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Form 990

Department of the TreasuryInternal 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
Ballad Health

Doing business as

Number and street (or P.O. box if mail is not delivered to street address)1021 W Oakland Avenue Suite 103

Room/suite

City or town, state or province, country, and ZIP or foreign postal code
Johnson City, TN 37604

F Name and address of principal officer:
Alan Levine PresidentCEO
303 Med Tech Parkway Ste 300
Johnson City, TN 37604

D Employer identification number
61-1771290

E Telephone number
(423) 302-3374

G Gross receipts \$ 63,010,501

H(a) Is this a group return for subordinates?

☐ Yes☒ No

H(b) Are all subordinates included?

☐ Yes☐ No

If "No," attach a list. (see instructions)

H(c) Group exemption number ▶

I Tax-exempt status:

☒ 501(c)(3)

☐ 501(c) () ◀(insert no.)

☐ 4947(a)(1) or

☐ 527

J Website: ▶ balladhealth.org

K Form of organization:

☒ Corporation☐ Trust☐ Association☐ Other ▶

L Year of formation: 2015

M State of legal domicile: TN

Part I

Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities:
Our mission: Honor those we serve by delivering the best possible care.Our vision: To build a legacy of superior health by listening to and caring for those we serve.

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)

4 Number of independent voting members of the governing body (Part VI, line 1b)

5 Total number of individuals employed in calendar year 2019 (Part V, line 2a)

6 Total number of volunteers (estimate if necessary)

7a Total unrelated business revenue from Part VIII, column (C), line 12

7b Net unrelated business taxable income from Form 990-T, line 39

Revenue

8 Contributions and grants (Part VIII, line 1h)

9 Program service revenue (Part VIII, line 2g)

10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)

11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)

12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)

Expenses

13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)

14 Benefits paid to or for members (Part IX, column (A), line 4)

15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)

16a Professional fundraising fees (Part IX, column (A), line 11e)

16b Total fundraising expenses (Part IX, column (D), line 25) ▶194,506

17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)

18 Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)

19 Revenue less expenses. Subtract line 18 from line 12

Net Assets or Fund Balances

20 Total assets (Part X, line 16)

21 Total liabilities (Part X, line 26)

22 Net assets or fund balances. Subtract line 21 from line 20

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

Lynn Krutak BH EVP & CFO

Type or print name and title

2021-05-14

Date

Paid Preparer Use Only

Print/Type preparer's name

Preparer's signature

Date

Check ☐ if self-employed

PTIN

Firm's name ▶

Firm's EIN ▶

Firm's address ▶

Phone no.

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

☐ Yes☐ No

For Paperwork Reduction Act Notice, see the separate instructions.

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:

Honor those we serve by delivering the best possible care.

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 \$ 108,665,538 including grants of \$ 29,610) (Revenue \$ 15,319,266)
	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 ▶ 108,665,538
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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	No
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? 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	No
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 Yes	
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	No
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? If "Yes," complete Schedule I, Parts I and III	22	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? If "Yes," complete Schedule J	23	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? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a	24a	Yes
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c	No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d	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? If "Yes," complete Schedule L, Part I	25a	No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I	25b	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? If "Yes," complete Schedule L, Part II	26	Yes
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? If "Yes," complete Schedule L, Part III	27	No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a	A current or former officer, director, trustee, key employee, creator or founder, or substantial contributor? If "Yes," complete Schedule L, Part IV	28a	No
b	A family member of any individual described in line 28a? If "Yes," complete Schedule L, Part IV	28b	No
c	A 35% controlled entity of one or more individuals and/or organizations described in lines 28a or 28b? If "Yes," complete Schedule L, Part IV	28c	No
29	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	29	No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M	30	No
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	31	No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II	32	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? If "Yes," complete Schedule R, Part I	33	No
34	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1	34	Yes
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	Yes
b	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	35b	Yes
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	36	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? If "Yes," complete Schedule R, Part VI	37	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.	38	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	1a	369
b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	0
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	Yes

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

Form **990** (2019)

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	1a 11		
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	1b 10		
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	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		No
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	Yes
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	Yes

Section C. Disclosure

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

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:
►Lynn Krutak 303 Med Tech Parkway Suite 300 Johnson City, TN 37604 (423) 302-3374

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 ☐

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

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

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)								12,315,413		1,107,644

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 ▶ 138

	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
Data Blue LLC 5300 Virginia Way Brentwood, TN 37027	IT Implementation Svcs.	8,091,076
Impact Advisors LLC PO BOX 379 Naperville, IL 605560379	IT Professional Adv Svcs.	3,869,476
MISYS HlthCare Syst LLC 305 Church at N Hill St Raleigh, NC 27615	Elec Med Recrds/Main	2,477,876
Blood Connection Inc 1099 Bracken Road Piedmont, SC 29673	Blood Services	2,265,369
Change Healthcare LLC 5995 Windward Parkway Alpharetta, GA 30005	Healthcare Tech Mgmt	2,070,638

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 ▶ 43

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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	36,175									
	e Government grants (contributions)		1e	1,694,250									
	f All other contributions, gifts, grants, and similar amounts not included above		1f	294,905									
	g Noncash contributions included in lines 1a - 1f:\$		1g										
	h Total. Add lines 1a-1f		2,025,330										
Program Service Revenue			Business Code										
	2a E extinguishment of Debt		900099	-2,508,013		-2,508,013							
	b Rent Related Exempt Orgs		900099	778,516		778,516							
	c Wellness		900099	11,662,489		11,662,489							
	d												
	e												
	f All other program service revenue.												
	g Total. Add lines 2a-2f.		9,932,992										
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)			▶		18,600,424				18,600,424			
	4 Income from investment of tax-exempt bond proceeds ▶					1,126,929				1,126,929			
	5 Royalties ▶					0							
			(i) Real	(ii) Personal									
	6a Gross rents		6a	519,479	6,373								
	b Less: rental expenses		6b	522,109									
	c Rental income or (loss)		6c	-2,630	6,373								
	d Net rental income or (loss) ▶				3,743		6,373		-2,630				
			(i) Securities	(ii) Other									
	7a Gross amount from sales of assets other than inventory		7a	22,577,733	8,795,894								
	b Less: cost or other basis and sales expenses		7b		6,092,000								
	c Gain or (loss)		7c	22,577,733	2,703,894								
	d Net gain or (loss) ▶				25,281,627		2,703,894		22,577,733				
	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 . . ▶				0								
	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 . . ▶				0								
	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 . . ▶				0									
Miscellaneous Revenue			Business Code										
11a IPO Settlement			900099		2,682,380		2,682,380						
b Laundry Services			900099		1,941,986				1,941,986				
c Med-Flights			900099		849,407				849,407				
d All other revenue					-6,048,426		292,865		-6,341,291				
e Total. Add lines 11a-11d ▶					-574,653								
12 Total revenue. See instructions ▶					56,396,392		15,319,266		299,238				
							38,752,558						
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	29,610	29,610		
2 Grants and other assistance to domestic individuals. See Part IV, line 22	0			
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16.	0			
4 Benefits paid to or for members	0			
5 Compensation of current officers, directors, trustees, and key employees	4,996,598		4,996,598	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7 Other salaries and wages	14,873,884	4,908,382	9,796,578	168,924
8 Pension plan accruals and contributions (include section 401 (k) and 403(b) employer contributions)	40,373	13,323	26,606	444
9 Other employee benefits	1,495,638	476,922	1,002,078	16,638
10 Payroll taxes	556,135	183,524	366,494	6,117
11 Fees for services (non-employees):				
a Management	0			
b Legal	2,545,582	29,008	2,516,574	
c Accounting	676,379		676,379	
d Lobbying	653,132		653,132	
e Professional fundraising services. See Part IV, line 17	0			
f Investment management fees	1,997,510	855,875	1,141,635	
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	13,472,536	7,840,202	5,632,334	
12 Advertising and promotion	4,417,036	1,066,082	3,350,954	
13 Office expenses	5,084,708	2,697,931	2,386,647	130
14 Information technology	3,093,325	1,517,903	1,575,422	
15 Royalties	0			
16 Occupancy	5,345,934	2,324,054	3,021,880	
17 Travel	1,505,817	593,037	912,780	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19 Conferences, conventions, and meetings	0			
20 Interest	8,991,691	7,636,250	1,355,441	
21 Payments to affiliates	0			
22 Depreciation, depletion, and amortization	38,858,694	23,733,161	15,125,533	
23 Insurance	1,206,385	518,611	687,774	
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 Maintenance	39,130,365	18,998,248	20,132,117	
b Dues & Subscriptions	7,234,168	1,851,168	5,383,000	
c Taxes - UBIT	138,500		138,500	
d Medical Supplies	138,499	138,499		
e All other expenses	-7,861,932	33,253,748	-41,117,933	2,253
25 Total functional expenses. Add lines 1 through 24e	148,620,567	108,665,538	39,760,523	194,506
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		78,779,665	1	8,059
	2	Savings and temporary cash investments		37,404,447	2	314,541,361
	3	Pledges and grants receivable, net			3	475,776
	4	Accounts receivable, net		228,403	4	14,093,336
	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		11,977,590	5	4,565,659
	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	0
	7	Notes and loans receivable, net		8,515,916	7	23,247,208
	8	Inventories for sale or use		714,005	8	2,262,000
	9	Prepaid expenses and deferred charges		7,041,518	9	19,585,480
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 575,829,211			
	b	Less: accumulated depreciation	10b 329,894,736	222,885,867	10c	245,934,475
	11	Investments—publicly traded securities		673,963,918	11	775,123,176
	12	Investments—other securities. See Part IV, line 11		90,687,616	12	18,938,691
	13	Investments—program-related. See Part IV, line 11		435,513,957	13	448,424,068
	14	Intangible assets		133,326,592	14	133,326,592
	15	Other assets. See Part IV, line 11		274,125,706	15	36,589,190
16	Total assets. Add lines 1 through 15 (must equal line 34)		1,975,165,200	16	2,037,115,071	
Liabilities	17	Accounts payable and accrued expenses		68,986,492	17	91,008,482
	18	Grants payable			18	
	19	Deferred revenue		2,856,305	19	359,026
	20	Tax-exempt bond liabilities		1,040,412,920	20	1,176,741,601
	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		165,740,185	23	24,542,975
	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		34,235,099	25	127,870,852
	26	Total liabilities. Add lines 17 through 25		1,312,231,001	26	1,420,522,936
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		662,917,532	27	616,210,175
	28	Net assets with donor restrictions		16,667	28	381,960
	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		662,934,199	32	616,592,135
33	Total liabilities and net assets/fund balances		1,975,165,200	33	2,037,115,071	

