FINANCIAL STATEMENTS, WAS REQUIRED AND UNDERWENT A CONSOLIDATED AUDIT SET FORTH IN THE SINGLE AUDIT ACT AND OMB CIRCULAR A-133. THE CONSOLIDATED AUDIT IS REVIEWED BY THE ESSENTIA HEALTH AUDIT COMMITTEE. DUE TO THE OMB EXTENSION RELATED TO COVID-19, ESSENTIA HEALTH EXPECTS TO COMPLETE ITS FY2020 SINGLE AUDIT BY MAY 2021.

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization
ESSENTIA HEALTH

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
▶ Attach to Form 990.
▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2019

Open to Public Inspection

Employer identification number
20-0360007

Part I

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

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

Part II

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

See Additional Data Table

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512- 514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) PMC-GATEWAY IMAGING LLC 705 LUNDORFF DR S SANDSTONE, MN 55072 26-1634764	IMAGING SERVICES	MN	N/A	N/A				No			No	
(2) HORSESHOE SURGERY CENTER LLC 1542 GOLF COURSE ROAD GRAND RAPIDS, MN 55744 20-2137172	SURGERY CENTER	MN	N/A	N/A				No			No	

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of- year assets	(h) Percentage ownership	(i) Section 512 (b)(13) controlled entity?	
								Yes	No
(1) ESSENTIA HEALTH INSURANCE SERVICES SPC LTD PO BOX 1159 GRAND CAYMAN K71-1102 CJ 000000000	SELF INSURANCE	CJ	N/A	C	10,139,753	71,541,698	100.000 %	Yes	

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

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

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)

Yes

No

1a

No

1b

Yes

1c

Yes

1d

No

1e

No

1f

No

1g

No

1h

No

1i

No

1j

No

1k

No

1l

Yes

1m

No

1n

No

1o

No

1p

Yes

1q

Yes

1r

Yes

1s

Yes

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.

See Additional Data Table

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

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

[illegible]

Part VII **Supplemental Information**

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

Return Reference	Explanation
SCHEDULE R, PART II, COLUMN (A):	THE FOLLOWING ESSENTIA HEALTH ENTITIES HAVE A DOING BUSINESS AS NAME: LEGAL NAME; DOING BUSINESS AS NAME BRAINERD LAKES INTEGRATED HEALTH SYSTEM; ESSENTIA HEALTH CENTRAL BRAINERD MEDICAL CENTER, INC.; ESSENTIA HEALTH BRAINERD SPECIALTY CLINIC BRIDGES MEDICAL CENTER; ESSENTIA HEALTH ADA DEER RIVER HEALTHCARE CENTER, INC.; ESSENTIA HEALTH DEER RIVER FIRST CARE MEDICAL SERVICES; ESSENTIA HEALTH FOSSTON GRACEVILLE HEALTH CENTER; ESSENTIA HEALTH HOLY TRINITY HOSPITAL INNOVIS HEALTH, LLC; ESSENTIA HEALTH WEST MIDWEST MEDICAL EQUIPMENT AND SUPPLIES, INC.; ESSENTIA HEALTH MEDICAL EQUIPMENT & SUPPLIES NORTHERN PINES MEDICAL CENTER; ESSENTIA HEALTH NORTHERN PINES PINE MEDICAL CENTER; ESSENTIA HEALTH SANDSTONE POLINSKY MEDICAL REHABILITATION CENTER; ESSENTIA HEALTH POLINSKY MEDICAL REHABILITATION CENTER SMDC MEDICAL CENTER; ESSENTIA HEALTH DULUTH ST. JOSEPH'S MEDICAL CENTER; ESSENTIA HEALTH ST. JOSEPH'S MEDICAL CENTER ST. MARY'S DULUTH CLINIC HEALTH SYSTEM; ESSENTIA HEALTH EAST ST. MARY'S EMS; ESSENTIA HEALTH ST. MARY'S EMERGENCY MEDICAL SERVICES-DETROIT LAKES ST. MARY'S HOSPITAL OF SUPERIOR; ESSENTIA HEALTH ST. MARY'S HOSPITAL-SUPERIOR ST. MARY'S MEDICAL CENTER; ESSENTIA HEALTH ST. MARY'S MEDICAL CENTER ST. MARY'S REGIONAL HEALTH CENTER; ESSENTIA HEALTH ST. MARY'S-DETROIT LAKES

