Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No. 1545-0047

2009

Open to Public Inspection

A For the 2009 calendar year, or tax year beginning JUL 1, 2009 and ending JUN 30, 2010

B Check if applicable:
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Terminated
- ☐ Amended return
- ☐ Application pending

Please use IRS label or print or type. See Specific Instructions.

C Name of organization
MOUNTAIN STATES HEALTH ALLIANCE
Doing Business As JOHNSON CITY MEDICAL CENTER
Number and street (or P.O. box if mail is not delivered to street address) Room/suite
400 NORTH STATE OF FRANKLIN ROAD
City or town, state or country, and ZIP + 4
JOHNSON CITY, TN 37604

D Employer identification number
62-0476282

E Telephone number
423-431-1013

G Gross receipts $ 701,975,767.

F Name and address of principal officer: DENNIS VONDERFECHT
701 N.STATE OF FRANKLIN RD, STE. 1, JOHNSON

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

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

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

J Website: ▶ WWW.MSHA.COM

H(c) Group exemption number ▶

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

L Year of formation: 1945

M State of legal domicile: TN

Part I Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities: PLEASE SEE SCHEDULE O - PART I, LINE 1, MISSION AND SIGNIFICANT ACTIVITIES.	
	2	Check this box ▶ ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets.	
	3	Number of voting members of the governing body (Part VI, line 1a)	14
	4	Number of independent voting members of the governing body (Part VI, line 1b)	8
	5	Total number of employees (Part V, line 2a)	8698
	6	Total number of volunteers (estimate if necessary)	1464
	7a	Total gross unrelated business revenue from Part VIII, column (C), line 12	4,102,501.
	b	Net unrelated business taxable income from Form 990-T, line 34	207,227.

			Prior Year	Current Year
Revenue	8	Contributions and grants (Part VIII, line 1h)	3,633,909.	3,938,777.
	9	Program service revenue (Part VIII, line 2g)	658,812,783.	674,850,480.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	15,033,623.	16,043,398.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	6,512,402.	6,999,981.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	683,992,717.	701,832,636.
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	460,751.	301,136.
	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)	276,505,647.	287,264,466.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)		
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 1,500,104.		
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	369,535,487.	370,493,266.
	18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	646,501,885.	658,058,868.
	19	Revenue less expenses. Subtract line 18 from line 12	37,490,832.	43,773,768.

			Beginning of Current Year	End of Year
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	1,529,066,198.	1,530,090,739.
	21	Total liabilities (Part X, line 26)	1,349,056,846.	1,311,074,327.
	22	Net assets or fund balances. Subtract line 21 from line 20	180,009,352.	219,016,412.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

▶ Signature of officer — Date 5/3/11

▶ MARVIN EICHORN, SR VP/CFO
Type or print name and title

Paid Preparer's Use Only

Preparer's signature ▶ Deborah O. Ernsberger DEBORAH O. ERNSBERGER C.P.A. | Date 5-2-11 | Check if self-employed ▶ ☐ | Preparer's identifying number (see instructions)

Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ PERSHING YOAKLEY & ASSOCIATES, P. C.
ONE CHEROKEE MILLS, 2220 SUTHERLAND AVE
KNOXVILLE, TN 37919-2363

EIN ▶

Phone no. ▶ 865-673-0844

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

Part III Statement of Program Service Accomplishments

1 Briefly describe the organization's mission:
MOUNTAIN STATES HEALTH ALLIANCE IS COMMITTED TO BRINGING LOVING CARE TO HEALTH CARE. WE EXIST TO IDENTIFY AND RESPOND TO THE HEALTH CARE NEEDS OF INDIVIDUALS AND COMMUNITIES IN OUR REGION AND TO ASSIST THEM IN ATTAINING THEIR HIGHEST POSSIBLE LEVEL OF HEALTH.

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 exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

SEE SCHEDULE O FOR CONTINUATION(S)

4a (Code:) (Expenses $ 537,083,477. including grants of $ 301,136.) (Revenue $ 674,850,480.)

MOUNTAIN STATES HEALTH ALLIANCE (MSHA) WAS CREATED IN SEPTEMBER 1998 AS A PRIVATE, LOCALLY OWNED, TAX-EXEMPT, REGIONAL HEALTHCARE SYSTEM. MSHA IS A 1,221 BED TERTIARY-CARE AND REFERRAL HOSPITAL SYSTEM, THE REGION'S LARGEST BY BED COUNT AND VOLUMES. FOR THE YEAR ENDING JUNE 30, 2010, MSHA RECORDED 47,209 INPATIENT ADMISSIONS, AND PROVIDED FOR 747,043 OUTPATIENT VISITS, INCLUDING 165,260 EMERGENCY VISITS AND 95,493 HOME HEALTH VISITS.

THE ALLIANCE IS COMPOSED OF 10 HOSPITALS, AN OUTPATIENT SURGERY CENTER, AN OUTPATIENT RADIATION ONCOLOGY CENTER, AN OUTPATIENT DIAGNOSTIC CENTER AND TWO OUTPATIENT REHABILITATION THERAPY CENTERS. IT ALSO HAS SERVICES FOR HOME HEALTH, DURABLE MEDICAL EQUIPMENT, INFUSION THERAPY,

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

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 ▶ $ 537,083,477.

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	X	
2	Is the organization required to complete Schedule B, Schedule of Contributors?	2	X	
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		X
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities? *If "Yes," complete Schedule C, Part II*	4	X	
5	**Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations.** Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? *If "Yes," complete Schedule C, Part III*	5		
6	Did the organization maintain any donor advised funds or any similar funds or accounts where 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		X
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		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		X
9	Did the organization report an amount in Part X, line 21; 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		X
10	Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10		X
11	Is the organization's answer to any of the following questions "Yes"? *If so, complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable*	11	X	
	• Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI.*			
	• 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.*			
	• 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.*			
	• 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.*			
	• Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X.*			
	• 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? *If "Yes," complete Schedule D, Part X.*			
12	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI, XII, and XIII.*	12		X
12A	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," completing Schedule D, Parts XI, XII, and XIII is optional* (Yes: X / No)	12A	X	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		X
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		X
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, and program service activities outside the United States? *If "Yes," complete Schedule F, Part I*	14b		X
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the United States? *If "Yes," complete Schedule F, Part II*	15		X
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the United States? *If "Yes," complete Schedule F, Part III*	16		X
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*	17		X
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		X
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		X
20	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20	X	

Part IV Checklist of Required Schedules *(continued)*

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable	1a	932		
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	X	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	8698		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?		2b	X	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to *e-file* this return. (see instructions)				
3a	Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?		3a	X	
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*		3b	X	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		4a		X
b	If "Yes," enter the name of the foreign country: ▶ See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		5a		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		5b		X
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?		5c		
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible?		6a		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		6b		
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?		7a		X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		7b		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		7c		X
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		7e		X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		7f		X
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?		7g		
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?		7h		
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		8		
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?		9a		
b	Did the organization make a distribution to a donor, donor advisor, or related person?		9b		
10	**Section 501(c)(7) organizations.** Enter:				
a	Initiation fees and capital contributions included on Part VIII, line 12	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter:				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?		12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			

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

Section A. Governing Body and Management

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

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

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

Section C. Disclosure

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

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

☐ Own website ☐ Another's website ☒ Upon request

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

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ▶

MARVIN EICHORN - 423-431-1017

400 N. STATE OF FRANKLIN RD., JOHNSON CITY, TN 37604

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

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

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year. Use Schedule J-2 if additional space is needed.

- 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. See instructions for definition of "key employee."
- List the organization's five current highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than $100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations.

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

☐ Check this box if the organization did not compensate any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(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			
DENNIS VONDERPECHT PRESIDENT/CEO	60.00	X		X				964,066.	0.	40,201.
CAMERON PERRY DIRECTOR	1.00	X						0.	0.	0.
WILLIAM WALKER, M.D. DIRECTOR	1.00	X						0.	577,986.	1,928.
BARBARA ALLEN SECRETARY	1.00	X						0.	0.	0.
JEFF FARROW, M.D. DIRECTOR	1.00	X						35,713.	0.	0.
JOHN CAMPBELL DIRECTOR	1.00	X						0.	0.	0.
SANDRA BROOKS, M.D. DIRECTOR	1.00	X						0.	0.	0.
DON JEANES DIRECTOR	2.00	X						0.	0.	0.
MAUREEN MACIVER CHAIR	1.00	X						0.	0.	0.
GARY PEACOCK DIRECTOR	1.00	X						0.	0.	0.
CLEM WILKES, JR. TREASURER	1.00	X						0.	0.	0.
ROBERT FEATHERS VICE CHAIR	2.00	X						0.	0.	0.
BILL HAWKINS, JR. DIRECTOR	1.00	X						0.	0.	0.
MIKE CHRISTIAN DIRECTOR	1.00	X						0.	0.	0.
MARVIN EICHORN SR VP/CFO	60.00			X				649,704.	0.	213,607.
DALE CLAYTORE AVP	55.00				X			205,724.	0.	10,656.
JOHN DOYLE AVP/CFO IPMC	55.00				X			200,804.	0.	30,897.

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

(A) Name and title	(B) Average hours per week	(C) Position (check all that apply)						(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			
ANN FLEMING SR VP	60.00				X			427,191.	0.	59,477.
CANDACE JENNINGS SR VP/CEO WASHINGTON CO.	60.00				X			379,905.	0.	54,298.
LYNN KRUTAK AVP/CFO	58.00				X			234,263.	0.	30,184.
MONTY MCLAURIN VP/CEO IPMC	46.00				X			345,168.	0.	52,598.
CINDY SALYER VP CARDIO/PULMONARY	40.00				X			251,254.	0.	40,467.
JOHN MELTON SR VP/CEO	3.40				X			2,205,600.	0.	15,133.
SHANE HILTON CFO-TN	50.00				X			176,949.	0.	28,519.
KENNETH MARSHALL, M.D. SR VP/CMO	40.00					X		451,033.	0.	21,731.
STEVE KILGORE PRESIDENT/CEO BRMMC	60.00					X		297,288.	0.	45,268.
JAMIE PARSONS VP H/R	50.00					X		281,728.	0.	28,304.
1b Total ▶								7,681,669.	577,986.	722,541.

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 in reportable compensation from the organization ▶ 146

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

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization.

(A) Name and business address	(B) Description of services	(C) Compensation
HOSPITAL HOUSEKEEPING SYSTEMS 322 CONGRESS AVENUE, AUSTIN, TX 78701	HOUSEKEEPING SERVICES/MGMT	3,381,643.
PEPPER CONSTRUCTION COMPANY OF INDIANA LLC 1850 W. 15TH STREET, INDIANAPOLIS, IN 46202	CONSTRUCTION	2,928,377.
ADVANTAGE RN 4184 RELIABLE PARKWAY, CHICAGO, IL 60686	STAFFING AGENCY	1,989,468.
TRAVEL NURSE SOLUTIONS LLC, 3750 CORPORATE WOODS DRIVE, BIRMINGHAM, AL 35242	STAFFING AGENCY	1,483,511.
CDSS ENTERPRISES, 635 TOLL BRANCH ROAD, JOHNSON CITY, TN 37601	CONSTRUCTION	1,123,648.

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 in compensation from the organization ▶ 34

SEE SCHEDULE J-2 FOR PART VII, SECTION A CONTINUATION

Part VIII Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c					
	d Related organizations	1d	2339424.				
	e Government grants (contributions)	1e	1428005.				
	f All other contributions, gifts, grants, and similar amounts not included above	1f	171,348.				
	g Noncash contributions included in lines 1a-1f $						
	h Total. Add lines 1a-1f			3938777.			
Program Service Revenue		Business Code					
	2a PATIENT SERVICES	621500		672,200,303.	670,070,746.	2,129,557.	
	b WELLNESS PROGRAMS	621990		4229251.	4229251.		
	c P/S PROG. SERV. INCOME	561000		1449659.	1362711.	86,948.	
	d LOSS ON LTD RETIREMENT	900099		-3,028,733.	-3,028,733.		
	e						
	f All other program service revenue						
	g Total. Add lines 2a-2f			674,850,480.			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)			14,123,757.		152.	14,123,605.
	4 Income from investment of tax-exempt bond proceeds			339,830.			339,830.
	5 Royalties						
		(i) Real	(ii) Personal				
	6a Gross Rents	423695.					
	b Less: rental expenses	140107.					
	c Rental income or (loss)	283588.					
	d Net rental income or (loss)			283,588.			283,588.
		(i) Securities	(ii) Other				
	7a Gross amount from sales of assets other than inventory	1,543,695.	39,140.				
	b Less: cost or other basis and sales expenses		3,024.				
	c Gain or (loss)	1,543,695.	36,116.				
	d Net gain or (loss)			1579811.			1,579,811.
	8a Gross income from fundraising events (not including $ _____ of contributions reported on line 1c). See Part IV, line 18	a					
	b Less: direct expenses	b					
	c Net income or (loss) from fundraising events						
	9a Gross income from gaming activities. See Part IV, line 19	a					
	b Less: direct expenses	b					
	c Net income or (loss) from gaming activities						
	10a Gross sales of inventory, less returns and allowances	a					
	b Less: cost of goods sold	b					
	c Net income or (loss) from sales of inventory						
	Miscellaneous Revenue	Business Code					
	11a CAFETERIA SALES	722210		3929282.			3,929,282.
	b DIET/SECUR/ENGIN/OTHER	541900		956,293.		1,011,147.	-54,854.
	c JCMC DAYCARE	624410		956,121.			956,121.
	d All other revenue	541610		874,697.		874,697.	
	e Total. Add lines 11a-11d			6716393.			
	12 Total revenue. See instructions.			701,832,636.	672,633,975.	4,102,501.	21,157,383.

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) but are not required to complete columns (B), (C), and (D).