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	56,396,392
2	Total expenses (must equal Part IX, column (A), line 25)	2	148,620,567
3	Revenue less expenses. Subtract line 2 from line 1	3	-92,224,175
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	662,934,199
5	Net unrealized gains (losses) on investments	5	-10,634,659
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	56,516,770
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	616,592,135

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: 19009920
Software Version: 2019v5.0
EIN: 61-1771290
Name: Ballad Health

Form 990 (2019)

Form 990, Part III, Line 4a:

See Schedule O

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			
Shane Hilton	48.00							527,469	0	77,908
SVP, CFO Market Operations	2.00									
Lisa Smithgall	50.00							521,130	0	70,738
SVP/Chief Nursing Executive	0.00									
Morris Seligman MD	0.00							567,374	0	2,291
Former EVP & CMO	0.00									
Melissa Carr	49.50							443,558	0	63,711
SVP Financial Management	0.50									
Shana Tate	50.00							404,500	0	45,219
SVP	0.00									
Pam Austin	50.00							402,075	0	31,211
SVP & CIO	0.00									
Todd Dougan	0.00							348,086	0	2,291
Former Officer - Retired	0.00									
Barbara Allen	3.00	X						0	0	0
Director	0.00									
Julie Bennett	3.00	X						0	0	0
Director	0.00									
Doug Springer MD	3.00	X		X				0	0	0
Secretary	0.00									

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 Lester Vice Chair	3.00 0.00	X						0	0	0
David May MD Director	3.00 0.00	X						0	0	0
Scott Niswonger Director	3.00 0.00	X						0	0	0
Brian Noland Director	3.00 0.00	X						0	0	0
Gary Peacock Treasurer	3.00 1.20	X		X				0	0	0
David Golden Director	3.00 0.00	X						0	0	0
Keith Wilson Director	3.00 0.00	X						0	0	0

SCHEDULE A

(Form 990 or 990-EZ)

Department of the Treasury

Internal Revenue Service

Name of the organization

Ballad 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

61-1771290

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

2
- g

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

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1- 10 above (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
(A) Mountain States Health Alliance	620476282	3	Yes		0	0
(B) Wellmont Health System	621636465	3	Yes		0	0
Total	2					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	Yes

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	
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	
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	

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 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	
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	

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.			

Additional Data

Software ID: 19009920
Software Version: 2019v5.0
EIN: 61-1771290
Name: Ballad Health

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

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 Ballad Health	Employer identification number 61-1771290
---	--

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

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

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

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

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

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

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds. If none, enter -0-.	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization. If none, enter -0-.
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.		
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)?		No	
c	Media advertisements?		No	
d	Mailings to members, legislators, or the public?		No	
e	Publications, or published or broadcast statements?		No	
f	Grants to other organizations for lobbying purposes?	Yes		57,576
g	Direct contact with legislators, their staffs, government officials, or a legislative body?	Yes		664,222
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	Other activities?		No	
j	Total. Add lines 1c through 1i			721,798
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?		No	

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 1i - Other Activities Description	Ballad Health had lobbying expenses of \$57,576 which represents the portion of dues paid to Tennessee Public & Teaching Hospital Association, Tennessee Business Roundtable, Tennessee Chamber & Commerce Industry and Virginia Hospital and Healthcare Association. The remaining expenditures were incurred for lobbyist registrations, sponsorship of legislative events and consulting. Representatives of Ballad Healths Community & Government Relations department attended the following legislative conferences: Premier Federal Affairs Network meeting America's Essential Hospitals Policy meeting Tennessee Hospital Association Legislative Advocacy Day Tennessee Public & Teaching Hospitals Association annual meeting Participated in CHA Public Policy Sub Committee Representatives of Ballad Healths Community & Government Relations department also contacted congressional offices concerning the following issues: Opposed any cuts in Medicare/Medicaid Supported area wage index permanent fix (introduced Save Rural Hospital Act) Supported the continuance of Medicare Dependent Hospital and Low-Volume designations Opposed cuts to 340b Program and changes in eligibility resulting from the pandemic Supported a reasonable remedy for surprise billing Monitored progress of the TN Medicaid Block Grant Supported Provider Financial Relief Efforts for COVID related expenses and revenue losses Representatives of Ballad Healths Community & Government Relations department responded via letter, phone, or in person to the following Tennessee and Virginia legislative issues: Certificate of Need reform (TN)/Certificate of Public Need (VA) reform Continuation of monitoring of Hospital Assessment Fee in Tennessee and Virginia Mental health funding for inpatient psychiatric care- Tennessee and overall behavioral health funding in Virginia Adequate TennCare funding in Tennessee Limited hospital reporting requirements for surprise billing Advocated for TANF (Temporary Assistance for Needy Families) Funding in Tennessee to support residential treatment center for mothers with substance use disorders and their young children

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SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

► Complete if the organization answered "Yes," on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
► Attach to Form 990.
► Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2019

Open to Public Inspection

Name of the organization
Ballad Health

Employer identification number
61-1771290

Part I

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

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate value of contributions to (during year)		
3 Aggregate value of grants from (during year)		
4 Aggregate value at end of year		

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

☐ Yes ☐ No

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

☐ Yes ☐ No

Part II

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

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

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

☐ Preservation of an historically important land area

☐ Protection of natural habitat

☐ Preservation of a certified historic structure

☐ Preservation of open space

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

	Held at the End of the Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 7/25/06, and not on a historic structure listed in the National Register	2d

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

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

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?