Additional Data

Software ID:
Software Version:
EIN: 20-0360007
Name: ESSENTIA HEALTH

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512 (b)(13) controlled entity?	
						Yes	No
2024 S 6TH ST BRAINERD, MN 56401 37-1532145	SUPPORTING ORG	MN	501(C)(3)	LINE 12B, II	ESSENTIA HEALTH	Yes	
2024 S 6TH ST BRAINERD, MN 56401 37-1532148	CLINIC	MN	501(C)(3)	LINE 3	BRAINERD LAKES INTEGRATED HEALTH SYSTEM	Yes	
201 9TH ST W ADA, MN 56510 20-0479568	HOSPITAL/CLINIC	MN	501(C)(3)	LINE 3	INNOVIS HEALTH LLC	Yes	
301 CEDAR OROFINO, ID 83544 82-0497771	HOSPITAL/CLINIC	ID	501(C)(3)	LINE 3	CRITICAL ACCESS GROUP THRU 33120	Yes	
503 E 3RD ST STE 400 DULUTH, MN 55805 26-1219624	SUPPORTING ORG	MN	501(C)(3)	LINE 12B, II	ESSENTIA HEALTH	Yes	
115 10TH AVE NE DEER RIVER, MN 56636 41-0844574	HOSPITAL/CLINIC/SKILLED NURSING FACILITY	MN	501(C)(3)	LINE 3	ST MARY'S DULUTH CLINIC HEALTH SYSTEM	Yes	
502 E 2ND ST DULUTH, MN 55805 27-1984704	FOUNDATION	MN	501(C)(3)	LINE 7	ESSENTIA HEALTH	Yes	
502 E 2ND ST DULUTH, MN 55805 27-1291124	RESEARCH	MN	501(C)(3)	LINE 4	THE DULUTH CLINIC LTD	Yes	
900 HILLIGOSS BLVD SE FOSSTON, MN 56542 41-0706143	HOSPITAL/CLINIC/SKILLED NURSING FACILITY	MN	501(C)(3)	LINE 3	INNOVIS HEALTH LLC	Yes	
115 WEST 2ND ST GRACEVILLE, MN 56240 41-0726173	HOSPITAL/CLINIC/SKILLED NURSING FACILITY	MN	501(C)(3)	LINE 3	INNOVIS HEALTH LLC	Yes	
3000 32ND AVE S FARGO, ND 58103 26-1175213	HOSPITAL/CLINIC	DE	501(C)(3)	LINE 3	ESSENTIA HEALTH	Yes	
4418 HAINES RD DULUTH, MN 55811 41-1674021	MEDICAL EQUIPMENT	MN	501(C)(3)	LINE 10	ST MARY'S MEDICAL CENTER	Yes	
5211 HWY 110 AURORA, MN 55705 41-0841441	HOSPITAL/CLINIC/SKILLED NURSING FACILITY	MN	501(C)(3)	LINE 3	ST MARY'S DULUTH CLINIC HEALTH SYSTEM	Yes	
705 LUNDORFF DR S SANDSTONE, MN 55072 41-1884597	HOSPITAL	MN	501(C)(3)	LINE 3	ST MARY'S DULUTH CLINIC HEALTH SYSTEM	Yes	
530 E 2ND ST DULUTH, MN 55805 41-0691275	REHABILITATION SERVICES	MN	501(C)(3)	LINE 3	ST MARY'S MEDICAL CENTER	Yes	
502 E 2ND ST DULUTH, MN 55805 41-1878730	HOSPITAL/CLINIC	MN	501(C)(3)	LINE 3	ST MARY'S DULUTH CLINIC HEALTH SYSTEM	Yes	
523 N 3RD ST BRAINERD, MN 56401 41-0695602	HOSPITAL/CLINIC	MN	501(C)(3)	LINE 3	BRAINERD LAKES INTEGRATED HEALTH SYSTEM	Yes	
407 E 3RD ST DULUTH, MN 55805 41-1836633	SUPPORTING ORG	MN	501(C)(3)	LINE 12B, II	ESSENTIA HEALTH	Yes	
1027 WASHINGTON AVE DETROIT LAKES, MN 56501 41-1805811	EMERGENCY SERVICES	MN	501(C)(3)	LINE 10	INNOVIS HEALTH LLC	Yes	
3500 TOWER AVE SUPERIOR, WI 54880 41-1811073	HOSPITAL/CLINIC	MN	501(C)(3)	LINE 3	ST MARY'S MEDICAL CENTER	Yes	