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 governments and organizations in the U.S. See Part IV, line 21	301,136.	301,136.		
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	6,072,398.		6,072,398.	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	224097635.	211195081.	12,242,249.	660,305.
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	11,835,925.	11,361,314.	439,098.	35,513.
9 Other employee benefits	28,178,615.	27,421,769.	713,732.	43,114.
10 Payroll taxes	17,079,893.	15,444,370.	1,601,282.	34,241.
11 Fees for services (non-employees):				
a Management	232,389.		232,389.	
b Legal	1,474,842.		1,474,842.	
c Accounting	345,299.	6,679.	325,171.	13,449.
d Lobbying	35,240.		35,240.	
e Professional fundraising services. See Part IV, line 17				
f Investment management fees	921,188.		921,188.	
g Other	83,722,456.	63,612,751.	19,853,204.	256,501.
12 Advertising and promotion	2,822,113.	2,162,437.	637,583.	22,093.
13 Office expenses	9,497,514.	7,763,561.	1,438,671.	295,282.
14 Information technology	10,269,378.	9,309,886.	959,492.	
15 Royalties				
16 Occupancy	12,376,788.	10,538,044.	1,774,891.	63,853.
17 Travel	1,768,635.	1,261,526.	475,892.	31,217.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	284,845.	217,954.	66,071.	820.
20 Interest	41,417,948.	16,370.	41,401,578.	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	55,577,812.	27,027,243.	28,542,833.	7,736.
23 Insurance	1,418,464.	16,637.	1,401,827.	
24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a MEDICAL SUPPLIES & DRUG	129702248.	129407850.	293,492.	906.
b TAXES - UBIT	65,000.		65,000.	
c REPAIRS & MAINTENANCE	13,401,647.	12,958,124.	430,637.	12,886.
d BAD DEBTS	3,821,964.	3,819,759.	2,205.	
e RECRUITMENT & RETENTION	1,524,671.	1,010,471.	513,940.	260.
f All other expenses	-187,175.	2,230,515.	-2,439,618.	21,928.
25 Total functional expenses. Add lines 1 through 24f	658058868.	537083477.	119475287.	1,500,104.
26 Joint costs. Check here ▶ ☐ if following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

			(A) Beginning of year		(B) End of year
Assets	1	Cash - non-interest-bearing		1	
	2	Savings and temporary cash investments	191,283,991.	2	208,449,573.
	3	Pledges and grants receivable, net	288,879.	3	189,220.
	4	Accounts receivable, net	87,441,027.	4	84,415,992.
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L	3,643,645.	5	4,579,735.
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L		6	
	7	Notes and loans receivable, net	98,414,951.	7	20,219,171.
	8	Inventories for sale or use	13,908,048.	8	14,609,053.
	9	Prepaid expenses and deferred charges	7,002,378.	9	4,368,028.
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D — 10a: 834,022,717.			
	b	Less: accumulated depreciation — 10b: 370,371,063.	394,242,703.	10c	463,651,654.
	11	Investments - publicly traded securities	137,081,332.	11	152,089,704.
	12	Investments - other securities. See Part IV, line 11		12	
	13	Investments - program-related. See Part IV, line 11	282,350,254.	13	282,350,254.
	14	Intangible assets	154,365,082.	14	143,276,118.
	15	Other assets. See Part IV, line 11	159,043,908.	15	151,892,237.
	16	Total assets. Add lines 1 through 15 (must equal line 34)	1,529,066,198.	16	1,530,090,739.
Liabilities	17	Accounts payable and accrued expenses	74,107,505.	17	76,082,572.
	18	Grants payable		18	
	19	Deferred revenue	20,765,454.	19	20,092,072.
	20	Tax-exempt bond liabilities	610,470,055.	20	626,569,957.
	21	Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties	389,886,147.	23	400,096,949.
	24	Unsecured notes and loans payable to unrelated third parties	4,342,306.	24	3,114,607.
	25	Other liabilities. Complete Part X of Schedule D	249,485,379.	25	185,118,170.
	26	Total liabilities. Add lines 17 through 25	1,349,056,846.	26	1,311,074,327.
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ [X] and complete lines 27 through 29, and lines 33 and 34.**			
	27	Unrestricted net assets	179,553,523.	27	218,490,539.
	28	Temporarily restricted net assets	455,829.	28	525,873.
	29	Permanently restricted net assets		29	
		Organizations that do not follow SFAS 117, check here ▶ [ ] and complete lines 30 through 34.			
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
	33	Total net assets or fund balances	180,009,352.	33	219,016,412.
	34	Total liabilities and net assets/fund balances	1,529,066,198.	34	1,530,090,739.

Part XI Financial Statements and Reporting

			Yes	No
1	Accounting method used to prepare the Form 990: ☐ Cash ☒ Accrual ☐ 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?	2a		X
b	Were the organization's financial statements audited by an independent accountant?	2b	X	
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.	2c	X	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both: ☐ Separate basis ☒ Consolidated basis ☐ Both consolidated and separate basis			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a	X	
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.	3b	X	

SCHEDULE A (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization	Employer identification number
MOUNTAIN STATES HEALTH ALLIANCE	62-0476282

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 11, 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.)

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 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.)

10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**

11 ☐ 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 that describes the type of supporting organization and complete lines 11e through 11h.

a ☐ Type I b ☐ Type II c ☐ Type III - Functionally integrated d ☐ Type III - Other

e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).

f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box ☐

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

		Yes	No
(i)	A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization? 11g(i)		
(ii)	A family member of a person described in (i) above? 11g(ii)		
(iii)	A 35% controlled entity of a person described in (i) or (ii) above? 11g(iii)		

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

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document? Yes	(iv) No	(v) Did you notify the organization in col. (i) of your support? Yes	(v) No	(vi) Is the organization in col. (i) organized in the U.S.? Yes	(vi) No	(vii) Amount of support
Total									

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

Schedule A (Form 990 or 990-EZ) 2009

932021 02-08-10

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.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 **Public support.** Subtract line 5 from line 4.						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(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 IV.)						
11 **Total support.** Add lines 7 through 10						

12 Gross receipts from related activities, etc. (see instructions) 12

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

Section C. Computation of Public Support Percentage

14 Public support percentage for 2009 (line 6, column (f) divided by line 11, column (f)) ..... 14 %

15 Public support percentage from 2008 Schedule A, Part II, line 14 ..... 15 %

16a **33 1/3% support test - 2009.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ..... ▶ ☐

b **33 1/3% support test - 2008.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ..... ▶ ☐

17a **10% -facts-and-circumstances test - 2009.** 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 IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ..... ▶ ☐

b **10% -facts-and-circumstances test - 2008.** 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 IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ..... ▶ ☐

18 **Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ..... ▶ ☐

Part III Support Schedule for Organizations Described in Section 509(a)(2) (Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(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) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(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 IV.)						
13 **Total support** (Add lines 9, 10c, 11, and 12.)						

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

Section C. Computation of Public Support Percentage

15 Public support percentage for 2009 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2008 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2009 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2008 Schedule A, Part III, line 17	18	%

19a **33 1/3% support tests - 2009.** 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 - 2008.** 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 ▶ ☐

Schedule B (Form 990, 990-EZ, or 990-PF)
Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ Attach to Form 990, 990-EZ, or 990-PF.

OMB No. 1545-0047

2009

Name of the organization	Employer identification number
MOUNTAIN STATES HEALTH ALLIANCE	62-0476282

Organization type (check one):

Filers of:	Section:
Form 990 or 990-EZ	[X] 501(c)(3) (enter number) organization
	[ ] 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
	[ ] 527 political organization
Form 990-PF	[ ] 501(c)(3) exempt private foundation
	[ ] 4947(a)(1) nonexempt charitable trust treated as a private foundation
	[ ] 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule.**
Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

[X] For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, $5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

Special Rules

[ ] For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of **(1)** $5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II.

[ ] For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, aggregate contributions of more than $1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

[ ] For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than $1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of $5,000 or more during the year. ..... ▶ $ _____

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2 of its Form 990, or check the box on line H of its Form 990-EZ, or on line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	MOUNTAIN STATES FOUNDATION 2335 KNOB CREEK ROAD, #101 JOHNSON CITY, TN 37604	$ 2,319,016.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
2	TN DEPT. OF FINANCE & ADMIN., BUREAU OF TENNCARE 729 CHURCH STREET NASHVILLE, TN 37247	$ 381,500.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
3	TN DEPT. OF HEALTH CORDELL HULL BLDG, 3RD FLOOR NASHVILLE, TN 37247	$ 879,008.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
4	US DEPT. OF HEALTH & HUMAN SERVICES 5600 FISHERS LANE, ROOM 11A-16 ROCKVILLE, MD 20857	$ 125,962.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
5	VA HOSPITAL & HEALTHCARE ASSOCIATION, HOSPITAL PREPAREDNESS P.O. BOX 31394 RICHMOND, VA 23294	$ 39,260.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
6	MARCH OF DIMES 1101 KERMIT DRIVE, #201 NASHVILLE, TN 37217	$ 13,250.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)

Name of organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
7	KOHL'S KIDS ON THE MOVE P.O. BOX 359 MILWAUKEE, WI 53201	$ 47,530.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
8	SUSAN G. KOMEN BREAST CANCER FOUNDATION P.O. BOX 5835 KINGSPORT, TN 37663	$ 23,456.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
9	NATIONAL NETWORK LIBRARIES OF MEDICINE, UNIVERSITY OF MARYLAND 220 ARCH STREET BALTIMORE, MD 21201	$ 5,000.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
10	ST. MARY'S HEALTH WAGON OUTREACH, INC. 119 NUMBER TEN STREET CLINCHCO, VA 24226	$ 6,000.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
11	MSHA AUXILIARY 400 N. STATE OF FRANKLIN ROAD JOHNSON CITY, TN 37604	$ 20,408.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
12	TENN. HOSPITAL EDUCATION & RESEARCH FOUNDATION 500 INTERSTATE BLVD., SOUTH NASHVILLE, TN 37210-4634	$ 59,800.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)

Name of organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

Part II Noncash Property (see instructions)

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

Name of organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

Part III **Exclusively religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations aggregating more than $1,000 for the year.** Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of *exclusively* religious, charitable, etc., contributions of $1,000 or less for the year. (Enter this information once. See instructions.) ▶ $

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

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. ▶ See separate instructions.

OMB No. 1545-0047

2009

Open to Public Inspection

If the organization answered "Yes," to Form 990, Part IV, line 3, or Form 990-EZ, Part VI, 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," to 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," to Form 990, Part IV, line 5 (Proxy Tax), then

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

Name of organization	Employer identification number
MOUNTAIN STATES HEALTH ALLIANCE	62-0476282

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.

2 Political expenditures ▶ $

3 Volunteer hours

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 payments were made. 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-.

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.

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.		
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-		

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.

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? ☐ Yes ☐ 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 instructions for lines 2a through 2f on page 4.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(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)).**

		(a) Yes	(a) No	(b) Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a	Volunteers?		X	
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?	X		
c	Media advertisements?		X	
d	Mailings to members, legislators, or the public?		X	
e	Publications, or published or broadcast statements?		X	
f	Grants to other organizations for lobbying purposes?		X	
g	Direct contact with legislators, their staffs, government officials, or a legislative body?	X		273,954.
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		X	
i	Other activities? If "Yes," describe in Part IV		X	
j	Total. Add lines 1c through 1i			273,954.
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		X	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

			Yes	No
1	Were substantially all (90% or more) dues received nondeductible by members?	1		
2	Did the organization make only in-house lobbying expenditures of $2,000 or less?	2		
3	Did the organization agree to carryover 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) if BOTH Part III-A, lines 1 and 2 are answered "No" OR if 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**

Complete this part to provide the descriptions required for Part I-A, line 1; Part I-B, line 4; Part I-C, line 5; and Part II-B, line 1i. Also, complete this part for any additional information.

PART II-B, LINE 1(I), OTHER LOBBYING ACTIVITIES:

THE COMMUNITY & GOVERNMENT RELATIONS ASSISTANT VICE PRESIDENT AND/OR THE COMMUNITY & GOVERNMENT RELATIONS MANAGERS ATTENDED THE FOLLOWING LEGISLATIVE CONFERENCES:

- PREMIER FEDERAL AFFAIRS NETWORK MEETINGS

Part IV Supplemental Information *(continued)*

- AMERICAN HOSPITAL ASSOCIATION ANNUAL MEETING
- TENNESSEE HOSPITAL ASSOCIATION LEGISLATIVE ADVOCACY DAY
- TENNESSEE HOSPITAL ASSOCIATION ANNUAL MEETING
- HOSPITAL ALLIANCE OF TENNESSEE ANNUAL MEETING
- NACHRI VIP ADVOCACY DAY
- TNPATH ANNUAL MEETING
- VHHA CONFERENCE

THE COMMUNITY & GOVERNMENT RELATIONS ASSISTANT VICE PRESIDENT AND/OR THE COMMUNITY & GOVERNMENT RELATIONS MANAGERS HAVE ALSO SENT LETTERS AND MADE CALLS TO A CONGRESSIONAL OFFICE CONCERNING THE FOLLOWING ISSUES:

- HEALTH REFORM
- SUPPORTED ADEQUATE MEDICAID PAYMENTS TO CHILDREN'S PROVIDERS
- REAUTHORIZATION OF THE CHILDREN'S HEALTH INSURANCE PROGRAM (CHIP)
- SAFEGUARDING GRADUATE MEDICAL EDUCATION
- OPPOSED CUTS TO INDIRECT MEDICAL EDUCATION AND LAWS CHANGING THE TAX EXEMPT STATUS FOR NOT-FOR-PROFIT HOSPITALS TO FUND PROPOSED HEALTH CARE REFORM
- SUPPORTED NEEDED CHANGES RELATED TO HEALTH INFORMATION TECHNOLOGY (HIT) INCENTIVE PAYMENTS INCLUDING MEANINGFUL USE CRITERIA
- SUPPORTED THE CONTINUATION OF TENNESSEE'S FEDERAL DSH PAYMENT
- PARTICIPATED IN EFFORT TO REAUTHORIZE FEDERAL TRAUMA FUNDING UP TO $200 MILLION

THE FOLLOWING ARE EXAMPLES OF STATE OF TENNESSEE AND VIRGINIA LEGISLATION THAT THE COMMUNITY & GOVERNMENT RELATIONS ASSISTANT VICE

Part IV Supplemental Information *(continued)*

PRESIDENT AND/OR THE COMMUNITY & GOVERNMENT RELATIONS MANAGERS AND DIRECTOR RESPONDED TO BY LETTER, CALL OR IN PERSON:

- OPPOSED PAYMENT RATE REDUCTIONS - TENNCARE AND VIRGINIA MEDICAID
- SUPPORTED CONTINUATION OF CON (COPN)
- SUPPORTED THE CONTINUATION OF SAFETY NET FUNDING, INCLUDING TENNESSEE'S TRAUMA FUND
- OPPOSED LEGISLATION TO REPEAL TENNESSEE'S HELMET REQUIREMENT FOR MOTORCYCLISTS
- SUPPORTED PASSAGE OF MENTAL HEALTH GRANT FOR WOODRIDGE HOSPITAL
- SUPPORTED EFFORTS THAT RESTORED FUNDING TO TENNESSEE'S PERINATAL CENTERS, THE GOVERNOR'S OFFICE ON CHILDCARE COORDINATION AND THE COORDINATED SCHOOL HEALTH PROGRAM
- WORKED CLOSELY WITH THE COMMISSIONER OF FINANCE AND ADMINISTRATION IN HIS SUCCESSFUL EFFORT TO OBTAIN $13 MILLION IN FIRST TIME MONIES TO FUND HEALTH INFORMATION TECHNOLOGY INITIATIVES ACROSS THE STATE
- INVOLVED IN ADVOCATING FOR AN EXTRA $10 MILLION IN THE TENNESSEE BUDGET FOR CRITICAL ACCESS HOSPITALS, INCLUDING JCCH. THE FUNDING WAS INCLUDED IN THE BUDGET, DEPENDENT ON THE EXTENSION OF THE ENHANCED FMAP.