☐ Yes ☐ No

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

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

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?

☐ Yes ☐ No

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

Part III

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

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

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

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

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

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

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

b Assets included in Form 990, Part X ► \$

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:

	Amount
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	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		30,139,435		30,139,435
b Buildings		72,400,741	20,874,768	51,525,973
c Leasehold improvements		4,457,988	2,416,525	2,041,463
d Equipment		364,091,206	305,606,071	58,485,135
e Other		104,739,841	997,372	103,742,469
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).) . . . ▶				245,934,475

Part VII

Investments—Other Securities.

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

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

Part VIII

Investments—Program Related.

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

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Column (b) must equal Form 990, Part X, col.(B) line 13.) ▶	448,424,068	

Part IX

Other Assets.

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

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col.(B) line 15.) ▶	

Part X

Other Liabilities.

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

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
See Additional Data Table	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, col.(B) line 25.) ▶	127,870,852

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

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

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

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

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

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

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

Part XIII Supplemental Information

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

Return Reference	Explanation
See Additional Data Table	

Part XIII Supplemental Information *(continued)*

Return Reference	Explanation

Additional Data

Software ID: 19009920
Software Version: 2019v5.0
EIN: 61-1771290
Name: Ballad Health

Form 990, Schedule D, Part X, - Other Liabilities

1. (a) Description of Liability	(b) Book Value
Capital Lease CP	1,138,458
Capital Lease LT	5,938,528
Contributions Payable	850,000
COVID-19 FICA Loan	1,589,837
Due to 3rd Parties - MCare PHE Acc	3,485
Due to 3rd Party Payors	-19,155
Due to Affiliates	4,122,575
Long-term Compensation Payable	2,966,109
LT-DT 3rd Parties -Mcare PHE Accel/Adv	15,669
Operatig Lease-LT Portion	2,647,807

Form 990, Schedule D, Part X, - Other Liabilities

1. (a) Description of Liability	(b) Book Value
Operating Lease-Current Portion	1,493,539
Reserve - Other	97,727,676
Retiree Health Care Benefit	1,504,305
Retirement Obligations	6,824,791
SWAPS	1,067,228

Supplemental Information

Return Reference	Explanation
Part X : FIN48 Footnote	"Ballad is classified as an organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. As such, no provision for federal income taxes is included in the accompanying consolidated financial statements. Taxable subsidiaries are discussed in Note K. No significant uncertain tax positions exist at June 30, 2020. Tax returns for 2017 through 2019 are subject to examination by the Internal Revenue Service."

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 Ballad Health		Employer identification number 61-1771290

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 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 Yes	
If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.			
Only 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.			
5 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:			
a The organization?		5a	No
b Any related organization?		5b	No
If "Yes," on line 5a or 5b, describe in Part III.			
6 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:			
a The organization?		6a	No
b Any related organization?		6b	No
If "Yes," on line 6a or 6b, describe in Part III.			
7 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described in lines 5 and 6? If "Yes," describe in Part III.		7	No
8 Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III.		8	No
9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?		9	

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.

Schedule J (Form 990) 2019

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: Relevant information in regards to selections on 1a.	Unless expressly approved by the Ballad Health Executive Chair/President, first-class transportation is generally not permitted. The Executive Chair/President may utilize first class travel for flights of a long duration. The Vice Chair/Lead Independent Director of the Board of Directors reviews and determines approval for expense reimbursement requests made by the Executive Chair/President. Charter flights must be approved in advance by the Executive Chair/President and are limited to business trips that can be justified based on financial savings, essential time savings and meeting logistics. On an annual basis, the Internal Audit Department of Ballad Health validates all charter travel was for valid business purposes and in compliance with the Ballad Health senior executive travel and business reimbursement policy.
Part I, Line 4: Participated or recieved pay from an equity based compensation arrangement	The following executives listed in Schedule J, Part II participated in a 457(f) retirement plan provided by Ballad Health (BH). The 457(f) plan is a nonqualified tax-deferred compensation plan available to a select group of key executives for the intent of supporting retention and to offer a competitive total retirement program. Account balances have a substantial risk of forfeiture. In addition to creditor risk, substantial risk of forfeiture is created through default risk if the participants employment with BH is terminated prior to age 65. However, the 457(f) plan contains a non-compete provision that provides the account balance to be paid in a lump sum after the executive satisfies the two-year non-compete period. This provision applies to employer contributions if the executive has provided eligible service for six or more years. The executive will receive the entire account balance if he/she becomes disabled, dies or if the executive terminates for good reason or is involuntarily terminated without good cause within a 24-month period after a change-of-control occurs. Distributions from this plan are subject to federal, state, and local taxes on the entire account balance upon distribution. Alan Levine \$175,519 Lynn Krutak \$61,200 Eric Deaton \$51,002 Tim Belisle \$42,840 Tony Keck \$42,840 Steve Kilgore \$45,390 Melissa Carr \$30,000 Monty McLaurin \$20,000 Clay Runnels, MD \$16,490 Shane Hilton \$37,230 Lisa Smithgall \$34,500 Shana Tate \$27,600 Pam Austin \$2,635 The following executives received change-of-control payments. Payments were reported as taxable income with appropriate tax withheld and remitted to the IRS. Morris Seligman, MD \$56,583 Todd Dougan \$322,094 Wellmont Health System established a Rabbi Trust to benefit Barton Hove, former President & CEO of Wellmont Health system. Mr. Hove terminated his employment with Wellmont Health System effective January 31, 2018 which triggered the initiation of payments under the Rabbi Trust Agreement totaling \$967,590. In accordance with Section 2. (e) of the Agreement, Mr. Hove is to be paid a monthly amount of \$80,633, per the Agreement Payment Schedule.

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

Schedule K
(Form 990)

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

Department of the Treasury
Internal Revenue Service
Name of the organization
Ballad Health

Employer identification number
61-1771290

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 Hth & Edu Facil Bd 2018	83-0682499	396649EX9	06-06-2018	820,526,657	Assets & Capital Improvements		X		X		X

Part II	Proceeds								
		A		B		C		D	
1	Amount of bonds retired	13,775,000							
2	Amount of bonds legally defeased								
3	Total proceeds of issue	820,542,471							
4	Gross proceeds in reserve funds								
5	Capitalized interest from proceeds								
6	Proceeds in refunding escrows								
7	Issuance costs from proceeds	9,240							
8	Credit enhancement from proceeds								
9	Working capital expenditures from proceeds								
10	Capital expenditures from proceeds	820,535,798							
11	Other spent proceeds								
12	Other unspent proceeds								
13	Year of substantial completion	2019							
		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						
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						
16	Has the final allocation of proceeds been made?		X						
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X							

Part III Private Business Use									
		A		B		C		D	
		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						
2	Are there any lease arrangements that may result in private business use of bond-financed property?		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							
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						
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						
8a Has there been a sale or disposition of any of the bond-financed property to a nongovernmental person other than a 501(c)(3) organization since the bonds were issued?		X						
b If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of. . . .								
c If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2?								
9 Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2?	X							

Part IV Arbitrage

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

Part IV Arbitrage (Continued)

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

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

Return Reference	Explanation
Part VI	1.Part II, Line 10. Pursuant to Section 1.150 - 1(a)(2)(ii) of the Treasury Regulations, the proceeds of the Bonds were used to acquire the assets of Mountain States Health Alliance and Wellmont Health System, and such expenditures would be treated as capital expenditures, and not the refunding of prior debt.