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c) (3))	(f) Direct controlling entity	(g) Section 512 (b)(13) controlled entity?	
						Yes	No
PO BOX 137 COTTONWOOD, ID 83522 82-0226453	HOSPITAL/CLINIC	ID	501(C)(3)	LINE 3	CRITICAL ACCESS GROUP THRU 33120	Yes	
1027 WASHINGTON AVE DETROIT LAKES, MN 56501 26-2861321	PHARMACY	MN	501(C)(3)	LINE 3	INNOVIS HEALTH LLC	Yes	
407 E 3RD ST DULUTH, MN 55805 41-0695604	HOSPITAL	MN	501(C)(3)	LINE 3	ST MARY'S DULUTH CLINIC HEALTH SYSTEM	Yes	
1027 WASHINGTON AVE DETROIT LAKES, MN 56501 41-1620386	HOSPITAL/CLINIC/SKILLED NURSING FACILITY	MN	501(C)(3)	LINE 3	INNOVIS HEALTH LLC	Yes	
400 E 3RD ST DULUTH, MN 55805 41-0883623	CLINIC	MN	501(C)(3)	LINE 3	ST MARY'S DULUTH CLINIC HEALTH SYSTEM	Yes	

Form 990, Schedule R, Part V - Transactions With Related Organizations

(a) Name of related organization	(b) Transaction type(a-s)	(c) Amount Involved	(d) Method of determining amount involved
BRAINERD MEDICAL CENTER INC	L	1,577,989	ACTUAL COSTS
BRAINERD MEDICAL CENTER INC	Q	1,099,904	ACTUAL COSTS
BRIDGES MEDICAL CENTER	L	856,357	ACTUAL COSTS
BRIDGES MEDICAL CENTER	Q	770,863	ACTUAL COSTS
CLEARWATER VALLEY HOSPITAL AND CLINICS INC	Q	160,433	ACTUAL COSTS
CRITICAL ACCESS GROUP	L	375,000	ACTUAL COSTS
CRITICAL ACCESS GROUP	P	714,735	ACTUAL COSTS
CRITICAL ACCESS GROUP	R	1,000,000	ACTUAL COSTS
DEER RIVER HEALTHCARE CENTER INC	L	3,040,824	ACTUAL COSTS
DEER RIVER HEALTHCARE CENTER INC	Q	2,432,916	ACTUAL COSTS
DEER RIVER HEALTHCARE CENTER INC	R	7,000,000	ACTUAL COSTS
ESSENTIA HEALTH FOUNDATION	Q	172,665	ACTUAL COSTS
ESSENTIA HEALTH INSURANCE SERVICES SPC	P	11,919,464	ACTUAL COSTS
ESSENTIA HEALTH INSURANCE SERVICES SPC	R	9,124,509	ACTUAL COSTS
ESSENTIA INSTITUTE OF RURAL HEALTH	L	600,000	ACTUAL COSTS
ESSENTIA INSTITUTE OF RURAL HEALTH	Q	940,713	ACTUAL COSTS
FIRST CARE MEDICAL SERVICES	L	2,644,200	ACTUAL COSTS
FIRST CARE MEDICAL SERVICES	Q	1,874,212	ACTUAL COSTS
FIRST CARE MEDICAL SERVICES	R	5,011,470	ACTUAL COSTS
GRACEVILLE HEALTH CENTER	L	972,196	ACTUAL COSTS
GRACEVILLE HEALTH CENTER	Q	940,160	ACTUAL COSTS
INNOVIS HEALTH LLC	L	32,789,041	ACTUAL COSTS
INNOVIS HEALTH LLC	Q	24,170,380	ACTUAL COSTS
INNOVIS HEALTH LLC	R	25,007,706	ACTUAL COSTS
MIDWEST MEDICAL EQUIPMENT AND SUPPLIES INC	L	1,128,428	ACTUAL COSTS