Schedule D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

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

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate contributions to (during year)		
3	Aggregate 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" to 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 pleasure)
☐ Protection of natural habitat
☐ Preservation of open space
☐ Preservation of an historically important land area
☐ Preservation of a certified historic structure

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

		Held at the End of the Tax Year
a	Total number of conservation easements	2a
b	Total acreage restricted by conservation easements	2b
c	Number of conservation easements on a certified historic structure included in (a)	2c
d	Number of conservation easements included in (c) acquired after 8/17/06	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, and enforcing conservation easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, 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 XIV, 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" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116, 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 XIV, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116, 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) Revenues included in 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 relating to these items:

a Revenues included in Form 990, Part VIII, line 1 ▶ $ _____

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

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

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

a ☐ Public exhibition
b ☐ Scholarly research
c ☐ Preservation for future generations
d ☐ Loan or exchange programs
e ☐ Other _____

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

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 organization answered "Yes" to 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 XIV 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? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV.

Part V Endowment Funds. Complete if the organization answered "Yes" to 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 year end balance held as:

a Board designated or quasi-endowment ▶ _____ %
b Permanent endowment ▶ _____ %
c Term endowment ▶ _____ %

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

		Yes	No
(i) unrelated organizations	3a(i)		
(ii) related organizations	3a(ii)		
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b		

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

Part VI Investments - Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		28,449,100.		28,449,100.
b Buildings		425267056.	113981335.	311285721.
c Leasehold improvements		770,639.	352,320.	418,319.
d Equipment		379535922.	256037408.	123498514.
e Other				
Total. Add lines 1a through 1e. *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				463651654.

Part VII Investments - Other Securities. 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
Financial derivatives		
Closely-held equity interests		
Other		
Total. (Col (b) must equal Form 990, Part X, col (B) line 12.) ▶		

Part VIII Investments - Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
INVESTMENT IN BRMMC	100,273,634.	COST
INVESTMENT IN ISHN	1,784,120.	COST
INVESTMENT IN PREMIER	192,500.	COST
INVESTMENT IN SCCH	48,100,000.	COST
INVESTMENT IN JMH	132,000,000.	COST
Total. (Col (b) must equal Form 990, Part X, col (B) line 13.) ▶	282,350,254.	

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
AWUL - CURRENT	6,763,171.
AWUL - UNDER BOND INDENTURE AGREEMENTS	113,355,234.
DEFERRED CHARGES AND OTHER	23,879,227.
LONG TERM COMPENSATION INVESTMENT	7,894,605.
Total. *(Column (b) must equal Form 990, Part X, col (B) line 15.)* ▶	151,892,237.

Part X Other Liabilities. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Amount
Federal income taxes	
ACCRUED INTEREST	15,550,017.
OTHER LONG-TERM LIABILITIES	6,672,623.
ACCRUED SALARIES, ABSENCES, & W/H	31,604,489.
CALL OPTION LIABILITY	89,650,437.
ESTIMATED FAIR VALUE OF INT. RATE SWAP	33,657,579.
DUE TO THIRD PARTY PAYORS	7,983,025.
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25.)* ▶	185,118,170.

2. FIN 48 Footnote. In Part XIV, 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.

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV.)	8	
9	Total adjustments (net). Add lines 4 through 8	9	
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	

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

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 on investments	2a			
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIV.)	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 XIV.)	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 XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

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 XIV.)	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 XIV.)	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 XIV Supplemental Information

Complete this part to 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, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

PART X: MOUNTAIN STATES HEALTH ALLIANCE (MSHA) IS AN ORGANIZATION EXEMPT FROM INCOME TAXES UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE. MSHA DOES FILE FORM 990T TO REPORT UNRELATED BUSINESS INCOME (UBI) AND PAYS ALL FEDERAL AND STATE TAXES ASSOCIATED WITH UBI. MSHA COMPLIES WITH FINANCIAL ACCOUNTING STANDARDS BOARD (FASB) ACCOUNTING STANDARD CODIFICATION (ASC) 740, INCOME TAXES. THE ORGANIZATION HAS NO UNCERTAIN TAX POSITIONS AT JUNE 30, 2010. AS SUCH, NO INTEREST OR PENALTIES ARE RECOGNIZED IN THE FINANCIAL STATEMENTS RELATED TO UNCERTAIN

Part XIV Supplemental Information *(continued)*

TAX POSITIONS.

SCHEDULE H (Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 20.
▶ Attach to Form 990.
▶ See separate instructions.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization
MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number
62-0476282

Part I Charity Care and Certain Other Community Benefits at Cost

		Yes	No
1a Does the organization have a charity care policy? If "No," skip to question 6a	1a	X	
b If "Yes," is it a written policy?	1b	X	
2 If the organization has multiple hospitals, indicate which of the following best describes application of the charity care policy to the various hospitals. [X] Applied uniformly to all hospitals [ ] Applied uniformly to most hospitals [ ] Generally tailored to individual hospitals			
3 Answer the following based on the charity care eligibility criteria that applies to the largest number of the organization's patients.			
a Does the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing *free* care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for free care: [ ] 100% [ ] 150% [X] 200% [ ] Other _____ %	3a	X	
b Does the organization use FPG to determine eligibility for providing *discounted* care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care: [X] 200% [ ] 250% [ ] 300% [ ] 350% [ ] 400% [ ] Other _____ %	3b	X	
c If the organization does not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care. Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care.			
4 Does the organization's policy provide free or discounted care to the "medically indigent"?	4	X	
5a Does the organization budget amounts for free or discounted care provided under its charity care policy?	5a	X	
b If "Yes," did the organization's charity care expenses exceed the budgeted amount?	5b	X	
c If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?	5c		X
6a Does the organization prepare an annual community benefit report?	6a	X	
b If "Yes," does the organization make it available to the public?	6b	X	

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

7 Charity Care and Certain Other Community Benefits at Cost

Charity Care and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Charity care at cost (from Worksheets 1 and 2)			10,245,255.		10,245,255.	1.57%
b Unreimbursed Medicaid (from Worksheet 3, column a)			14,306,147.	9,379,265.	4,926,882.	.75%
c Unreimbursed costs - other means-tested government programs (from Worksheet 3, column b)			73,153,528.	49,372,561.	23,780,967.	3.63%
d Total Charity Care and Means-Tested Government Programs			97,704,930.	58,751,826.	38,953,104.	5.95%
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			5,134,349.		5,134,349.	.78%
f Health professions education (from Worksheet 5)			10,017,117.	2,353,686.	7,663,431.	1.17%
g Subsidized health services (from Worksheet 6)			16,838,664.		16,838,664.	2.57%
h Research (from Worksheet 7)			450,976.		450,976.	.07%
i Cash and in-kind contributions to community groups (from Worksheet 8)			254,033.		254,033.	.04%
j Total. Other Benefits			32,695,139.	2,353,686.	30,341,453.	4.63%
k Total. Add lines 7d and 7j			130,400,069.	61,105,512.	69,294,557.	10.58%

Part II Community Building Activities Complete this table if the organization conducted any community building activities.

		(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1	Physical improvements and housing						
2	Economic development			28,725.		28,725.	.00%
3	Community support			3,225.		3,225.	.00%
4	Environmental improvements						
5	Leadership development and training for community members			832.		832.	.00%
6	Coalition building						
7	Community health improvement advocacy			224.		224.	.00%
8	Workforce development			199,291.		199,291.	.03%
9	Other			40,526.		40,526.	.01%
10	Total			272,823.		272,823.	.04%

Part III Bad Debt, Medicare, & Collection Practices

				Yes	No
Section A. Bad Debt Expense					
1	Does the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15?		1	X	
2	Enter the amount of the organization's bad debt expense (at cost)	2	16,796,337.		
3	Enter the estimated amount of the organization's bad debt expense (at cost) attributable to patients eligible under the organization's charity care policy	3	10,077,802.		
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense. In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including other bad debt amounts in community benefit.				
Section B. Medicare					
5	Enter total revenue received from Medicare (including DSH and IME)	5	190127886.		
6	Enter Medicare allowable costs of care relating to payments on line 5	6	192702548.		
7	Subtract line 6 from line 5. This is the surplus or (shortfall)	7	-2,574,662.		
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: ☐ Cost accounting system ☒ Cost to charge ratio ☐ Other				
Section C. Collection Practices					
9a	Does the organization have a written debt collection policy?		9a	X	
b	If "Yes," does the organization's collection policy contain provisions on the collection practices to be followed for patients who are known to qualify for charity care or financial assistance? Describe in Part VI		9b	X	

Part IV Management Companies and Joint Ventures

	(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					

Part V Facility Information

Name and address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)
INDIAN PATH MEDICAL CENTER 2000 BROOKSIDE DRIVE KINGSPORT, TN 37660	X	X		X			X		
INDIAN PATH TRANSITIONAL 2000 BROOKSIDE DRIVE KINGSPORT, TN 37660									SKILLED NURSING
JOHNSON CITY MEDICAL CENTER 400 N. STATE OF FRANKLIN ROAD JOHNSON CITY, TN 37604	X	X	X	X		X	X		REHABILITATION & MENTAL HEALTH HOSPITALS
JCMC AMBULATORY SURGERY 400 N. STATE OF FRANKLIN ROAD JOHNSON CITY, TN 37604		X							AMBUL. SURG. CNTR
JOHNSON CITY SPECIALTY HOSPITAL 203 E. WATAUGA AVENUE JOHNSON CITY, TN 37601	X	X							
JOHNSON COUNTY COMMUNITY HOSPITAL 1901 S. SHADY STREET MOUNTAIN CITY, TN 37683	X				X		X		
JOHNSON COUNTY HOME HEALTH 1987 S. SHADY STREET MOUNTAIN CITY, TN 37683									HOME HEALTH
MEDICAL CENTER HOME CARE - JOHNSON CITY 101 MED TECH PKWY, STE. 100 JOHNSON CITY, TN 37604									HOME HEALTH
MEDICAL CENTER HOME CARE - KINGSPORT 2020 BROOKSIDE DRIVE, #28 KINGSPORT, TN 37660									HOME HEALTH
MEDICAL CENTER HOSPICE 101 MED TECH PKWY, STE. 100 JOHNSON CITY, TN 37604									HOSPICE
MOUNTAIN STATES DIAGNOSTIC CENTER 1 PROFESSIONAL PARK DRIVE, #16 JOHNSON CITY, TN 37604									LICENSED OP DIAGNOSTIC CENTER
NORTH SIDE HOSPITAL 401 PRINCETON ROAD JOHNSON CITY, TN 37602	X	X					X		
PRINCETON TRANSITIONAL 401 PRINCETON ROAD JOHNSON CITY, TN 37602									SKILLED NURSING
RUSSELL COUNTY MEDICAL CENTER 58 CARROLL STREET LEBANON, VA 24266	X	X					X		
RUSSELL CO. MEDICAL CENTER HOME HEALTH 116 FLANNAGAN AVENUE LEBANON, VA 24266									HOME HEALTH
RUSSELL COUNTY MEDICAL CENTER HOSPICE 116 FLANNAGAN AVENUE LEBANON, VA 24266									HOSPICE

Part V Facility Information

Name and address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)
SYCAMORE SHOALS HOSPITAL 1501 W. ELK AVENUE ELIZABETHTON, TN 37643	X	X					X		
FRANKLIN TRANSITIONAL 2511 WESLEY STREET JOHNSON CITY, TN 37601									SKILLED NURSING
MTN STATES IMAGING CNTR AT MED TECH PARK 301 MED TECH PKWY, STE 100 JOHNSON CITY, TN 37604									LICENSED OP DIAGNOSTIC CENTER

Part VI Supplemental Information

Complete this part to provide the following information.

1 Provide the description required for Part I, line 3c; Part I, line 6a; Part I, line 7g; Part I, line 7, column (f); Part I, line 7; Part III, line 4; Part III, line 8; Part III, line 9b, and Part V. See instructions.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's charity care policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Community building activities.** Describe how the organization's community building activities, as reported in Part II, promote the health of the communities the organization serves.

6 Provide any other information important to describing how the organization's hospitals or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

7 If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

8 If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

PART I, LINE 7: A COST TO CHARGE RATIO WAS DERIVED FROM THE SCHEDULE H APPLICABLE WORKSHEETS, INCLUDING WORKSHEET 2, RATIO OF PATIENT CARE COST TO CHARGES.

PART I, LINE 7G: JOHNSON COUNTY COMMUNITY HOSPITAL, A FEDERALLY DESIGNATED CRITICAL ACCESS HOSPITAL, OPERATES A PHYSICIAN SPECIALTY CLINIC, WHICH INCURRED AN OPERATING LOSS OF $59,577 FOR THE TWELVE MONTHS ENDING JUNE, 2010. THE SPECIALTY CLINIC INCLUDES CARDIOLOGY, OB/GYN, GENERAL SURGERY, VASCULAR SURGERY, NEUROLOGY, ONCOLOGY, PODIATRY AND OTHER SPECIALTY SERVICES. THIS CONTINUES TO BE A VALUABLE RESOURCE TO THE RESIDENTS OF THE AREA BY AIDING WITH TRANSPORTATION ISSUES (OTHER OFFICES ARE MORE THAN AN HOUR AWAY), RESOLVING ACCESS LIMITATIONS FOR SPECIALTY SERVICES, AND PROVIDING RELIEF TO THE SPECIAL HEALTH PROBLEMS OF A LARGELY ELDERLY POPULATION.

RUSSELL COUNTY MEDICAL CENTER OPERATES A RURAL HEALTH CLINIC LOCATED IN ST PAUL, VA, ON THE BORDER OF WISE AND RUSSELL COUNTIES. RIVERSIDE CLINIC FIRST OPENED IN 1991 TO PROVIDE PRIMARY CARE SERVICES TO THIS ELDERLY UNDERSERVED POPULATION. THE CLINIC'S LARGEST PAYOR IS MEDICARE, WHICH ACCOUNTS FOR MORE THAN 40% OF THEIR PATIENTS. DURING THE THE 12-MONTH REPORTING PERIOD, THE CLINIC HAD 10,900 OUTPATIENT VISITS AND INCURRED

Part VI Supplemental Information

UNREIMBURSED EXPENSES OF $527,710.

PART I, LINE 7F: BAD DEBT EXPENSE OF $3,821,964 IS INCLUDED IN THE STATEMENT OF FUNCTIONAL EXPENSES ON FORM 990, PART IX, LINE 25, BUT HAS BEEN SUBTRACTED FOR PURPOSES OF CALCULATING PERCENTAGES ON PART 1, LINE 7, COLUMN F.