Schedule L

(Form 990 or 990-EZ)

Department of the Treasury

Internal Revenue Service

Transactions with Interested Persons

▶ Complete if the organization answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.
▶ Attach to Form 990 or Form 990-EZ.
▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2019

Open to Public Inspection

Name of the organization
Ballad Health

Employer identification number
61-1771290

Part I Excess Benefit Transactions (section 501(c)(3), section 501(c)(4), and section 501(c)(29) organizations only).
Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

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

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

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

Part II Loans to and/or From Interested Persons.
Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a, or Form 990, Part IV, line 26; or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22

(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	(d) Loan to or from the organization?		(e) Original principal amount	(f) Balance due	(g) In default?		(h) Approved by board or committee?		(i) Written agreement?	
			To	From			Yes	No	Yes	No	Yes	No
(1) M Eichorn	Officer	split\$life		X	2,808,925	4,565,659		No	Yes			No

Total ▶ \$ 4,565,659

Part III Grants or Assistance Benefiting Interested Persons.
Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

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

Part IV Business Transactions Involving Interested Persons.

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

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

Part V Supplemental Information

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

Return Reference	Explanation
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SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service
Name of the organization
Ballad 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

61-1771290

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Line 11b: Form 990 Review Process	The Ballad Health Tax Department prepares and reviews the Form 990. During preparation other functional areas within the organization provide information and support to complete an accurate return. The return is reviewed by the organization's EVP/CFO and is provided in electronic form to all members of the Board of Directors prior to being filed with the IRS.

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Line 12c: Explanation of Monitoring and Enforcement of Conflicts	<p>Ballad Health has a conflict of interest policy for all members of the Board of Directors, the Executive Chair/President, Executive Vice Presidents, Senior Vice Presidents, and Vice Presidents, and applies to all Ballad Health organizations. All persons covered by this policy are required to complete a conflict of interest disclosure form on an annual basis. Should a conflict arise, it is the responsibility of the conflicted individual to update his or her disclosure immediately. All meetings of the board or board committees have a standing agenda item first on the agenda titled Conflicts of Interest. If a member of the board or board committee has a conflict of interest involving any issue on the board agenda, he or she must declare the conflict of interest during the period allotted for disclosure. If any issue arises during a meeting in which the board member has a conflict of interest, he or she must immediately declare the conflict. While each member of the board or board committee is responsible for disclosing conflicts of interest, it is also the responsibility of any board member aware of a conflict which has not been disclosed to ensure the board is made aware. The presiding officer of a board or board committee meeting may ask a conflicted member to excuse themselves from the meeting during the discussion related to the issue with which the conflict of interest applies. Under no circumstances shall a member vote on a matter that gives rise to a potential conflict.</p>

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Line 15a: Compensation Review & Approval Process - CEO, Top Management	The executive committee serves as the compensation committee of Ballad Health's Board of Directors. The compensation plan for Alan Levine, Ballad Health's President and CEO, was reviewed and approved by the executive committee. An outside and independent compensation consultant was used to determine his compensation and benefits. Studies and surveys were used to ensure his pay is comparable to like positions at similarly situated organizations.

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Line 15b: Compensation Review and Approval Process for Officers and Key Employees	The executive committee reviewed and approved compensation for all Ballad Health executives at the vice-president level and above during FY20 using the same methodology used to determine the CEO's compensation.

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Line 19: Other Organization Documents Publicly Available	Governing documents and conflict of interest policy are made available upon request to the appropriate parties requesting them. Financial statements are made available upon request to appropriate parties requesting them, and they are made available to those parties who own indebtedness of the company on a quarterly basis.

990 Schedule O, Supplemental Information

Return Reference	Explanation
Other Changes In Net Assets Or Fund Balances - Other Decreases	Ballad Health Ventures = -\$1075000

990 Schedule O, Supplemental Information

Return Reference	Explanation
Other Changes In Net Assets Or Fund Balances - Other Decreases	Captive = -\$3523097

990 Schedule O, Supplemental Information

Return Reference	Explanation
Other Changes In Net Assets Or Fund Balances - Other Decreases	Change in Fair Value of Interest Rate Swap = -\$12010666

990 Schedule O, Supplemental Information

Return Reference	Explanation
Other Changes In Net Assets Or Fund Balances - Other Increases	Elimination of Intercompany Receivables/Payables = \$114628347

990 Schedule O, Supplemental Information

Return Reference	Explanation
Other Changes In Net Assets Or Fund Balances - Other Increases	Foundation PTO = \$471935

990 Schedule O, Supplemental Information

Return Reference	Explanation
Other Changes In Net Assets Or Fund Balances - Other Increases	HVASC = \$471578

990 Schedule O, Supplemental Information

Return Reference	Explanation
Other Changes In Net Assets Or Fund Balances - Other Decreases	NCH Note = -\$41342975

990 Schedule O, Supplemental Information

Return Reference	Explanation
Other Changes In Net Assets Or Fund Balances - Other Increases	SGASC = \$8874

990 Schedule O, Supplemental Information

Return Reference	Explanation
Other Changes In Net Assets Or Fund Balances - Other Increases	SGASC Dist = \$390000

990 Schedule O, Supplemental Information

Return Reference	Explanation
Other Changes In Net Assets Or Fund Balances - Other Decreases	SGASC Eq Dist = -\$6454

990 Schedule O, Supplemental Information

Return Reference	Explanation
Other Changes In Net Assets Or Fund Balances - Other Decreases	SGASC tax pmt to City of Bristol = -\$5427

990 Schedule O, Supplemental Information

Return Reference	Explanation
Other Changes In Net Assets Or Fund Balances - Other Increases	T/F LMSHA Corp BS = \$29957633

990 Schedule O, Supplemental Information

Return Reference	Explanation
Other Changes In Net Assets Or Fund Balances - Other Decreases	T/F LWHS Corp BS = -\$31813271

990 Schedule O, Supplemental Information

Return Reference	Explanation
Other Changes In Net Assets Or Fund Balances - Other Increases	Temporarily Restricted Grants = \$365293

990 Schedule O, Supplemental Information

Return Reference	Explanation
IMPROVING ACCESS TO HEALTHCARE SERVICES	<p>RE-IMAGINE RURAL HEALTHCARE - Since 2010, more than 130 rural hospitals have closed in the United States, according to the North Carolina Rural Health Research Program. Compared to other states, Tennessee ranks second worst in the nation, with 14 rural hospital closures between 2010 and 2020. A key benefit of Ballad Health, however, has been the retention of hospitals in rural communities of the Appalachian Highlands bucking the national trend. In fact, every community in the region with a hospital prior to the merger creating Ballad Health continues to be served by a hospital, even in the face of millions of dollars of annual operating losses in many of those hospitals. Before 2018, four hospitals in Northeast Tennessee and three hospitals in Southwest Virginia were reporting ongoing annual operating losses, with several at risk of closure, in addition to one hospital that closed in Lee County, Virginia, in 2013.</p> <p>REOPENING HOSPITAL IN LEE COUNTY, VA - Ballad Health has submitted an application to the Centers for Medicare and Medicaid to designate Lee County Community Hospital as a Critical Access Hospital. Significant progress was made during 2020 to repurpose the closed facility into a modern Critical Access Hospital to serve patients in a rural area despite impacts of the COVID-19 pandemic. While the new hospital is renovated, Ballad Health has opened a new urgent care center adjacent to the future hospital to provide residents in the area with immediate access to care.</p> <p>GREENE COUNTY, TN CONSOLIDATION AND NEW SERVICES- During the 2018 fiscal year, the two hospitals in Greene County, Laughlin Memorial and Takoma Regional, saw combined operating losses of \$11 million, with cumulative two-year losses totaling nearly \$25 million. As competing hospitals in the community, both hospitals were failing financially. With Ballad Health's creation, both hospitals were consolidated into one, with the Laughlin Memorial campus being renamed Greeneville Community Hospital. The former Takoma Regional Hospital campus is now being converted into a new service for the region Strong Futures, a residential facility for women who are pregnant and suffer from substance abuse disorders. Under this new model, Greeneville Community Hospital, the newly consolidated acute care hospital, has reversed its losses and is becoming financially sustainable.</p> <p>CREATED SINGLE COORDINATED REGIONAL TRAUMA SYSTEM - One of the most significant ways Ballad Health has been able to comply with the provisions of the Certificate of Public Advantage and Cooperative Agreement, which required avoidance of duplication of services where appropriate, was the consolidation of the two Level I trauma centers operating in the region and the subsequent creation of a coordinated regional trauma system. In approving this move in advance, the State of Tennessee relied upon the evidence published in multiple respected studies which found higher volume trauma centers lead to improved outcomes. The move toward</p>