Form 990, Schedule R, Part V - Transactions With Related Organizations			
(a) Name of related organization	(b) Transaction type(a-s)	(c) Amount Involved	(d) Method of determining amount involved
MIDWEST MEDICAL EQUIPMENT AND SUPPLIES INC	Q	839,517	ACTUAL COSTS
NORTHERN PINES MEDICAL CENTER	L	1,529,505	ACTUAL COSTS
NORTHERN PINES MEDICAL CENTER	Q	1,264,716	ACTUAL COSTS
NORTHERN PINES MEDICAL CENTER	R	5,000,000	ACTUAL COSTS
PINE MEDICAL CENTER	L	1,530,668	ACTUAL COSTS
PINE MEDICAL CENTER	Q	1,337,499	ACTUAL COSTS
PINE MEDICAL CENTER	R	5,000,000	ACTUAL COSTS
POLINSKY MEDICAL REHABILITATION CENTER	L	1,053,083	ACTUAL COSTS
POLINSKY MEDICAL REHABILITATION CENTER	Q	1,353,472	ACTUAL COSTS
SMDC MEDICAL CENTER	L	46,803,193	ACTUAL COSTS
SMDC MEDICAL CENTER	Q	44,659,505	ACTUAL COSTS
SMDC MEDICAL CENTER	R	9,081,643	ACTUAL COSTS
ST JOSEPH'S MEDICAL CENTER	L	17,825,190	ACTUAL COSTS
ST JOSEPH'S MEDICAL CENTER	Q	13,100,942	ACTUAL COSTS
ST JOSEPH'S MEDICAL CENTER	R	35,078,172	ACTUAL COSTS
ST MARY'S EMS	L	287,258	ACTUAL COSTS
ST MARY'S EMS	Q	164,992	ACTUAL COSTS
ST MARY'S EMS	R	2,000,000	ACTUAL COSTS
ST MARY'S HOSPITAL OF SUPERIOR	L	5,349,423	ACTUAL COSTS
ST MARY'S HOSPITAL OF SUPERIOR	Q	5,069,821	ACTUAL COSTS
ST MARY'S HOSPITAL INC	Q	158,309	ACTUAL COSTS
ST MARY'S INNOVIS HEALTH	L	320,843	ACTUAL COSTS
ST MARY'S INNOVIS HEALTH	Q	138,301	ACTUAL COSTS
ST MARY'S MEDICAL CENTER	L	37,451,996	ACTUAL COSTS
ST MARY'S MEDICAL CENTER	Q	32,710,773	ACTUAL COSTS

Form 990, Schedule R, Part V - Transactions With Related Organizations			
(a) Name of related organization	(b) Transaction type(a-s)	(c) Amount Involved	(d) Method of determining amount involved
ST MARY'S MEDICAL CENTER	R	50,236,074	ACTUAL COSTS
ST MARY'S REGIONAL HEALTH CENTER	L	11,328,209	ACTUAL COSTS
ST MARY'S REGIONAL HEALTH CENTER	Q	9,855,896	ACTUAL COSTS
ST MARY'S REGIONAL HEALTH CENTER	R	25,000,000	ACTUAL COSTS
THE DULUTH CLINIC LTD	L	11,555,804	ACTUAL COSTS
THE DULUTH CLINIC LTD	Q	6,463,891	ACTUAL COSTS