PART III, LINE 4: WORKSHEET A WAS USED FOR PART III, LINES 2 AND 3 IN DETERMINING BAD DEBT AT COST. MSHA FOLLOWS THE HEALTHCARE FINANCIAL MANAGEMENT ASSOCIATION'S PRINCIPLES AND PRACTICES BOARD ISSUED STATEMENT 15: VALUATION AND FINANCIAL STATEMENT PRESENTATION OF CHARITY CARE AND BAD DEBTS BY INSTITUTIONAL HEALTHCARE PROVIDERS ("THE STATEMENT"). THE STATEMENT PROVIDES GUIDANCE ON COLLECTABILITY CRITERIA AND EMPHASIZES REVENUE RECOGNITION ONLY WHEN COLLECTIONS ARE REASONABLY ASSURED.

TO FURTHER EXPLAIN MSHA'S REPORTING OF BAD DEBT EXPENSE, MSHA'S FINANCIAL STATEMENTS ACCOUNT FOR BAD DEBT IN TWO LOCATIONS. FIRST, A DEDUCTION FROM REVENUE LINE ITEM CALLED "CONTRA-REVENUE" CONTAINS THE MAJORITY OF MSHA'S SELF-PAY ESTIMATED BAD DEBT. FOR FY10, 95% OF TOTAL BAD DEBT WAS MOVED TO THIS LINE. THIS PERCENTAGE IS SIMPLY AN ESTIMATE OF WHAT PATIENT FINANCIAL SERVICES ANTICIPATES WILL NOT BE COLLECTED AFTER ALL DEBT COLLECTION EFFORTS HAVE BEEN EXHAUSTED. THIS ESTIMATE IS BASED ON HISTORICAL INFORMATION. THE REMAINING 5% OF BAD DEBT IS RECORDED IN THE EXPENSE SECTION APPROPRIATELY CALLED "BAD DEBT."

THE FOOTNOTES TO THE AUDITED FINANCIAL STATEMENTS STATES "CURRENT OPERATIONS INCLUDE A PROVISION FOR BAD DEBTS IN THE CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS ESTIMATED BASED UPON

Part VI Supplemental Information

THE AGE OF THE PATIENT ACCOUNTS RECEIVABLE, PRIOR EXPERIENCE AND ANY UNUSUAL CIRCUMSTANCES (SUCH AS LOCAL, REGIONAL OR NATIONAL ECONOMIC CONDITIONS) WHICH AFFECT THE COLLECTABILITY OF RECEIVABLES, INCLUDING MANAGEMENT'S ASSUMPTIONS ABOUT CONDITIONS IT EXPECTS TO EXIST AND COURSES OF ACTION IT EXPECTS TO TAKE."

REGARDING LINE 3, IT IS IMPLAUSIBLE TO DETERMINE THE AMOUNT OF MSHA'S BAD DEBT EXPENSE ASSOCIATED WITH THOSE CLIENTS WHO MAY HAVE MET THE CRITERIA SET FORTH IN OUR FINANCIAL ASSISTANCE POLICY WITHOUT HAVING A COMPLETED FINANCIAL ASSESSMENT. WE ARE UNABLE TO DETERMINE OUR PATIENT'S FINANCIAL CIRCUMSTANCES UNLESS A COMPLETED FINANCIAL ASSESSMENT FORM IS VOLUNTARILY PROVIDED TO US. WE CAN ASSERT THAT MORE THAN 90% OF OUR PATIENTS WHO HAVE PROVIDED COMPLETED FINANCIAL ASSESSMENT FORMS HAVE BEEN APPROVED FOR AT LEAST PARTIAL FINANCIAL ASSISTANCE. 16% OF THOSE PATIENTS APPROVED FOR FINANCIAL ASSISTANCE WERE BAD DEBT TRANSFERS. WE FIND IT UNREASONABLE TO APPLY EITHER OF THESE PERCENTAGES TO OUR BAD DEBT POPULATION AS THERE ARE MANY ADDITIONAL VARIABLES THAT MUST BE CONSIDERED.

OUR VICE PRESIDENT OF PATIENT FINANCIAL SERVICES CONSERVATIVELY ESTIMATES THAT 60% OF TOTAL BAD DEBT EXPENSE WAS ASSUMED ATTRIBUTABLE TO CLIENTS POTENTIALLY ELIGIBLE FOR FINANCIAL ASSISTANCE.

PART III, LINE 8: MEDICARE ALLOWABLE COSTS WERE REPORTED USING MSHA'S FILED MEDICARE COST REPORT (C/R). THE C/R USES A COST TO CHARGE RATIO BASED ON A STEP DOWN METHOD. IN CARING FOR THE PATIENT, THERE ARE SEVERAL SERVICES THAT ARE CONSIDERED NON-ALLOWABLE SUCH AS: TRANSPORTATION OF A PATIENT, COMFORT ITEMS TO INCLUDE A TELEVISION, MAGAZINES, OR A TELEPHONE. ADDITIONAL NON-ALLOWABLE COSTS INCLUDE THE RECRUITMENT OF PHYSICIANS,

Part VI Supplemental Information

PHYSICIAN GUARANTEES AND A PORTION OF THE BAD DEBT (30%) ASSOCIATED WITH THE CARE OF THE PATIENT.

MEDICARE LOSSES, INCLUDING SOME NON-ALLOWABLE COSTS, SHOULD BE COUNTED AS A COMMUNITY BENEFIT AS THIS IS THE COST OF CARE FOR SERVING THE AGING POPULATION. AS A NOT-FOR-PROFIT ORGANIZATION, WE EXIST TO IDENTIFY AND RESPOND TO THE HEALTH CARE NEEDS OF THE COMMUNITY AND THE INDIVIDUAL WHILE MAINTAINING A HIGH LEVEL OF HEALTH CARE SERVICES WITHOUT LOSSES. SINCE LOSSES DO OCCUR THROUGH THE CMS SYSTEM OF REIMBURSEMENT, THESE LOSSES ARE A COST OF DOING BUSINESS FOR OUR COMMUNITY AND SHOULD BE CONSIDERED A COMMUNITY BENEFIT.

AS A PARTICIPATING PROVIDER IN THE MEDICARE PROGRAM, MSHA IS REQUIRED TO PROVIDE THE FULL REGIMEN OF CARE FOR OUR MEDICARE POPULATION. THERE ARE A NUMBER OF CARE REGIMENS THAT ARE COMPENSATED BY THE MEDICARE PROGRAM AT LEVELS BELOW OUR COST. THEREFORE IT IS ONLY LOGICAL TO ALLOW MSHA TO REPORT THESE UNCOMPENSATED SERVICES AS A COMMUNITY BENEFIT ON THIS DOCUMENT. BY MAKING THIS CHANGE, NON-PROFIT PROVIDERS WILL BE ENCOURAGED TO SUSTAIN IMPORTANT CARE DELIVERY MODELS FOR OUR AGING POPULATION IN SPITE OF THE FACT IT IS SOMETIMES ECONOMICALLY INJURIOUS.

PART III, LINE 9B: MSHA FOLLOWS A STRONG COLLECTION PROGRAM THAT COMMUNICATES FINANCIAL RESPONSIBILITY TO THE PATIENT PRIOR TO SERVICE. COLLECTION PRACTICES APPLY TO ALL PATIENTS, CHARITY AND NON-CHARITY. IN ROUTINE CIRCUMSTANCES WHEN IT IS DETERMINED THAT A PATIENT HAS NOT RESPONDED TO REQUESTS FOR PAYMENT, AN ACCOUNT CAN BE REFERRED TO AN OUTSIDE COLLECTION AGENCY FOR COLLECTION ASSISTANCE. MSHA ENSURES THAT OUTSIDE COLLECTION AGENCIES FOLLOW HOSPITAL BILLING AND COLLECTION

Part VI Supplemental Information

GUIDELINES. ONCE A DELINQUENT PATIENT ACCOUNT HAS BEEN SUBMITTED TO AN OUTSIDE COLLECTION AGENCY IT CAN BE RETRACTED IF IT IS DETERMINED THAT THE PATIENT IS ELIGIBLE FOR FINANCIAL ASSISTANCE. ALL REQUESTS FOR FINANCIAL ASSISTANCE MUST BE ACCOMPANIED BY A COMPLETED FINANCIAL ASSESSMENT FORM AND SUPPORTING DOCUMENTATION.

PART VI, LINE 8: MSHA SUBMITS COMMUNITY BENEFIT DATA TO THE VIRGINIA HEALTH AND HOSPITAL ASSOCIATION (VHHA) AND THE HOSPITAL ALLIANCE OF TENNESSEE (HAT). VHHA COMBINES DATA FROM ALL SOURCES TO DEMONSTRATE THE COMMUNITY BENEFITS PROVIDED BY BOTH FOR-PROFIT AND NOT-FOR-PROFIT HOSPITALS AND HEALTH SYSTEMS TO THE STATE OF VIRGINIA. HAT PROVIDES ITS MEMBERS AND TENNESSEE LEGISLATORS WITH COMMUNITY BENEFIT DATA IN AN EFFORT TO PROVIDE A CLEAR PICTURE OF NOT-FOR-PROFIT HEALTH SYSTEM'S INVESTMENT IN THE COMMUNITIES THEY SERVE.

PART VI, LINE 2: DURING FY08 AND FY09, MSHA CONDUCTED THE LARGEST COMMUNITY HEALTH NEEDS ASSESSMENT IN ITS HISTORY IN AN EFFORT TO PROFILE THE HEALTH OF THE RESIDENTS WITHIN THE LOCAL REGION. THE ASSESSMENT FOCUSED ON STATE, REGIONAL, AND COUNTY SPECIFIC DATA COLLECTION. THIS ASSESSMENT ALSO INCLUDED PRIMARY DATA COLLECTED THROUGH APPROXIMATELY 50 ONE-ON-ONE INTERVIEWS. THOSE INTERVIEWED WERE INDIVIDUALS FROM AROUND THE REGION WHICH INCLUDED LOCAL AND STATE GOVERNMENT OFFICIALS, HEALTH DEPARTMENT REPRESENTATIVES, PHYSICIANS, GENERAL PUBLIC, LOCAL INDUSTRY, CIVIC ORGANIZATIONS, EDUCATION OFFICIALS, AND COMMUNITY RESOURCE GROUPS. THIS INFORMATION WAS COLLECTED, AND THEN ANALYZED, AND A SUMMARY OF THE FINDINGS WAS LISTED IN AN EFFORT TO OBTAIN A MORE DETAILED SNAPSHOT SPECIFIC TO EACH COUNTY LOCATED THROUGHOUT THE MSHA SERVICE AREA. THIS INFORMATION WAS REVIEWED BY MSHA'S STRATEGIC PLANNING TEAM ALONG WITH

Part VI Supplemental Information

GOVERNMENT RELATIONS AND QUALITY DEPARTMENTS. THE MSHA STEERING COMMITTEE IDENTIFIED CHILDHOOD OBESITY AS THE HEALTH DISPARITY TARGETED FOR IMPROVEMENT.

DURING FY09, MSHA BEGAN COLLABORATIVE EFFORTS WITH EAST TENNESSEE STATE UNIVERSITY'S COLLEGE OF PUBLIC HEALTH TO DEVELOP THE MSHA-ETSU OBESITY COLLABORATIVE COMMITTEE. THE FOCUS OF THIS COMMITTEE IS TO PULL TOGETHER MANY PARTNERS AND ORGANIZATIONS IN COLLABORATION TO REDUCE THE LEVEL OF CHILDHOOD OBESITY THROUGHOUT NORTHEAST TENNESSEE AND SOUTHWEST VIRGINIA. DURING FY10, THE COMMITTEE OFFERED 25 SEED GRANTS OF $2,000 EACH TO LOCAL COMMUNITY ORGANIZATIONS SUCH AS CHURCHES, COMMUNITY GROUPS, SCHOOLS, AND EMPLOYERS THAT WANT TO EXPLORE OBESITY REDUCTION EFFORTS.

IN ADDITION TO THE GRANTS PROGRAM, AN ANNUAL SYMPOSIUM IS PROVIDED FREE TO THE REGION AND AVAILABLE TO RESIDENTS AND COMMUNITY GROUPS. NATIONAL, REGIONAL, AND LOCAL EXPERTS SHARE INFORMATION ON TRENDS REGARDING CHILDHOOD OBESITY AND PROVEN COMMUNITY-BASED STRATEGIES TO REDUCE THE PREVALENCE.

PART VI, LINE 3: MSHA PROVIDES COMMUNICATION OF FINANCIAL ASSISTANCE ON ITS WEB SITE AND ON POSTERS PLACED IN PROMINENT AREAS SUCH AS ADMITTING AREAS, EMERGENCY DEPARTMENTS AND PATIENT PAYMENT (CASHIER) LOCATIONS. PRINTED EDUCATIONAL MATERIALS INCLUDING FINANCIAL ASSISTANCE CONTACT INFORMATION ARE ALSO PROVIDED IN THE PATIENT'S ADMITTING PAPERWORK. POSTERS AND REFERENCE MATERIALS ARE WRITTEN IN BOTH ENGLISH AND SPANISH. ADMITTING STAFF ARE TRAINED TO EDUCATE PATIENTS ON MSHA'S FINANCIAL ASSISTANCE POLICY. MSHA ALSO HAS FINANCIAL COUNSELORS WHICH COMMUNICATE THE PATIENT'S FINANCIAL RESPONSIBILITY PRIOR TO SERVICE AS WELL AS PROVIDE

Part VI Supplemental Information

EDUCATION ON MSHA'S FINANCIAL ASSISTANCE POLICY. THESE COUNSELORS ALSO HELP UNINSURED PATIENTS DETERMINE SOURCES OF PAYMENT FOR MEDICAL BILLS AND HELP PATIENTS DETERMINE ELIGIBILITY FOR PROGRAMS SUCH AS TENNCARE OR MEDICAID. IN ADDITION, MSHA CONTRACTS WITH THE COMPANY MEDASSIST TO WORK WITH SELF-PAYING PATIENTS WHO HAVE LIMITED FINANCIAL RESOURCES. MEDASSIST DETERMINES A PATIENT'S ELIGIBILITY IN MEDICAL COVERAGE OPTIONS AND ASSISTS WITH THEIR ENROLLMENT. MSHA BEARS THE COST FOR THE MEDASSIST PROGRAM.

PART VI, LINE 4: MSHA SERVES THE HEALTHCARE NEEDS OF 29 APPALACHIAN COUNTIES IN TENNESSEE, SOUTHWEST VIRGINIA, KENTUCKY AND NORTH CAROLINA. SOME OF THE COUNTIES MSHA SERVES ARE FEDERALLY DESIGNATED MEDICALLY UNDERSERVED AREAS. MSHA OPERATES 2 CRITICAL ACCESS HOSPITALS, DICKENSON COMMUNITY HOSPITAL IN VIRGINIA AND JOHNSON COUNTY COMMUNITY HOSPITAL IN TENNESSEE. THESE TWO FACILITIES OPERATE IN FEDERALLY DESIGNATED MEDICALLY UNDERSERVED AREAS.