990 Schedule O, Supplemental Information

Return Reference	Explanation
IMPROVING ACCESS TO HEALTHCARE SERVICES	<p>a single coordinated trauma system followed the guidance of the American College of Surgeons (ACS), which verifies trauma centers, and Ballad Health is seeking verification of its Level I trauma center. When verified, it will be the first time the Appalachian Highlands will have had its Level I trauma center verified by the ACS.</p> <p>CONSOLIDATED REGIONAL PERINATAL CENTER - Tennessee law requires a regionalized system of care for high-risk newborns. The result of this law is a policy in Tennessee that recognizes five regional perinatal centers. Niswonger Children's Hospital at Johnson City Medical Center is the designated center for regional perinatal care for the Appalachian Highlands. Prior to the merger, perinatal care in the Appalachian Highlands did not meet the goals of the state, with two NICUs that were not coordinated and shared volumes. Ballad Health immediately took steps to correct this after the merger, leading to a more sustainable and coordinated system of care for neonates, while also reducing the costs associated with maintaining two lower-volume units. After this consolidation, Ballad Health partnered with ETSU's Quillen College of Medicine, which provides ongoing expert neonatology coverage for the hospital, ensuring Ballad Health has neonatology provider coverage 24 hours per day. With more than 25 pediatric specialists to provide support for the Perinatal Center, this is the first time every newborn in the region has access to such highly specialized care.</p> <p>EXPANDED ACCESS TO PEDIATRIC SPECIALTIES - With financial support from Ballad Health and the State of Tennessee, the ETSU Quillen College of Medicine was able to successfully recruit pediatric surgeons to support the Niswonger Children's Hospital. Our partners at ETSU's Quillen College of Medicine also provide 24/7 neonatology coverage for the NICU, and more than 25 pediatric specialists provide support as well. Ballad Health now proudly meets the highest standards for regional perinatal care, something that was not thought possible prior to the merger creating Ballad Health.</p> <p>PARTNERSHIP WITH ETSU TO CREATE FELLOWSHIP PROGRAM IN ADDICTION MEDICINE - Ballad Health and East Tennessee State University formed a partnership to create a new fellowship program in addiction medicine. As part of its commitment to expand education and training in the region, Ballad Health will fund any unreimbursed costs of the fellowship program which, over a 10-year period, could cost more than \$2.5 million. With accreditation to the Accreditation Council for Graduate Medical Education, ETSU has a goal of accepting its first fellows by July 2020.</p> <p>ESTABLISHMENT OF CENTER FOR RURAL HEALTH RESEARCH - Tennessee Governor Bill Lee announced the creation of a new Center for Rural Health Research that will be housed at the College of Public Health at East Tennessee State University. In addition to state funding, Ballad Health has committed to contributing more than \$15 million during the next 10 years to the Center. The</p>

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IMPROVING ACCESS TO HEALTHCARE SERVICES	<p>goal of the Center will be to work with Ballad Health, local healthcare delivery partners , national experts and the leadership of ETSU Health to identify new mechanisms to improve health in rural and nonurban communities. Specific emphasis will be placed on strategies that disrupt inter-generational cycles of behaviors that contribute to poor health outcome s, which ultimately can affect college and career-readiness.</p> <p>RECRUITMENT OF NEW PHYSICIANS TO RURAL SOUTHWEST VIRGINIA - Ballad Health provided the necessary resources to recruit ne w specialists to serve our region, many of whom were recruited to private practices not ow ned by Ballad Health. The addition of specialists is helping to improve access to care in rural communities. For instance, Wise County in Virginia now benefits from an orthopedist, a cardiologist and several other physicians and providers. Wythe County, in Virginia, a c ommunity not served by a Ballad Health hospital, benefits from a cardiologist recruited by Ballad Health. Throughout the region, new physicians and advanced practitioners, recruite d and funded by Ballad Health, are serving the region from trauma care to pediatrics, from Wythe County, Virginia to Hancock County, Tennessee.</p>

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IMPROVING HEALTHCARE QUALITY	<p>QUALITY METRICS - Ballard Healths Board of Directors has adopted a zero-harm culture for the organization, and processes have commenced to institutionalize this objective. This focused effort on quality improvement significantly benefitted patients. While quality measures can vary from month to month, and Ballard Health cautions about deriving conclusions based on data at one point in time, some positive trends have emerged, including: Clostridioides difficile (C. diff) decreased by 44% compared to the baseline, Catheter-associated urinary tract infections (CAUTI) decreased by 41% compared to last fiscal year and decreased by 4% compared to baseline, Iatrogenic Pneumothorax rate decreased by 66% compared to the baseline, In-hospital fall with hip fracture rate decreased by 50% compared to the baseline, Postoperative acute kidney injury (AKI) decreased by 50% compared to the baseline, Postoperative wound dehiscence rate decreased by 28% compared to the baseline, Postoperative respiratory failure rate decreased by 60% compared to the baseline, Sepsis bundle compliance remains an all-time high of more than 64%, putting Ballard Health as one of the top performers in the nation in this domain. Prior to the impacts of COVID-19, Ballard Health improved performance in 13 of the 17 Quality Targeted Measures that Tennessee and Virginia use to measure quality of care delivered to patients for the 2020 fiscal year. Ballard Health ranked above the 90th percentile of health systems in Hospital Compare during that time in five of the 17 Quality Targeted Measures.</p> <p>PARTICIPATION IN THE MEDICAID TRANSFORMATION PROJECT - Ballard Health and a group of the nations leading health systems joined forces to identify ways to better care for some of the nations most vulnerable populations through the Medicaid Transformation Project. The project is a national effort to transform healthcare and address social determinants of health for the nearly 75 million Americans who rely on Medicaid. The work focused on four keys areas of opportunity: Behavioral health, child and maternal health, substance use disorder and avoidable emergency department visits.</p> <p>PARTICIPATION IN THE HIGH-VALUE CARE COLLABORATIVE - Ballard Health was chosen for a national initiative called The High-Value Care Collaborative, a partnership of the American Hospital Association, the American Board of Internal Medicine Foundations Choosing Wisely campaign, and the Costs of Care organization, that brings together participants to improve efficiency in healthcare, decrease cost and improve quality. During the past year, Ballard Health and other participants in the program adopted strategies to reduce unnecessary cost and deliver evidence-based care that has been demonstrated to reduce the burden on patients.</p>