THE HEALTH STATUS OF THE POPULATION IN MSHA'S SERVICE AREA IS GENERALLY POOR. THE SERVICE AREA EXTENDS TO SOME OF THE POOREST RURAL COUNTIES IN THE REGION WITH A POVERTY RATE OF ALMOST 30%. SOME OF THE MOST WELL OFF COUNTIES IN MSHA'S SERVICE AREA STILL HAVE A MEDIAN HOUSEHOLD INCOME LOWER THAN STATE AND NATIONAL AVERAGES. RURAL SERVICE AREA COUNTIES SHARE COMMON CHALLENGES OF:

1. HIGH RATES OF UNINSURED
2. HIGH PREVALENCE OF OBESITY
3. HIGH PREVALENCE OF DIABETES

PART VI, LINE 5: MSHA LEADERS SUPPORT AND ENCOURAGE ALL EMPLOYEES TO

Part VI Supplemental Information

VOLUNTEER TIME, MONEY, AND SKILLS TO COMMUNITY SERVICE PROJECTS AND CHARITABLE ORGANIZATIONS. SENIOR LEADERS AND BOARD MEMBERS SET A POSITIVE EXAMPLE FOR MSHA EMPLOYEES BY SERVING VOLUNTARILY ON COMMITTEES AND MANAGING BOARDS OF LOCAL SERVICE AND NONPROFIT ORGANIZATIONS. MANY ALSO SERVE AS MEMBERS AND CONSULTANTS ON PROFESSIONAL COMMITTEES AND TASK FORCES THAT AFFECT REGIONAL DEVELOPMENT IN HEALTH CARE, AND EDUCATION. EMPLOYEES SERVED THE BOYS & GIRLS CLUB, KIWANIS CLUBS, ROTARY CLUBS, SUSAN G. KOMEN BREAST CANCER FOUNDATION, ECONOMIC DEVELOPMENT STEERING COMMITTEE FOR WASHINGTON COUNTY, THE TENNESSEE VALLEY CORRIDOR, JUNIOR ACHIEVEMENT, SALVATION ARMY, AMERICAN HEART ASSOCIATION, HANDS ON! MUSEUM, KINGSPORT TOMORROW INC., CARTER COUNTY TOMORROW, APPALACHIAN MOUNTAIN PROJECT ACCESS, WASHINGTON COUNTY EMERGENCY MEDICAL SERVICES, APPALACHIAN REGIONAL COALITION ON HOMELESSNESS, WASHINGTON COUNTY VETERAN'S MEMORIAL COMMITTEE OF THE JOHNSON CITY PARKS AND RECREATION FOUNDATION, EATING DISORDERS COALITION OF TENNESSEE, JOHNSON CITY SYMPHONY ORCHESTRA, DAWN OF HOPE, UNITED WAY, CHAMBER OF COMMERCE BOARDS, AND MANY OTHERS. SOME OF THESE EMPLOYEES DEVOTED TWO WEEKS OF NORMAL WORK TIME TO OUTSIDE CHARITABLE ACTIVITIES.

MSHA PROVIDES SPONSORSHIPS AND OFFERS ASSISTANCE WITH COORDINATION, ADVOCACY, AND PUBLICITY; PROVIDES SPACE; OR CONTRIBUTES SUPPLIES TO SUPPORT COMMUNITY ORGANIZATIONS FOR THEIR PROGRAM ACTIVITIES. MSHA PROVIDES STAFF AT THEIR EXPENSE TO LOCAL AGENCIES, COMMUNITY ADVISORY BOARDS, COUNCILS, AND OTHER ORGANIZATIONS TO ASSIST WITH LEADERSHIP PROGRAMS, PLANNING, COMMITTEE PARTICIPATION, AND ASSISTANCE WITH SPECIAL EVENTS. EXAMPLES INCLUDE AMERICAN RED CROSS BLOOD DRIVES, IMAGINATION LIBRARY STEERING COMMITTEE, RONALD MCDONALD HOUSE BOARD, UNITED WAY BOARD, AND OTHERS.

Part VI Supplemental Information

PHYSICIAN RECRUITMENT FOR A FEDERALLY UNDERSERVED AREA IS REPORTED IN COMMUNITY BUILDING AND MAKES UP THE MAJORITY OF THE TOTAL EXPENSE REPORTED ON SCHEDULE H, PART II. WITHOUT MSHA'S DEDICATION TO RURAL HEALTH, THERE WOULD NOT BE AN ADEQUATE NUMBER OF PHYSICIANS TO SERVE THIS PATIENT POPULATION.

MSHA SUPPORTS THE ECONOMIC DEVELOPMENT OF THE REGION BY PROVIDING FINANCIAL SUPPORT AS WELL AS PAID EMPLOYEE'S TIME TO SERVE ON ECONOMIC DEVELOPMENT BOARDS. EVIDENCE SHOWS THAT A HEALTHY ECONOMY RELATES TO A HEALTHIER POPULATION.

PART VI, LINE 6: THE MAJORITY OF MSHA'S GOVERNING BODY IS COMPRISED OF PERSONS WHO RESIDE IN THE ORGANIZATION'S PRIMARY SERVICE AREA. ONLY TWO EMPLOYEES ARE ON THE MSHA BOARD OF DIRECTORS: THE CEO PAID BY MSHA AND A PHYSICIAN WHO IS PAID BY A RELATED ORGANIZATION.

PHYSICIANS THAT REQUEST PRIVILEGES WHO ARE QUALIFIED AND CREDENTIALED ARE EXTENDED PRIVILEGES BY MSHA.

MSHA IS DEDICATED TO OPERATING OUR FACILITIES EFFICIENTLY SO THAT WASTE IS MINIMIZED AND SURPLUSES MAY BE APPLIED TO MAINTAINING ADEQUATE FACILITIES AND EQUIPMENT FOR THE CARE FOR OUR PATIENTS. VARIOUS CHECKS AND BALANCES ARE ESTABLISHED TO ENSURE THAT EXPENDITURES FOR OPERATING EXPENSES AND CAPITAL COSTS ARE REASONABLE AND NECESSARY.

PART VI, LINE 7: MOUNTAIN STATES HEALTH ALLIANCE (MSHA) PROVIDES CARE TO PEOPLE IN 29 COUNTIES IN TENNESSEE, VIRGINIA, KENTUCKY, AND NORTH

Part VI Supplemental Information

CAROLINA. EACH HOSPITAL IS FULLY ACCREDITED, MOST BY THE JOINT COMMISSION. MSHA IS INTEGRATED BOTH VERTICALLY AND HORIZONTALLY AND IS THE LARGEST REGIONAL HEALTHCARE SYSTEM WITH 14 HOSPITALS. 10 FACILITIES ARE WHOLLY-OWNED AND 4 ARE MAJORITY OWNED. THIS FORM 990 ENCOMPASSES 10 WHOLLY-OWNED FACILITIES: 9 FACILITIES IN TENNESSEE AND 1 IN VIRGINIA. EACH FACILITY IN THIS FORM 990 IS ACCREDITED BY THE JOINT COMMISSION WITH THE EXCEPTION OF JCCH. JCCH RECEIVES CERTIFICATION THROUGH THE STATE OF TENNESSEE SINCE IT IS A CRITICAL ACCESS HOSPITAL.

IN ADDITION TO THE WHOLLY-OWNED HOSPITALS IN THIS REPORTING FEIN, MSHA ALSO HAS MAJORITY OWNERSHIP IN 4 HOSPITALS IN SOUTHWEST VIRGINA. IN ADDITION TO OUR ACUTE CARE HOSPITALS, OUR SYSTEM ALSO INCLUDES SUCH SERVICES AS: PRIMARY / SPECIALTY PHYSICIAN PRACTICES, URGENT CARE CENTERS, EMERGENCY DEPARTMENTS, OCCUPATIONAL MEDICINE, REHABILITATION, TRANSPLANT, OUTREACH LABORATORY, MENTAL HEALTH, NEONATAL INTENSIVE CARE, A NACHRI AFFILIATED CHILDREN'S HOSPITAL, RENAL DIALYSIS, ST. JUDE'S ONCOLOGY, INPATIENT / OUTPATIENT SURGERY, SKILLED NURSING, HOME HEALTH, AIR AMBULANCE TRANSPORT, AN ORGAN TRANSPLANT DEPARTMENT, AND MORE.

WITH THESE ADDITIONAL FACILITIES AND SERVICES, MSHA EXTENDS A HIGHLY EFFECTIVE HEALTH CARE DELIVERY SYSTEM. SINCE OUR SYSTEM IS BOTH HORIZONTALLY AND VERTICALLY INTEGRATED, PATIENTS CAN BE EFFICIENTLY MOVED ALONG AN INTEGRATED, COMPREHENSIVE CONTINUUM OF CARE AS THEIR HEALTH STATUS DICTATES. OUR FLAGSHIP FACILITY, JOHNSON CITY MEDICAL CENTER IS AT THE CORE OF OUR SYSTEM OFFERING FULL SERVICE TERTIARY CARE.

IN ADDITION TO OUR HOSPITALS, MSHA IS THE SOLE MEMBER OF BLUE RIDGE MEDICAL MANAGEMENT CORPORATION (BRMMC). MSHA EXTENDS AN INTEGRATED

Part VI Supplemental Information

HEALTHCARE DELIVERY SYSTEM THROUGH BRMMC TO INCLUDE MULTIPLE PRIMARY AND SPECIALTY CARE PATIENT ACCESS CENTERS AND NUMEROUS OUTPATIENT CARE SITES, INCLUDING URGENT CARE CENTERS, OCCUPATIONAL MEDICINE SERVICES, A SAME DAY SURGERY CENTER, AND OUTPATIENT REHABILITATION.

MSHA COUNTY-SPECIFIC OPERATIONS ARE GOVERNED BY A COMMUNITY BOARD OF DIRECTORS. COUNTY BOARDS REPORT TO A SYSTEM LEVEL BOARD OF DIRECTORS. ALL BOARDS ARE PRIMARILY COMPOSED OF LOCAL COMMUNITY RESIDENTS.

PART VI, LINE 8, LIST OF STATES RECEIVING COMMUNITY BENEFIT REPORT:
VA

SCHEDULE I
(Form 990)

Department of the Treasury
Internal Revenue Service

Grants and Other Assistance to Organizations, Governments, and Individuals in the United States

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

▶ Attach to Form 990.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

Part I General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ..... [X] Yes [ ] No

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than $5,000. Check this box if no one recipient received more than $5,000. Use Part IV and Schedule I-1 (Form 990) if additional space is needed ... ▶ [ ]

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
ETSU FOUNDATION P.O. BOX 70721 JOHNSON CITY, TN 37614	23-7092731	501(C)(3)	30,000.	0.			SUPPORT CLINIC DEDICATED TO IMPROVING THE HEALTH OF UNINSURED AND UNDERINSURED PEOPLE
ETSU 807 UNIVERSITY PKWY JOHNSON CITY, TN 37614	62-6021046	501(C)(3)	10,250.	2,200.	FMV	DONATION OF MEDICAL EQUIPMENT	EQUIPMENT DONATION TO BENEFIT THE FIT KIDS PROGRAM
CARESPARK P.O. BOX 657, 125 BROAD STREET KINGSPORT, TN 37662	20-2694144	501(C)(3)	50,000.	0.			SUPPORT DEVELOPMENT OF SHARED HEALTH INFORMATION TO IMPROVE PATIENT CARE
TENNESSEE TECHNOLOGY CENTER 1500 ARNEY STREET ELIZABETHTON, TN 37643	62-1113186	501(C)(3)	25,000.	0.			SUPPORT HEALTH PROFESSION EDUCATION
SUSAN KOMEN BREAST CANCER FOUNDATION - P.O.BOX 5835 - KINGSPORT, TN 37663	84-1589067	501(C)(3)	25,000.	0.			BREAST CANCER RESEARCH
AMERICAN HEART ASSOCIATION 1101 NORTHCHASE PKWY, STE. 1 MARIETTA, GA 30067	13-5613797	501(C)(3)	10,700.	0.			SUPPORT HEART HEALTH RESEARCH AND EDUCATION

2 Enter total number of section 501(c)(3) and government organizations ..... ▶ 11.

3 Enter total number of other organizations ..... ▶ 0.

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 22. Use Part IV and Schedule I-1 (Form 990) if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance

Part IV **Supplemental Information.** Complete this part to provide the information required in Part I, line 2, and any other additional information.

SCHEDULE I, PART I, LINE 2: MSHA ADHERED TO THE FOLLOWING CRITERIA FOR OUR CONTRIBUTIONS TO ORGANIZATIONS IN THE REGION:

HEALTHCARE: THE ORGANIZATION ENHANCED OR IMPROVED ACCESS FOR THE UNINSURED OR UNDERINSURED POPULATION OR SUPPORTED A PROGRAM TO IMPROVE THE HEALTH OF OUR CHILDREN (I.E., CHILDHOOD OBESITY PREVENTION).

EDUCATION: THE ORGANIZATION PROVIDED A PROGRAM TO IMPROVE EDUCATION OF THE CHILDREN IN OUR REGION ALL THE WAY TO COLLEGE AGE STUDENTS (RN NURSING

SCHEDULE I-1 (Form 990)
Department of the Treasury
Internal Revenue Service

Continuation Sheet for Schedule I (Form 990)
▶ Attach to Form 990 to list additional information for Schedule I (Form 990), Part II or Part III.

OMB No. 1545-0047
2009
Open to Public Inspection

Name of the organization
MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number
62-0476282

Part I Continuation of Grants and Other Assistance to Governments and Organizations in the United States (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
GEISINGER HEALTH SYSTEM FOUNDATION 100 NORTH ADADEMY AVE. DANVILLE, PA 17822	23-2164794	501(C)(3)	10,000.	0.			SUPPORT INNOVATIVE RESEARCH FOR SPECIALIZED TREATMENT OPTIONS
WELLMONT FOUNDATION, INC. 1905 AMERICAN WAY, STE. 102 KINGSPORT, TN 37660	58-1594191	501(C)(3)	15,000.	0.			DONATION FOR HAITI EARTHQUAKE RELIEF
HANDS ON! REGIONAL MUSEUM 315 E. MAIN STREET KINGSPORT, TN 37601	62-1282542	501(C)(3)	12,000.	0.			SUPPORT TO LOCAL INTERACTIVE CHILDREN'S MUSEUM
JOHNSON CITY PARKS AND RECREATION P.O. BOX 1535 JOHNSON CITY, TN 37605	38-3731893	501(C)(3)	5,000.	152.			DONATION FOR CONSTRUCTION OF A VETERANS MEMORIAL
COALITION FOR KIDS P.O. BOX 3156 JOHNSON CITY, TN 37602	62-1765487	501(C)(3)	5,000.	2,552.	ACTUAL COST	PROVIDED PRINT SERVICES FOR NEWSLETTER	AFTER SCHOOL TUTORING AND MENTORING PROGRAM FOR KIDS

LHA For Privacy Act and Paperwork Reduction Act Notice, see the instructions for Form 990.