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IMPROVING THE COMMUNITY'S HEALTHCARE STATUS	<p>ACCOUNTABLE CARE COMMUNITY ACHIEVEMENTS - To help address the broader needs of the community at large, Ballad Health has convened the nations largest accountable care community (ACC), spanning two states with more than 300 participating organizations in 21 counties throughout the Appalachian Highlands. Through five months of regional focus groups and stakeholder meetings, the ACC selected four priority areas to influence through its work: substance abuse, tobacco use, overweight and obesity, childhood trauma and resiliency. The ACC leadership council has agreed that the most impactful way to address the four priority areas is by focusing on interventions that benefit children and families. To reflect this commitment toward youth, the group chose the name STRONG ACC (Striving Toward Resilience and Opportunity for the Next Generation) and is organizing activities into four categories: STRONG Starts (conception through kindergarten), STRONG Youth (kindergarten through 12 years old), STRONG Teens (13 to 18 years old) and STRONG Families (adults and caregivers).</p> <p>CREATION OF NEW BALLAD HEALTH BEHAVIORAL SERVICES DIVISION - To achieve success in a value-based healthcare environment and to achieve the goals for improved access to behavioral services for the region, Ballad Health created the Behavioral Health Services Division.</p> <p>CREATION OF THE BALLAD HEALTH INNOVATION CENTER - Ballad Health created The Innovation Center to serve as a hub for development of partnerships and collaborations that can bring to market life-saving initiatives and other technologies and services that can improve the human condition.</p> <p>COMMUNITY RESOURCES - Ballad Health parish nurses work with individual congregations to help people in religious communities improve their health, prevent illness and injury and ease suffering associated with any health crisis. The parish nurse acts as counselor, educator and healthcare provider by identifying needs of the congregation, coordinating health screenings, providing educational programs, supplying health literature and referring congregants to supportive health services where appropriate. Also, the parish nurse maintains an active visitation program to parishioners who are homebound, hospitalized or in nursing homes. Currently, there are dozens of churches in Northeast Tennessee and Southwest Virginia that are serviced by the Ballad Health parish nurse program. Ballad Healths Nurse Connect is a toll-free line that connects community members with experienced nurses around the clock. The nurses provide expert medical advice anytime, day or night, make referrals to a primary care provider with a location and hours convenient to the community member and referrals to a physician specialist when they need advanced local medical care. They also provide health information and resources, including health screenings and immunizations, and make referrals to urgent care clinics to see a doctor near the community member the same day. Ballad Healths Marsh</p>

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IMPROVING THE COMMUNITY'S HEALTHCARE STATUS	<p>Regional Blood Center supplies the blood needs of 28 hospitals and 5 rescue aircraft across Northeast Tennessee and Southwest Virginia. This is accomplished through our collection facilities in Kingsport, Johnson City, Bristol, and 650 mobile blood drives at local high schools, businesses, and colleges each year. Marsh conducts blood drives with 49 high schools and 21 colleges & vocational schools throughout Northeast Tennessee and Southwest Virginia.</p> <p>CHARITABLE CONTRIBUTIONS- From its inception in February of 2018, Ballad Health made significant contributions to the community it serves totaling nearly \$9 million to date. A few examples from fiscal year 2020 include: contribution towards the Center for Rural Health and Research and establishment of the Ballad Health Institute focusing on Trauma Informed Care, annual support for medical and dental care to working uninsured or underinsured, Isaiah 117 House support to provide physical and emotional support for children awaiting foster care placement, full body scanner for Sullivan County Main Jail Facility to improve safety and security for the Sullivan County Sheriffs Office.</p>

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INVESTMENTS	<p>COMMON ELECTRONIC HEALTH RECORD - Ballard Health made additional progress in FY20 toward establishing a common clinical platform and electronic health record (EHR). An implementation plan was developed to include infrastructure enhancements to support the expansion. This investment of over \$200 million will allow patient information to be shared immediately at the point of service regardless of where a patient enters the Ballard Health system, providing clinical staff with information to better manage patients in the emergency room, clinics, acute and post-acute settings. In the midst of, and despite the global health pandemic, on June 1, Ballard Health successfully completed the first major milestone in a journey to create a common and interoperable health technology platform. Ballard Health launched the ambulatory portion of the electronic health records system, Epic, in physician clinics, previously part of the Mountain States Health Alliance system. This effort was completed with Ballard Health achieving 100 percent compliance with the Key Operating Indicators indicative of a successful conversion. The new platform will provide patients and their doctors with new options for access, care and security of patient records unprecedented in Ballard Health's service area. Ballard Health implemented the acute care phase of the transition on October 1, 2020 concluding a multi-year effort to transition to a single patient record platform. With this accomplishment, Ballard Health expects to optimize its connectivity to consumers, improving the patient experience dramatically.</p> <p>CHARITY CARE CONTRIBUTIONS - For 2020, Ballard Health provided more than \$60 million in free care, cost that is not reimbursed by any payer nor recovered from the patient who qualifies for charity assistance. Following the merger, Ballard Health increased the threshold for patients to qualify for charity care from 200% of the federal poverty level to 225% of the federal poverty level, and provides significant discounts for people up to 450% of the federal poverty level.</p> <p>ACCOUNTABLE CARE ORGANIZATION SAVINGS - Ballard Health was among the first health systems to implement and successfully demonstrate that value-based care led to reduced costs through its Accountable Care Organization (ACO), AnewCare Collaborative. Value-based care means payments for healthcare are based on the quality of care provided and in the reduction of the total cost of care. Since the United States Centers for Medicare and Medicaid Services established the shared savings program six years ago, AnewCare has been one of only 18 ACOs in the nation to generate savings for taxpayers each year saving taxpayers more than \$25million since inception.</p> <p>MEDICAL EDUCATION - Ballard Health continues to offer free Certified Nursing Assistant (CNA) classes, which are open to the public. The CNA courses are approved and regulated by either the Tennessee State Board of Nursing or the Virginia Board of Nursing (Smyth County Community Hospital)</p>

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INVESTMENTS	<p>al). The training opportunity can lead to job opportunities for those who complete the pro gram. 62 percent of the students trained by Ballard Health are hired upon graduation. Ballard Health offers the course free of charge and participants who successfully complete the c ourse meet criteria to sit for the state certification examination. The program includes c lassroom sessions followed by clinical experience. Clinical hours are conducted at various Ballard Health facilities. RESEARCH the Ballard Health research department serves as the ce ntral office for multi-specialty research oversight to our healthcare system. In addition to providing full spectrum support for studies generated and managed by the research depar tment, the department provides oversight for studies generated by external groups. The res earch department has participated in several large-scale, multi-center trials with a high subject retention rate and sponsor/monitoring rating. Oversight services include administr ative, legal, regulatory support, internal service arrangement and financial management. I n addition, since teaching and continuing education play a large role within the organizat ion, research staff participate in conferences/webinars and conduct a monthly research ori entation session. The department maintains reportable metrics and financial reports on a q uarterly basis. The focus for principal investigators is mostly in therapeutic areas such as oncology, neuro/trauma/ortho, pharmacology, endocrinology, pediatrics, and cardiology. A variety of studies include different designs that may include, but are not limited to, p harmaceutical/investigational trials, retrospective medical chart reviews and registry stu dies. The research department is dedicated to: providing consistent oversight and manageme nt of clinical research performed at all Ballard Health facilities,ensuring regulatory comp liance and fiscal responsibility, andcreating a research culture across Ballard Health faci lities</p>