Schedule I-1 (Form 990) 2009

932241 02-01-10

Part IV Supplemental Information

PROGRAMS).

QUALITY OF LIFE: THE ORGANIZATION OFFERED PROGRAMS TO ENHANCE THE QUALITY OF LIFE WHICH IS IMPORTANT IN THE RECRUITMENT EFFORTS OF BUSINESSES IN THE REGION AS WE WORK TO ATTRACT AND RETAIN THE BEST TALENT.

FOR THE SUPPORTED PROGRAMS, METRICS WERE ESTABLISHED TO DETERMINE THE SUCCESS (OR FAILURE) OF EACH PROGRAM TO WHICH MSHA CONTRIBUTES. AS THE DEPRESSED ECONOMIC SITUATION CONTINUED DURING FY10, THE CRITERIA USED IN THE DECISION MAKING PROCESS FOR MAJOR DONATIONS WAS REVISED TO SUPPORT THOSE PROGRAMS WHICH FOCUSED ON HEALTH AND WELLNESS INITIATIVES, PARTICULARLY THOSE FIGHTING CHILDHOOD OBESITY.

SCHEDULE J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

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

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 23.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

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 in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.			
	[X] First-class or charter travel	[ ] Housing allowance or residence for personal use		
	[ ] Travel for companions	[ ] Payments for business use of personal residence		
	[ ] Tax indemnification and gross-up payments	[ ] Health or social club dues or initiation fees		
	[ ] Discretionary spending account	[ ] Personal services (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	X	
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	2	X	
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.			
	[X] Compensation committee	[X] Written employment contract		
	[X] Independent compensation consultant	[X] Compensation survey or study		
	[ ] Form 990 of other organizations	[X] Approval by the board or compensation committee		
4	During the year, did any person listed in 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		X
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	X	
c	Participate in, or receive payment from, an equity-based compensation arrangement?	4c		X
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.			
	Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.			
5	For persons listed in 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		X
b	Any related organization?	5b		X
	If "Yes" to line 5a or 5b, describe in Part III.			
6	For persons listed in 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		X
b	Any related organization?	6b		X
	If "Yes" to line 6a or 6b, describe in Part III.			
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7		X
8	Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs. section 53.4958-4(a)(3)? If "Yes," describe in Part III	8		X
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	9		

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use Schedule J-1 if additional space is needed.

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

Note. The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a.

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
DENNIS VONDERFECHT	(i)	630,093.	260,107.	73,866.	17,150.	23,051.	1,004,267.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
WILLIAM WALKER, M.D.	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	549,042.	27,765.	1,179.	0.	1,928.	579,914.	0.
MARVIN EICHORN	(i)	420,689.	171,393.	57,622.	187,084.	26,523.	863,311.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
DALE CLAYTORE	(i)	161,081.	42,308.	2,335.	8,053.	2,603.	216,380.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
JOHN DOYLE	(i)	184,620.	6,625.	9,559.	11,983.	18,914.	231,701.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
ANN FLEMING	(i)	294,561.	110,625.	22,005.	39,321.	20,156.	486,668.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
CANDACE JENNINGS	(i)	284,204.	84,870.	10,831.	31,792.	22,506.	434,203.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
LYNN KRUTAK	(i)	182,942.	50,362.	959.	11,433.	18,751.	264,447.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
MONTY MCLAURIN	(i)	253,486.	81,353.	10,329.	24,719.	27,879.	397,766.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
CINDY SALYER	(i)	180,720.	61,029.	9,505.	20,722.	19,745.	291,721.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
JOHN MELTON	(i)	134,138.	48,326.	2023136.	3,571.	11,562.	2,220,733.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
SHANE HILTON	(i)	157,468.	9,625.	9,856.	10,314.	18,205.	205,468.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
KENNETH MARSHALL, M.D.	(i)	37,572.	59,427.	354,034.	1,527.	20,204.	472,764.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
STEVE KILGORE	(i)	219,768.	71,101.	6,419.	24,801.	20,467.	342,556.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
JAMIE PARSONS	(i)	193,130.	70,895.	17,703.	20,306.	7,998.	310,032.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
CHAO LEE, M.D.	(i)	310,545.	0.	0.	0.	14,168.	324,713.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.

Part III Supplemental Information

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

PART I, LINE 1A: BOARD MEMBERS AND TEAM MEMBERS OF MSHA ARE NOT PERMITTED TO TRAVEL FIRST-CLASS WITH THE EXCEPTION OF MSHA'S CEO. AS SANCTIONED BY MSHA'S BOARD OF DIRECTORS, MSHA'S CEO IS PERMITTED TO TRAVEL FIRST-CLASS WHEN THE FLIGHT'S DURATION IS GREATER THAN TWO HOURS. DUE TO THE LENGTH OF SUCH FLIGHTS, THE BOARD BELIEVES IT IS IN THE BEST INTEREST OF MSHA FOR THE CEO TO TRAVEL FIRST-CLASS. CHARTER TRAVEL IS LIMITED TO MSHA BUSINESS TRIPS THAT INCLUDE NUMEROUS TRAVELERS AND WHICH CAN BE JUSTIFIED BASED UPON FINANCIAL AND/OR ESSENTIAL TIME SAVINGS. CHARTER FLIGHTS MUST BE APPROVED BY THE CEO PRIOR TO BOOKING THE FLIGHT.

PART I, LINE 4B: THE FOLLOWING EXECUTIVES LISTED IN SCHEDULE J, PART II PARTICIPATED IN A 457(F) RETIREMENT PLAN PROVIDED BY MSHA: ANN FLEMING, CANDACE JENNINGS, MONTY MCLAURIN, CINDY SALYER, STEVE KILGORE, AND JAMIE PARSONS. 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 PARTICIPANT'S EMPLOYMENT WITH MSHA IS TERMINATED PRIOR TO AGE 65. HOWEVER,

Part III Supplemental Information

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

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. (ELIGIBLE SERVICE IS OFFICER SERVICE THAT PERMITTED THE EXECUTIVE TO PARTICIPATE IN THE PLAN.) 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.

PART II: JOHN MELTON, SENIOR VICE PRESIDENT, RECEIVED A DISABILITY INSURANCE PAYMENT OF $2,022,088, WHICH WAS INCLUDED IN HIS TAXABLE INCOME FROM MSHA.

SCHEDULE J-1 (Form 990)
Department of the Treasury
Internal Revenue Service

Continuation Sheet for Schedule J (Form 990)

▶ Attach to Form 990 to list additional information for Schedule J (Form 990), Part II.
▶ See instructions for Schedule J (Form 990).

OMB No. 1545-0047
2009
Open to Public Inspection

Name of the organization
MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number
62-0476282

Part I **Continuation of Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** (Schedule J, Part II)

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
	(i)	174,117.	63,031.	27,586.	15,716.	19,389.	299,839.	0.
KATHRYN WILHOIT	(ii)	0.	0.	0.	0.	0.	0.	0.
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(iii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

SCHEDULE J-2
(Form 990)

Department of the Treasury
Internal Revenue Service

Continuation Sheet for Form 990

▶ Attach to Form 990 to list additional information for Form 990, Part VII, Section A, line 1a.
▶ See the Instructions for Form 990.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the Organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

Part I Continuation of Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name and title	(B) Average hours per week	(C) Position (check all that apply)						(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			
CHAO LEE, M.D. PHYSICIAN	50.00					X		310,545.	0.	14,168.
KATHRYN WILHOIT CNO	60.00					X		264,734.	0.	35,105.

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990. Schedule J-2 (Form 990) 2009

932201 02-02-10

SCHEDULE K (Form 990)
Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax-Exempt Bonds

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information on Schedule O (Form 990).
▶ Attach to Form 990. See separate instructions.

OMB No 1545-0047
2009
Open to Public Inspection

Name of the organization
MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number
62-0476282

Part I Bond Issues SEE SCHEDULE O FOR COLUMN (F) CONTINUATIONS

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased Yes	(g) Defeased No	(h) On behalf of issuer Yes	(h) On behalf of issuer No
A	HEALTH AND EDUCATIONAL FACILITIES BOARD OF THE	62-1464028	NONE	05/27/10	16,000,000.	ACQUIRE HOSPITAL EQUIPMENT		X		X
B	HEALTH AND EDUCATIONAL FACILITIES BOARD OF THE	62-1464028	478271JH3	04/29/10	205,877,528.	PARTIAL REFUNDING OF BONDS ISSUED 12/		X		X
C	INDUSTRIAL DEVELOPMENT AUTHORITY OF WASHINGTON	52-1324605	938740CF2	03/31/09	124,301,533.	CONSTRUCT & EQUIP HOSPITAL FACILITIES		X		X
D	HEALTH AND EDUCATIONAL FACILITIES BOARD OF THE	62-1464028	478271HL6	02/20/08	127,000,000.	ACQUIRE,CONSTRUCT & EQUIP HOSP FACILIT		X		X
E	HEALTH AND EDUCATIONAL FACILITIES BOARD OF THE	62-1464028	478271HJ1	12/14/07	140,930,000.	CONSTRUCT & EQUIP HOSP FACILITIES, RE		X		X

Part II Proceeds

		A	B	C	D	E
1	Total proceeds of issue	14,679,978.	44,816,060.	55,112,561.	624,760.	1,172,457.
2	Gross proceeds in reserve funds		18,355,842.	12,156,318.		
3	Proceeds in refunding or defeasance escrows					
4	Other unspent proceeds	14,679,978.	26,460,217.	42,956,238.	624,760.	1,172,457.
5	Issuance costs from proceeds	45,000.	3,474,644.	2,481,706.	1,953,563.	1,903,195.
6	Working capital expenditures from proceeds				4,473,649.	
7	Capital expenditures from proceeds	1,275,039.		57,043,762.	103,874,142.	29,888,340.
8	Year of substantial completion					

		A Yes	A No	B Yes	B No	C Yes	C No	D Yes	D No	E Yes	E No
9	Were the bonds issued as part of a current refunding issue?		X	X			X		X	X	
10	Were the bonds issued as part of an advance refunding issue?		X		X		X		X		X
11	Has the final allocation of proceeds been made?		X		X		X		X		X
12	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X		X		X		X	

Part III Private Business Use

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

SCHEDULE K (Form 990)
Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax-Exempt Bonds

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information on Schedule O (Form 990).
▶ Attach to Form 990. See separate instructions.

OMB No. 1545-0047
2009
Open to Public Inspection

Name of the organization
MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number
62-0476282

Part I Bond Issues SEE SCHEDULE O FOR COLUMN (F) CONTINUATIONS

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased Yes	(g) Defeased No	(h) On behalf of Issuer Yes	(h) On behalf of Issuer No
A	HEALTH AND EDUCATIONAL FACILITIES BOARD OF THE	62-1464028	478271GX1	02/14/06	178,614,171.	CONSTRUCT & EQUIP HOSPITAL FACILITIES		X		X
B										
C										
D										
E										

Part II Proceeds

		A	B	C	D	E
1	Total proceeds of issue	25,245,326.				
2	Gross proceeds in reserve funds	18,053,000.				
3	Proceeds in refunding or defeasance escrows					
4	Other unspent proceeds	7,192,326.				
5	Issuance costs from proceeds	2,383,533.				
6	Working capital expenditures from proceeds					
7	Capital expenditures from proceeds	122,694,950.				
8	Year of substantial completion					

		A Yes	A No	B Yes	B No	C Yes	C No	D Yes	D No	E Yes	E No
9	Were the bonds issued as part of a current refunding issue?	X									
10	Were the bonds issued as part of an advance refunding issue?	X									
11	Has the final allocation of proceeds been made?		X								
12	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X									

Part III Private Business Use

		A Yes	A No	B Yes	B No	C Yes	C No	D Yes	D No	E Yes	E 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 with respect to the financed property which may result in private business use?		X								

Part III Private Business Use (Continued)

	A		B		C		D		E	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
3a Are there any management or service contracts with respect to the financed property which may result in private business use?	X		X		X		X		X	
b Are there any research agreements with respect to the financed property which may result in private business use?		X		X		X		X		X
c Does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts or research agreements relating to the financed property?	X		X		X		X		X	
4 Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶	.00 %		.00 %		.00 %		.00 %		.00 %	
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 ▶	.00 %		.01 %		.01 %		.01 %		.01 %	
6 Total of lines 4 and 5	.00 %		.01 %		.01 %		.01 %		.01 %	
7 Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	X		X		X		X		X	

Part IV Arbitrage

	A		B		C		D		E	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1 Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?		X		X		X		X		X
2 Is the bond issue a variable rate issue?		X		X		X	X		X	
3a Has the organization or the governmental issuer identified a hedge with respect to the bond issue on its books and records?		X		X		X		X		X
b Name of provider										
c Term of hedge										
4a Were gross proceeds invested in a GIC?		X		X		X		X	X	
b Name of provider									RABOBANK INTERNATIONAL	
c Term of GIC										
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?									X	
5 Were any gross proceeds invested beyond an available temporary period?		X		X		X		X	X	
6 Did the bond issue qualify for an exception to rebate?	X			X		X		X		X

Part III Private Business Use (Continued)

	A		B		C		D		E	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
3a Are there any management or service contracts with respect to the financed property which may result in private business use?	X									
b Are there any research agreements with respect to the financed property which may result in private business use?		X								
c Does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts or research agreements relating to the financed property?	X									
4 Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶	.00 %		%		%		%		%	
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 ▶	.01 %		%		%		%		%	
6 Total of lines 4 and 5	.01 %		%		%		%		%	
7 Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	X									

Part IV Arbitrage

	A		B		C		D		E	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1 Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?		X								
2 Is the bond issue a variable rate issue?		X								
3a Has the organization or the governmental issuer identified a hedge with respect to the bond issue on its books and records?		X								
b Name of provider										
c Term of hedge										
4a Were gross proceeds invested in a GIC?	X									
b Name of provider	JP MORGAN CHASE BANK NA									
c Term of GIC										
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?		X								
5 Were any gross proceeds invested beyond an available temporary period?	X									
6 Did the bond issue qualify for an exception to rebate?		X								

SCHEDULE L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions With Interested Persons

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

OMB No. 1545-0047

2009

Open To Public Inspection

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

Part I Excess Benefit Transactions (section 501(c)(3) and section 501(c)(4) 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) Description of transaction	(c) Corrected? Yes	(c) Corrected? No

2 Enter the amount of tax imposed on 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, Part IV, line 26, or Form 990-EZ, Part V, line 38a.