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OTHER NOTABLE EVENTS AND AWARDS	<p>Ballad Health, ETSU partner to launch Strong BRAIN Institute to study adverse childhood experiences. The Strong BRAIN (Building Resilience through ACEs-Informed Networking) Institute will facilitate the development and dissemination of evidence-based practices that prevent, reduce or mitigate the negative effects of Adverse Childhood Events (ACEs) on health and health disparities. The institute will also work to inform the citizenry and workforce in the Appalachian Highlands on the importance of being trauma informed. Established through a five-year gift from Ballad Health to ETSU, the Strong BRAIN Institute will be guided by an advisory board comprised of ETSU experts, Ballad Health experts and community members. Ballad Health announced that Dr. Michael Chernew, the Leonard D. Schaeffer Professor of Health Care Policy and the Director of the Healthcare Markets and Regulation Lab at Harvard Medical School, will lead an independent study to evaluate hospital competition in small rural markets, and how service offerings and expenses are affected by rural hospital closures and mergers. This latest announcement follows on a partnership between Tennessee Gov. Bill Lee, the Tennessee Legislature and Ballad Health last July to create the Center for Rural Health Research at ETSU a multidisciplinary institute for research impacting rural health. Over a 10-year period, Ballad Health's \$15 million contribution commitment was matched with nearly \$10 million by the governor and Tennessee legislature. Harvard University and UnitedHealthcare recognized Ballad Health as one of four healthcare organizations leading the way towards a 3D model for value-based care. In response to the COVID-19 Pandemic, Ballad Health partnered with the Mayo Clinic to conduct research into convalescent plasma as an experimental treatment. Ballad Health was recognized by Forbes magazine as being a top employer for diversity and inclusion. In its annual Best Employers for Diversity list, Ballad Health ranked 29th in the entire nation and were fifth among employers in the Health care and Social industry. Holston Valley Medical Center was selected as one of only two medical facilities in the United States as a demonstration site for the Leipzig Interventional Course (LINC) 2020 conference. LINC is an interdisciplinary live course designed to provide a global platform that facilitates discussion of vascular patients by integrating colleagues of different specialties who are performing endovascular intervention. Holston Valley Medical Center was recognized as one of the nation's 50 Top Cardiovascular Hospitals by IBM Watson Health. Two Ballad Health hospitals, Franklin Woods Community Hospital and Bristol Regional Medical Center, earned the Tennessee Department of Health's BEST for Babies award for their efforts to improve infant care and reduce infant mortality. Norton Community Hospital's inpatient rehabilitation department was recognized for the 13th straight year as among the top 10 percent in the</p>

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OTHER NOTABLE EVENTS AND AWARDS	nation for functional patient outcomes.Dr. Amit Vashist, Chief Clinical Officer for Ballad Health, was named to the physician leaders to know by Beckers Hospital Review for the second year in a row. Eric Deaton, Chief Operating Officer for Ballad Health, was named to the Leadership Tennessee 2019-2020 class. Leadership Tennessee is a program that brings leaders from across the state together to engage in collaborative, non-partisan dialogue on issues of statewide importance.

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PART III, Program Service Accomplishments	<p>Ballad Health is a tax-exempt entity and the parent corporation of both Mountain States Health Alliance (MSHA) and Wellmont Health System (WHS). The two healthcare systems came together on February 1, 2018 as a result of a merger approved by both Tennessee and Virginia Departments of Health. Ballad Health operates under a Certificate of Public Advantage (COPA) in Tennessee and a Cooperative Agreement (CA) in Virginia. Pursuant to the COPA and CA, MSHA and WHS are required to fulfill the obligations, commitments and covenants set forth in the COPA. Such obligations include that Ballad Health shall meet, over the ten-year period beginning July 1, 2018, established minimum spending criteria on initiatives for expanded access to healthcare services, health research and graduate medical education, population health improvement, and a region-wide health information exchange. The full text of the COPA can be found on the Tennessee Department of Health's website, while the CA can be found on the Virginia Department of Health's website. Ballad Health is a healthcare delivery system serving 1.2 million residents from 29 counties in Northeast Tennessee, Southwest Virginia, Northwest North Carolina, and Southeastern Kentucky. Ballad Health operates 3,030 licensed beds and 21 hospitals, including a dedicated children's hospital, community hospitals, three critical access hospitals, a behavioral health hospital, an addiction treatment facility, long-term care facilities, home care and hospice services, retail pharmacies, outpatient services and a comprehensive medical management corporation. Form 990 for MSHA includes seven wholly-owned hospitals including a children's hospital and a behavioral health hospital; four others, majority owned by MSHA, each file a separate return. Form 990 for WHS includes five wholly-owned hospitals; two others, also wholly-owned, each file a separate return. 2019 Novel Coronavirus (COVID-19) Public Health Emergency The United States Secretary of Health and Human Services declared a Public Health Emergency on January 31, 2020 due to confirmed cases of the 2019 Novel Coronavirus (COVID-19). On March 10, 2020 Ballad Health executed its disaster plan in response to the COVID-19 pandemic. This included the activation of its Corporate Emergency Operations Command (CEOC) to coordinate efforts across the system and around the region to rapidly plan for, and execute, ongoing response to the issues resulting from the COVID-19 pandemic. The policy establishing the CEOC is established and authorized by the Board of Directors, and follows guidelines established by the Federal Emergency Management Agency (FEMA) and the CDC. CEOC is led by an incident commander appointed by the Chief Executive Officer in this instance the Chief Operating Officer. The CEOC is composed of key leaders overseeing essential functions of the health system, including logistics, supply chain, communications, operations, finance, government relations and clinical services.</p>

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PART III, Program Service Accomplishments	<p>The CEOC acts as the clearinghouse for all organizational planning and decision-making related to the event, and continues its responsibilities under the oversight of, and until discontinued by, the Chief Executive Officer. The Chief Executive Officer, who also serves as Chair of the Board of Directors, keeps the Board of Directors apprised of issues on an ongoing basis and ensures compliance with the Boards delegations of authority pursuant to Ballad Healths policies. Effective March 23, 2020, Ballad Health complied with federal and state guidance to cease all non-emergent, elective procedures. Beyond the deferral of these procedures and diagnostic testing, Ballad Health experienced a decline in other types of medical treatment similar to that experienced by most health systems and physician organizations physician practice, urgent care and other routine medical service visits declined precipitously. Comparing the fourth quarter of 2020 to the prior year, Ballad Health saw a 22.6% decline in acute discharges, a 29.3% decline in surgeries performed in hospital settings; a 26.9% decrease in inpatient surgeries; a 30.6% decrease in outpatient surgeries; and a 34.7% decrease in emergency department visits. Due to these unique circumstances and the material adverse effect COVID-19 imposed on the health system, the Tennessee Department of Health and the Virginia Department of Health temporarily suspended certain provisions of the COPA and the CA, respectively, providing flexibility for Ballad Health to plan for, and respond to, the various issues related to the pandemic. During the 2020 fiscal year, Ballad Healths total expenses decreased by 1.4%, or \$29 million, when compared to the prior year. Cost reduction efforts also resulted in almost \$50 million in savings for the fourth quarter of 2020. In May 2020, Ballad Health partnered with Premier, Inc., on a new program to ensure our team members and patients are always protected through the availability of personal protective equipment, such as gloves, gowns and masks. This program focused on investing in domestic manufacturers to enhance supply chains for essential medical products and PPE.</p>

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization
Ballad 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

61-1771290

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) Emmaus Comm Hth PLLC 6070 HWY 11E Piney Flats, TN 37686 20-0577483	Medical Services	TN	N/A					No			No	
(2) Medl Spec of JC LLC 2528 Wesley Street Suite 2 Johnson City, TN 37601 27-2199037	Medical Services	TN	NA					No			No	
(3) ETn AmbISrg Cntr 701 Med Tech Parkway Suite 100 Johnson City, TN 37604 62-1787537	Medical Services	TN	NA					No			No	
(4) Sapling Grove Ambulatory Surgery Center 220 Medical Park Boulevard Bristol, TN 37620 20-4450153	Medical Services	TN	NA					No			No	
(5) Holston Valley Ambulatory Surgery Center 103 West Stone Drive Kingsport, TN 37660 62-1816864	Medical Services	TN	NA					No			No	
(6) GreenevillePhySvcs LLC 1905 American Way Kingsport, TN 37660 45-5070419	Medical Services	TN	NA					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.