(a) Name of interested person and purpose	(b) Loan to or from the organization? To	(b) Loan to or from the organization? From	(c) Original principal amount	(d) Balance due	(e) In default? Yes	(e) In default? No	(f) Approved by board or committee? Yes	(f) Approved by board or committee? No	(g) Written agreement? Yes	(g) Written agreement? No
DENNIS VONDERFECH		X	2,705,125.	2,705,125.		X	X		X	
DENNIS VONDERFECH		X	900,000.	938,520.		X	X		X	
DENNIS VONDERFECH		X	900,000.	936,090.		X	X		X	
Total ▶				$ 4,579,735.						

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 and type 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	(e) Sharing of organization's revenues? No
CLEM WILKES, III	FAMILY MEMBER OF CL	43,172.	CLEM WILKES		X
WATAUGA PATHOLOGY ASSOCIAT	PROVIDER OF MEDICAL	467,225.	DR. SANDRA		X
PULMONARY ASSOCIATES OF EA	PROVIDER OF MEDICAL	96,299.	DR. JEFF FA		X
PAULA CLAYTORE	FAMILY MEMBER OF DA	201,835.	DALE CLAYTO		X
WORKSPACE INTERIORS, INC.	PROVIDER OF COMMERC	1,169,549.	ROBERT FEAT		X

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

Schedule L (Form 990 or 990-EZ) 2009

SEE SCHEDULE O FOR SCHEDULE L CONTINUATIONS

932131 02-01-10

SCHEDULE O (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

FORM 990, PART I, DOING BUSINESS AS:

JOHNSON CITY SPECIALTY HOSPITAL

JOHNSON COUNTY COMMUNITY HOSPITAL

NORTH SIDE HOSPITAL

RUSSELL COUNTY MEDICAL CENTER

SYCAMORE SHOALS HOSPITAL

INDIAN PATH MEDICAL CENTER

WOODRIDGE HOSPITAL FOR BEHAVIORAL HEALTH SERVICES

FORM 990, PART III, LINE 4A, PROGRAM SERVICE ACCOMPLISHMENTS:

HOSPICE AND PARISH NURSING.

MSHA ENTITIES, IN CONCERT WITH THE MOUNTAIN STATES HEALTHCARE NETWORK OF 54 AFFILIATED HOSPITALS AND NURSING HOMES, PROVIDE AN INTEGRATED, COMPREHENSIVE CONTINUUM OF CARE TO RESIDENTS ACROSS A WIDESPREAD, PREDOMINANTLY RURAL 29-COUNTY AREA OF APPALACHIA. THE SERVICE AREA INCLUDES PARTS OF NORTHEAST TENNESSEE, SOUTHWEST VIRGINIA, SOUTHEAST KENTUCKY AND WESTERN NORTH CAROLINA. ALL 10 MSHA HOSPITALS ARE LOCATED IN NORTHEAST TENNESSEE AND SOUTHWEST VIRGINIA. JOHNSON CITY MEDICAL

CENTER, THE COMPANY'S FLAGSHIP FACILITY, IS HOME TO MANY OF THE REGION'S CRITICALLY NEEDED PROGRAMS.

MSHA ALSO HAS A MAJORITY OWNERSHIP IN SMYTH COUNTY COMMUNITY HOSPITAL (SCCH), LOCATED IN MARION, VA, NORTON COMMUNITY HOSPITAL (NCH), LOCATED IN NORTON, VA, DICKENSON COMMUNITY HOSPITAL (DCH), LOCATED IN CLINTWOOD, VA, AND JOHNSTON MEMORIAL HOSPITAL (JMH), LOCATED IN ABINGDON, VA. BECAUSE JMH, NCH, DCH AND SCCH ARE PARTIALLY OWNED ENTITIES, THEIR DATA ARE EXCLUDED FROM THIS DOCUMENT AND EACH OF THE HOSPITALS FILE A SEPARATE FORM 990.

WASHINGTON COUNTY, TN: JOHNSON CITY MEDICAL CENTER (JCMC) FLAGSHIP FACILITY:

- TEACHING HOSPITAL AFFILIATED WITH QUILLEN COLLEGE OF MEDICINE AT EAST TENNESSEE STATE UNIVERSITY (ETSU)
- LEVEL I TRAUMA CENTER - ONE OF ONLY SIX IN TENNESSEE
- HOME OF THE REGIONAL CANCER CENTER
- HOME TO THE NISWONGER CHILDREN'S HOSPITAL WHICH ALSO OFFERS THE ST. JUDE TRI-CITIES AFFILIATE CLINIC, ONE OF ONLY SIX SUCH CLINICS IN THE COUNTRY, WORKING WITH THE MEMPHIS FACILITY TO TREAT PEDIATRIC PATIENTS IN OUR REGION
- HOME OF THE REGION'S ONLY ORGAN TRANSPLANT PROGRAM - ONE OF ONLY SIX IN TENNESSEE
- HOME OF THE REGION'S ONLY STATE-DESIGNATED PERINATAL CENTER - ONE OF ONLY FIVE IN TENNESSEE
- HOME OF THE REGION'S FIRST AND LARGEST AIR AMBULANCE FLEET, WINGS AIR

SCHEDULE O (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

RESCUE

- FIRST HOSPITAL IN TENNESSEE AWARDED MAGNET STATUS FOR NURSING EXCELLENCE BY AMERICAN NURSES CREDENTIALING CENTER

- 2001-2010 CONSUMER'S CHOICE AWARD FOR THE REGION THROUGH AN INDEPENDENT SURVEY CONDUCTED BY THE NATIONAL RESEARCH COUNCIL: BEST OVERALL QUALITY, BEST DOCTORS, BEST NURSES, MOST PERSONALIZED CARE AND HAVING THE BEST REPUTATION

OTHER JCMC-LICENSED HOSPITALS: NISWONGER CHILDREN'S HOSPITAL AT JCMC, THE REGION'S ONLY NACHRI-AFFILIATED CHILDREN'S HOSPITAL; JAMES H. & CECILE C. QUILLEN REHABILITATION HOSPITAL (CARF-ACCREDITED); AND WOODRIDGE HOSPITAL FOR BEHAVIORAL HEALTH SERVICES.

NORTH SIDE HOSPITAL AND JOHNSON CITY SPECIALTY HOSPITAL, EACH SEPARATELY LICENSED, ARE ALSO LOCATED IN WASHINGTON COUNTY.

SULLIVAN COUNTY, TN: INDIAN PATH MEDICAL CENTER

CARTER COUNTY, TN: SYCAMORE SHOALS HOSPITAL

JOHNSON COUNTY, TN: JOHNSON COUNTY COMMUNITY HOSPITAL, A FEDERALLY DESIGNATED CRITICAL ACCESS HOSPITAL LOCATED IN ONE OF TENNESSEE'S POOREST COUNTIES, A MEDICALLY UNDERSERVED AREA

RUSSELL COUNTY, VA: RUSSELL COUNTY MEDICAL CENTER

SCHEDULE O (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

MSHA WAS AWARDED THE GOVERNOR'S EXCELLENCE AWARD BY THE TENNESSEE CENTER FOR PERFORMANCE EXCELLENCE IN 2009. MSHA WAS ALSO THE RECIPIENT OF THIS ESTEEMED AWARD IN 2005 AND IS THE FIRST HEALTHCARE RECIPIENT TO BE RECOGNIZED TWICE, AND ONLY THE SECOND ORGANIZATION IN THE HISTORY OF TNCPE TO BE RECOGNIZED AT THIS TOP LEVEL MORE THAN ONCE.

OTHER RECOGNITIONS RECEIVED BY MSHA INCLUDE THE VERISPAN TOP 100 INTEGRATED HOSPITAL NETWORKS DESIGNATION AND THE 2008 MOST WIRED HOSPITALS AND HEALTHCARE NETWORKS BY HOSPITAL AND HEALTHCARE NETWORKS MAGAZINE.

AUDIT AND COMPLIANCE PRACTICES: MSHA IS GOVERNED BY A BOARD OF DIRECTORS, WHOSE MEMBERS ARE FROM THE COMMUNITIES MSHA SERVES. THE CORPORATE BOARD INCLUDES A LONGSTANDING AUDIT AND COMPLIANCE COMMITTEE. ALL AUDITORS AND COMPLIANCE SPECIALISTS, INTERNAL AND EXTERNAL, REPORT DIRECTLY TO THE AUDIT AND COMPLIANCE COMMITTEE AS A WAY TO ENSURE THE AUDIT AND COMPLIANCE PROCESS IS INDEPENDENT.

- MSHA'S COMPLIANCE PLAN ENSURES THE ORGANIZATION CONDUCTS BUSINESS IN AN APPROPRIATE MANNER AND IN ACCORDANCE WITH LOCAL, STATE AND FEDERAL LAWS AND REGULATIONS. THE PLAN ADDRESSES FISCAL ACCOUNTABILITY AND TRANSPARENCY OF OPERATIONS THROUGH THE REVIEW AND USE OF INDEPENDENT AUDITS BY EXTERNAL AUDITORS AND RATING AGENCIES.

- UPON EMPLOYMENT, MSHA TEAM MEMBERS RECEIVE A COPY OF THE BOOKLET CODE OF ETHICS AND BUSINESS CONDUCT, DETAILING REQUIRED STANDARDS OF BEHAVIOR. YEARLY, TEAM MEMBERS RECEIVE REFRESHER EDUCATION ON THEIR

OBLIGATIONS UNDER THE CODE OF ETHICS AND BUSINESS CONDUCT.

- ANNUALLY, DEPARTMENT DIRECTORS, EXECUTIVE OFFICERS AND BOARD MEMBERS ARE REQUIRED TO SIGN MSHA'S CONFLICT OF INTEREST POLICY. BY SIGNING THIS POLICY, THEY AFFIRM THEIR KNOWLEDGE AND UNDERSTANDING OF THE POLICY AND ALSO HAVE THE OPPORTUNITY TO DISCLOSE ANY CONFLICT OF INTEREST THEY MAY HAVE. ALL TEAM MEMBERS ARE REQUIRED BY POLICY TO IMMEDIATELY DISCLOSE SITUATIONS THAT MAY CONSTITUTE CONFLICTS OF INTEREST WHEN THEY ARISE.
- MSHA IS FULLY COMPLIANT WITH REGULATORY AND LEGAL REQUIREMENTS, AND ITS HOSPITALS ARE ACCREDITED BY THE JOINT COMMISSION.
- MSHA HAS A NO-RETALIATION AND NO-RETRIBUTION POLICY FOR THE PROTECTION OF INDIVIDUALS WHO, IN GOOD FAITH, REPORT LEGAL OR ETHICAL CONCERNS. TEAM MEMBERS ARE REQUIRED TO REPORT CONCERNS TO APPROPRIATE PERSONS FOR INVESTIGATION OR FOLLOW-UP. ALERTLINE IS A CONFIDENTIAL, RISK-FREE HOTLINE FOR REPORTING SUSPECTED ILLEGAL BEHAVIOR, ETHICAL VIOLATIONS OR SAFETY RISKS AND IS AVAILABLE TO ALL TEAM MEMBERS VIA A TOLL-FREE NUMBER.

MEDICAL EDUCATION AND RESEARCH

MSHA PROVIDES CLINICAL EXPERIENCE TO MEDICAL STUDENTS AND RESIDENTS OF THE JAMES H. QUILLEN COLLEGE OF MEDICINE AT ETSU. MSHA CONTRIBUTED AN UNREIMBURSED COST AMOUNT OF $4,172,639 TO THE RESIDENCY PROGRAM IN FY10.

MSHA FACILITIES SERVE AS CLINICAL TRAINING AREAS FOR HEALTH

PROFESSIONAL EDUCATION STUDENTS. MSHA HAS DEDICATED STAFF TO WORK WITH REGIONAL COLLEGES AND UNIVERSITIES TO COORDINATE THE PLACEMENT OF HEALTH CARE PROFESSIONAL STUDENTS AS PART OF THEIR EDUCATIONAL CURRICULUM. MANY OF THE HEALTH CARE STUDENTS ENTERING OUR SYSTEM ARE REQUIRED TO HAVE ORIENTATION AND COMPUTER TRAINING. IN FY10, MSHA INCURRED AN EXPENSE OF $37,818 TO COORDINATE AND ORIENT THESE HEALTH CARE PROFESSIONAL STUDENTS.

ALSO RECEIVING CLINICAL EXPERIENCE AT MSHA WERE 1,326 NURSING STUDENTS FROM VARIOUS COLLEGES, UNIVERSITIES AND PROGRAMS. THIS NURSING CLINICAL EXPERIENCE REQUIRED EXTENSIVE MSHA NURSING STAFF INVOLVEMENT AT FIVE MSHA FACILITIES. THE CLINICAL SETTING AND HANDS-ON INSTRUCTION COST MSHA $2,716,207.

MSHA PROVIDED A CLINICAL SETTING FOR ANOTHER 963 STUDENTS TRAINING IN HEALTH-RELATED PROGRAMS SUCH AS RADIOLOGY, PHARMACY, LABORATORY, PHYSICAL THERAPY AND OTHER ALLIED-HEALTH DISCIPLINES. THESE ADDITIONAL CLINICAL STUDENTS COST MSHA $728,534.

MSHA PROVIDED ASSISTANCE TO 363 HIGH SCHOOL AND COLLEGE STUDENTS WHO WERE CONSIDERING A HEALTHCARE CAREER PATH BY ALLOWING THEM TO OBSERVE LICENSED MSHA CLINICAL PROFESSIONALS. THE SHADOWING OF CLINICAL STAFF BY THESE STUDENTS COST MSHA $8,233.

MSHA'S LEARNING RESOURCE CENTER (LRC) IS A MEDICAL LIBRARY THAT PROVIDES ACCESS TO MEDICAL DATABASES, VARIOUS PAPER PUBLICATIONS AND

SCHEDULE O (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

FACILITATES INTER-LIBRARY JOURNAL LOANS TO INCREASE LIBRARY RESOURCES. THE LRC SUBSCRIBES TO SEVERAL ONLINE MEDICAL DATABASES AS WELL AS PRINTED MEDICAL EDUCATION MATERIALS. THE LRC IS PRIMARILY UTILIZED BY MEDICAL RESIDENTS, PHARMACY AND NURSING STUDENTS. THIS SERVICE IS ALSO USED BY OTHER HEALTH PROFESSION EDUCATION STUDENTS, PHYSICIANS AND STAFF, AND IS OPEN TO THE COMMUNITY. THE FY10 COST OF PROVIDING THIS SERVICE WAS $297,874.

FORM 990, PART VI, SECTION A, LINE 6: THE CORPORATION IS ORGANIZED AS A TENNESSEE NOT-FOR-PROFIT MEMBERSHIP CORPORATION. FOR THE PAYMENT OF $100, AND APPROVAL BY THE BOARD OF DIRECTORS, AN INDIVIDUAL MAY BECOME A MEMBER OF THE CORPORATION.