See Additional Data Table

(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

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

Yes

1b

No

1c

Yes

1d

Yes

1e

No

1f

No

1g

Yes

1h

No

1i

No

1j

No

1k

Yes

1l

Yes

1m

Yes

1n

No

1o

Yes

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

Schedule R (Form 990) 2019

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

Additional Data

Software ID: 19009920
Software Version: 2019v5.0
EIN: 61-1771290
Name: Ballad 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
303 Med Tech Parkway Suite 220 Johnson City, TN 37604 62-0476282	Hospital System	TN	501C3	3	BALLAD HEALTH	Yes	
400 N State of Franklin Road Johnson City, TN 37604 58-1418345	Supporting Organization	TN	501C3	12a	MSHA		No
245 Medical Park Drive Marion, VA 24354 54-0794913	Hospital	VA	501C3	3	MSHA		No
100 15th Street NW Norton, VA 24273 54-0566029	Hospital	VA	501C3	3	MSHA		No
312 Hospital Drive Clintwood, VA 24228 77-0599553	Hospital	VA	501C3	3	NCH		No
16000 Johnston Memorial Drive Abingdon, VA 24211 54-0544705	Hospital	VA	501C3	3	NA		No
16000 Johnston Memorial Drive Abingdon, VA 24211 20-5485346	Medical Services	VA	501C3	12a	JMH		No
203 Gray Commons Circle Gray, TN 37615 81-5475903	Opioid Treatment	TN	501C3	3	MSHA		No
1905 American Way Kingsport, TN 37660 62-1636465	Hospital System	TN	501C3	3	BALLAD HEALTH	Yes	
851 Locust Street Rogersville, TN 37857 62-1816368	Hospital	TN	501C3	3	WHS		No
1420 Tusculum Boulevard Greeneville, TN 37745 51-0603966	Hospital	TN	501C3	3	WHS		No
1905 American Way Kingsport, TN 37660 26-3557623	Medical Services	TN	501C3	10	WHS		No
1905 American Way Kingsport, TN 37660 27-0898372	Medical Services	TN	501C3	7	WHS		No
1019 West Oakland Ave Suite 2 Johnson City, TN 37604 58-1594191	Fundraiser	TN	501C3	7	BALLAD HEALTH		No
2000 Greenway Street Kingsport, TN 37660 62-1308216	Assisted Living	TN	501C3	10	WHS		No
2421 N John B Dennis Hwy Kingsport, TN 37660 58-1859039	Nursing Home	TN	501C3	10	WHS		No
1905 American Way Kingsport, TN 37660 86-1103148	Healthcare	TN	501C3	12a	WHS		No
1905 American Way Kingsport, TN 37660 27-3777167	Medical Services	TN	501C3	3	WHS		No

Form 990, Schedule R, Part IV - Identification of Related Organizations Taxable as a Corporation or Trust									
(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
Blue Ridge Medical Management Corp 1905 American Way Kingsport, TN 37660 62-1490616	Medical Services	TN	MSHA	C	144,165,973	237,980,601	100.000 %		No
Mediserve Medical Equipment 1905 American Way Kingsport, TN 37660 62-1212286	Durable Medical Equipment	TN	BRMMC	C	2,630,115	7,396,213	100.000 %		No
Mountain States Properties 1905 American Way Kingsport, TN 37660 62-1845895	Property Management	TN	BRMMC	C	14,974,984	148,935,618	100.000 %		No
Mountain States Physician Grp 1905 American Way Kingsport, TN 37660 62-1700412	Medical Services	TN	BRMMC	C	67,368,116	11,616,730	100.000 %		No
Community Home Care Inc 1490 Park Avenue NW Suite B Norton, VA 24273 54-1453810	Durable Medical Equipment	VA	NCH	C	971,626	678,965	50.100 %		No
Wilson Pharmacy Inc P O Box 5289 Johnson City, TN 37604 62-0329587	Pharmacy	TN	BRMMC	C	5,748,787	6,108,543	100.000 %		No
Crestpoint Health Insurance Company 509 Med Tech Parkway Suite 10 Johnson City, TN 37604 62-0381170	Insurance	TN	ISHN	C			100.000 %		No
Wellmont Inc 1905 American Way Kingsport, TN 37660 62-1320035	Medical Services	TN	WHS	C		-89,848,109	100.000 %		No
Wellmont Collections Inc 2004 American Way Suite 101 Kingsport, TN 37660 62-1325938	Business Services	TN	WHS	C	1,082,200	688,973	100.000 %		No
Medical Mall Pharmacy Inc 1905 American Way Kingsport, TN 37660 62-1565006	Medical Services	TN	WHS	C	2,693		100.000 %		No
Wellmont Physician Services 1905 American Way Kingsport, TN 37660 62-1567353	Medical Services	TN	WHS	C			100.000 %		No
WPS Providers Inc 1905 American Way Kingsport, TN 37660 20-5564642	Medical Services	TN	WHS	C			100.000 %		No
Wellmont Health Services Inc 1905 American Way Kingsport, TN 37660 62-1254373	Medical Services	TN	WHS	C	986,775	3,192,665	100.000 %		No
Nolichuckey Management Svcs Inc 1420 Tusculum Boulevard Greeneville, TN 37745 62-1776681	Medical Services	TN	TRH	C	5,350,984	1,398,298	100.000 %		No
Ballad Ventures LLC 400 N State of Franklin Rd Johnson City, TN 37604 84-4214681	Investments	TN	Ballad	C			100.000 %	Yes	

Form 990, Schedule R, Part IV - Identification of Related Organizations Taxable as a Corporation or Trust									
(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
Wellmont Insurance Co SPC LTD P O Box 30600 Grand Caymon, KY1-1203 CJ 98-1195624	Insurance	CJ	WHS	C	69,634	24,161,229	100.000 %	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
Mountain States Health Alliance	l	2,364,133	Cost
Mountain States Health Alliance	o	833,357	Cost
Mountain States Health Alliance	q	8,754,748	Cost
Mountain States Health Alliance	r	293,524	Cost
Mountain States Health Alliance	s	175,803	Cost
Smyth County Community Hospital	d	15,271,960	Cost
Smyth County Community Hospital	l	2,078,101	Cost
Smyth County Community Hospital	o	2,726,265	Cost
Smyth County Community Hospital	q	8,004,251	Cost
Smyth County Community Hospital	r	194,109	Cost
Norton Community Hospital	d	20,524,914	Cost
Norton Community Hospital	l	3,311,233	Cost
Norton Community Hospital	o	772,674	Cost
Norton Community Hospital	q	15,138,378	Cost
Norton Community Hospital	r	591,673	Cost
Norton Community Hospital	s	24,849,058	Cost
Dickenson Community Hospital	l	506,893	Cost
Dickenson Community Hospital	o	616,215	Cost
Dickenson Community Hospital	p	767,429	Cost
Johnston Memorial Hospital	g	96,529	Cost
Johnston Memorial Hospital	o	7,872,830	Cost
Johnston Memorial Hospital	q	28,750,326	Cost
Johnston Memorial Hospital	r	560,469	Cost
Abingdon Physician Partners	l	523,737	Cost
East TN Healthcare Holdings Inc	a	109,259	Cost

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
Wellmont Health System	k	92,750	Cost
Wellmont Health System	l	1,866,081	Cost
Wellmont Health System	m	20,356	Cost
Wellmont Hawkins Co Memorial Hosp	l	800,151	Cost
Wellmont Hawkins Co Memorial Hosp	o	870,775	Cost
Wellmont Hawkins Co Memorial Hosp	q	5,123,810	Cost
Wellmont Hawkins Co Memorial Hosp	r	85,653	Cost
Takoma Regional Hospital Inc DBA GCH	o	1,162,626	Cost
Takoma Regional Hospital Inc DBA GCH	q	9,234,163	Cost
Takoma Regional Hospital Inc DBA GCH	r	464,799	Cost
Takoma Regional Hospital Inc DBA GCH	s	15,154	Cost
Ballad Health Foundation	c	1,080,832	Cash
Blue Ridge Medical Management Corp	l	2,302,269	Cost
Blue Ridge Medical Management Corp	m	73,572	Cost
Blue Ridge Medical Management Corp	q	15,501,682	Cost