FORM 990, PART VI, SECTION A, LINE 7A: THE MEMBERS OF THE CORPORATION ANNUALLY ELECT MEMBERS OF THE BOARD OF DIRECTORS.

FORM 990, PART VI, SECTION A, LINE 7B: CERTAIN DECISIONS OF THE BOARD ARE, PURSUANT TO TENNESSEE STATUTE, SUBJECT TO APPROVAL BY THE MEMBERSHIP AS WELL. THESE DECISIONS INCLUDE: DISSOLUTION OF THE CORPORATION; MERGER OF THE CORPORATION; NON-ORDINARY COURSE OF BUSINESS SALE OF ASSETS; ETC. NO ORDINARY DAY-TO-DAY DECISIONS ARE SUBJECT TO MEMBER APPROVAL.

FORM 990, PART VI, SECTION B, LINE 11: MSHA'S FORM 990 WAS REVIEWED BY MSHA'S BOARD OF DIRECTORS PRIOR TO SUBMITTING THE RETURN TO THE IRS. MSHA'S CFO AND SENIOR VICE-PRESIDENT PRESIDED OVER THE BOARD REVIEW. THE BOARD MEMBERS WERE PROVIDED ELECTRONIC ACCESS TO THE FORM 990 AND SCHEDULES PRIOR

SCHEDULE O (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

TO THE IN-PERSON REVIEW TO ALLOW MEMBERS ADEQUATE TIME TO LOOK OVER THE RETURN.

FORM 990, PART VI, SECTION B, LINE 12C: ANNUALLY, THE AUDIT AND COMPLIANCE DEPARTMENT OF THE CORPORATION FORWARDS THE POLICY AND THE CONFLICT OF INTEREST DISCLOSURE FORMS TO ALL COVERED PERSONS. EACH PERSON IS REQUIRED TO PROVIDE A COMPLETED DISCLOSURE FORM, NOTING ANY CONFLICTS OR ATTESTING THEY HAVE "NONE", AND THEN FORWARD THOSE BACK TO THE AUDIT AND COMPLIANCE DEPARTMENT. ANY DISCLOSURES ARE FORWARDED TO THE APPROPRIATE MANAGEMENT OR BOARD PERSONNEL TO EVALUATE AND UTILIZE WHEN A TRANSACTION INVOLVING A CONFLICTED PERSON ARISES. ADDITIONALLY, PERSONNEL WHO HAVE A CONFLICT ARISE BETWEEN THE ANNUAL DISTRIBUTION OF THE POLICY AND FORMS ARE REQUIRED TO DISCLOSE THE CONFLICT, AND WOULD BE DISCIPLINED IN ANY INSTANCE WHERE THEY HAVE NOT DISCLOSED AND ENGAGED IN A CONFLICTED TRANSACTION.

FORM 990, PART VI, SECTION B, LINE 15: THE COMPENSATION COMMITTEE, WHICH IS THE EXECUTIVE COMMITTEE OF THE MSHA BOARD, OBTAINS THE SERVICES OF AN OUTSIDE AND INDEPENDENT COMPENSATION CONSULTANT TO PROVIDE THE COMMITTEE WITH RELEVANT MARKET DATA FROM COMPENSATION SURVEYS AND WITH ADVICE WHEN THE COMMITTEE MAKES RECOMMENDATIONS ON PAY AND BENEFITS FOR THE CEO OF MSHA.

THE BOARD ALSO APPROVES PAY AND BENEFITS FOR THE CFO. THE COMPENSATION COMMITTEE REVIEWS AND HAS FINAL APPROVAL OF CEO RECOMMENDATIONS FOR PAY AND BENEFITS FOR ALL OTHER EXECUTIVES.

SCHEDULE O (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

FORM 990, PART VI, SECTION C, LINE 19: GOVERNING DOCUMENTS AND CONFLICT OF INTEREST POLICY ARE MADE AVAILABLE UPON REQUEST TO 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 AND ANNUAL BASIS.

FORM 990, PART VII, SECTION A,
OFFICER, KEY EMPLOYEE & HIGHEST PAID COMPENSATION:
LYNN KRUTAK, CFO AND MSHA KEY EMPLOYEE, IS PAID BY MSHA. BLUE RIDGE MEDICAL MANAGEMENT CORPORATION (BRMMC) REIMBURSES MSHA FOR 50% OF KRUTAK'S SALARY AND BENEFITS. MSHA IS THE SOLE MEMBER OF BRMMC. KRUTAK DEVOTES AN EQUAL AMOUNT OF TIME BETWEEN MSHA AND BRMMC.

STEVE KILGORE, REPORTABLE AS A HIGHEST COMPENSATED EMPLOYEE, IS PAID BY MSHA AND HIS SALARY AND BENEFITS ARE FULLY REIMBURSED TO MSHA BY BRMMC.

MSHA BOARD MEMBER, DR. JEFF FARROW, HAS FORM 990 REPORTABLE COMPENSATION DERIVED FROM MEDICAL SERVICES HE PROVIDES TO A MSHA HOSPITAL. HE DOES NOT RECEIVE COMPENSATION FOR HIS SERVICES AS A MSHA BOARD MEMBER.

DR. WILLIAM WALKER, MSHA BOARD MEMBER, HAS REPORTABLE COMPENSATION AND BENEFITS PAID BRMMC. DR. WALKER IS A CARDIOVASCULAR THORACIC SURGEON IN A MEDICAL PRACTICE OWNED BY BRMMC. HE DOES NOT RECEIVE COMPENSATION FOR HIS MSHA BOARD SERVICE.

SCHEDULE O (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

CERTAIN EXECUTIVES OF THE ORGANIZATION, SUCH AS THE CEO AND SR VP/CFO, PROVIDE SERVICES TO SOME OR ALL OF THE ORGANIZATIONS RELATED TO MOUNTAIN STATES HEALTH ALLIANCE. THESE EXECUTIVES DO NOT ALLOCATE THEIR HOURS BETWEEN THE VARIOUS ORGANIZATIONS.

FORM 990, PART XI, LINE 2C,

AUDIT COMMITTEE:

THE AUDIT COMMITTEE'S OVERSIGHT AND SELECTION PROCESSES DID NOT CHANGE DURING THE TAX YEAR.

SCHEDULE K, SUPPLEMENTAL INFORMATION: 1. COMMENT ON SCHEDULE K, PART I, LINES B, C, D, AND E. MOUNTAIN STATES HEALTH ALLIANCE OWNS AND/OR OPERATES HOSPITALS IN A NUMBER OF DIFFERENT LOCATIONS BOTH IN TENNESSEE AND IN VIRGINIA. AS A RESULT, MOUNTAIN STATES HEALTH ALLIANCE MUST UTILIZE CONDUIT GOVERNMENTAL BOND ISSUERS IN A NUMBER OF JURISDICTIONS IN ORDER TO FINANCE IMPROVEMENTS TO ITS HOSPITAL FACILITIES. IN 2007, 2008, 2009 AND 2010, MOUNTAIN STATES HEALTH ALLIANCE WAS THE CONDUIT BORROWER OF TAX-EXEMPT BONDS ISSUED BY MULTIPLE ISSUERS IN TENNESSEE AND VIRGINIA. FOR FEDERAL TAX PURPOSES, EVEN THOUGH DIFFERENT GOVERNMENT ISSUERS WERE INVOLVED, THESE MULTIPLE ISSUES IN EACH YEAR WERE REQUIRED TO BE TREATED, AND WERE TREATED, AS A SINGLE "ISSUE" BECAUSE THEY MET THE SINGLE "ISSUE" TEST UNDER THE APPLICABLE FEDERAL TAX REGULATIONS. THEREFORE, MULTIPLE ISSUERS ARE LISTED UNDER LINES B, C, D AND E BECAUSE THE BONDS THAT WERE

ISSUED WERE PART OF A SINGLE "ISSUE" FOR FEDERAL TAX PURPOSES.

2. COMMENT ON SCHEDULE K, PART II, LINE 2. CERTAIN PROCEEDS OF THE BOND ISSUES LISTED IN LINES B, C, AND F ARE DEPOSITED IN REASONABLY REQUIRED RESERVE FUNDS, THE SIZE OF EACH OF WHICH COMPLIES WITH FEDERAL TAX REGULATIONS. THE AMOUNTS SHOWN ON LINE 2 OF PART II OF SCHEDULE K INCLUDE PROCEEDS HELD IN THOSE FUNDS. THESE LINES ALSO INCLUDE A SMALL AMOUNT OF INVESTMENT EARNINGS RELATIVE TO THESE FUNDS THAT HAD NOT YET BEEN MOVED AS OF THE END OF THE APPLICABLE REPORTING PERIOD TO ANOTHER FUND TO BE USED TO PAY DEBT SERVICE, AS IS PERMITTED UNDER THE APPLICABLE BOND DOCUMENTS. LINE 2 OF PART II OF SCHEDULE K FOR THE BOND ISSUE DESCRIBED IN LINE F ALSO INCLUDES CERTAIN MONIES HELD IN A BONA FIDE DEBT SERVICE FUND.

3. COMMENT ON SCHEDULE K, PART II, LINE 6. THE BOND ISSUE DESCRIBED IN LINE D OF PART I FINANCED A SMALL AMOUNT OF WORKING CAPITAL EXPENDITURES. THESE WORKING CAPITAL EXPENDITURES DIRECTLY RELATED TO THE CAPITAL EXPENDITURES THAT WERE FINANCED WITH THE PROCEEDS OF THE BONDS. THEREFORE THE PROCEEDS OF THESE BONDS COULD BE ALLOCATED TO SUCH WORKING CAPITAL EXPENDITURES PURSUANT TO SECTION 1.148-6(D)(3)(V) OF THE TREASURY REGULATIONS.

4. COMMENTS ON SCHEDULE K, PART IV, LINE 1. AS OF THE REPORTING DATE OF THE 990, THE ONLY ARBITRAGE REBATE CALCULATION THAT WAS REQUIRED RELATED TO THE BONDS DESCRIBED IN LINE F OF PART I (THE SERIES 2006 BONDS). MOUNTAIN STATES HEALTH ALLIANCE RETAINED A REBATE CALCULATION AGENT TO CALCULATE WHETHER ANY ARBITRAGE REBATE WAS DUE WITH RESPECT TO THOSE BONDS, AND THERE

WAS NEGATIVE ARBITRAGE REBATE LIABILITY IN A SIGNIFICANT AMOUNT. THEREFORE, NO FORM 8038-T WAS REQUIRED TO BE FILED WITH RESPECT TO THAT BOND ISSUE.

5. COMMENT ON SCHEDULE K, PART IV, LINE 4D. PART IV, LINE 4D RELATIVE TO THE BOND ISSUE DESCRIBED ON LINE F SHOWS THAT THE REGULATORY SAFE HARBOR FOR ESTABLISHING FAIR MARKET VALUE OF THE GIC DESCRIBED IN LINE 4A WAS NOT SATISFIED. DUE TO MARKET CONDITIONS AT THE TIME, MOUNTAIN STATES HEALTH ALLIANCE DID NOT RECEIVE THREE BIDS FOR THIS GIC. HOWEVER, THE YIELD ON THE GIC WAS SO SUBSTANTIALLY BELOW THE YIELD ON THE RELEVANT BONDS THAT THERE WAS NO DOUBT THAT THE YIELD ON THE GIC DID NOT EXCEED THE APPROPRIATE YIELD ON THE RELEVANT BONDS.

6. COMMENT ON SCHEDULE K, PART IV, LINE 5. THE BOND ISSUES DESCRIBED IN LINES E AND F OF PART I FINANCED SIGNIFICANT CAPITAL IMPROVEMENTS TO HOSPITAL FACILITIES. THERE HAVE BEEN UNEXPECTED DELAYS IN THE CONSTRUCTION AND EQUIPPING OF CERTAIN OF THESE HOSPITAL FACILITIES, AND THEREFORE NOT ALL OF THE BOND PROCEEDS WERE SPENT WITHIN THE THREE-YEAR TEMPORARY PERIOD RELATIVE TO CONSTRUCTION PROJECTS. HOWEVER, MOUNTAIN STATES HEALTH ALLIANCE HAS YIELD RESTRICTED THESE PROCEEDS AFTER THE END OF THE APPLICABLE TEMPORARY PERIOD AND/OR WILL BE MAKING A YIELD REDUCTION PAYMENT WITH RESPECT TO THOSE PROCEEDS, IF REQUIRED. PORTIONS OF THE BOND ISSUES DESCRIBED IN LINES D AND E WERE PARTIALLY REFUNDED BY THE BONDS DESCRIBED IN LINE B (THE SERIES 2010 BONDS), SO SOME OF THE PROCEEDS OF THE BONDS DESCRIBED IN LINE E AND LINE F HAVE BECOME TRANSFERRED PROCEEDS OF THE SERIES 2010 BONDS (AND ARE REPORTED UNDER THE APPROPRIATE LINES FOR THE

SCHEDULE O (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

SERIES 2010 BONDS).

SCHEDULE K, PART I, BOND ISSUES:

(A) ISSUER NAME:

HEALTH AND EDUCATIONAL FACILITIES BOARD OF THE CITY OF JOHNSON CITY, TN

(B) DESCRIPTION OF PURPOSE: ACQUIRE HOSPITAL EQUIPMENT

(A) ISSUER NAME:

HEALTH AND EDUCATIONAL FACILITIES BOARD OF THE CITY OF JOHNSON CITY, TN

(F) DESCRIPTION OF PURPOSE:

PARTIAL REFUNDING OF BONDS ISSUED 12/14/07 AND 2/20/2008

(A) ISSUER NAME: INDUSTRIAL DEVELOPMENT AUTHORITY OF WASHINGTON COUNTY, VA

(F) DESCRIPTION OF PURPOSE:

CONSTRUCT & EQUIP HOSPITAL FACILITIES, INCLUD'G REFINANCING OF TAXABLE DEBT

(A) ISSUER NAME:

HEALTH AND EDUCATIONAL FACILITIES BOARD OF THE CITY OF JOHNSON CITY, TN

(F) DESCRIPTION OF PURPOSE:

ACQUIRE,CONSTRUCT & EQUIP HOSP FACILITIES,INCLUD'G REFINANCING TAXABLE DEBT

(A) ISSUER NAME:

HEALTH AND EDUCATIONAL FACILITIES BOARD OF THE CITY OF JOHNSON CITY, TN

(F) DESCRIPTION OF PURPOSE:

CONSTRUCT & EQUIP HOSP FACILITIES, REFUND BONDS ISSUED 3/18/94 & 4/12/06

SCHEDULE O (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

(A) ISSUER NAME:

HEALTH AND EDUCATIONAL FACILITIES BOARD OF THE CITY OF JOHNSON CITY, TN

(F) DESCRIPTION OF PURPOSE:

CONSTRUCT & EQUIP HOSPITAL FACILITIES, INCLUDING REFINANCING TAXABLE DEBT

SCHEDULE L, PART II, LOANS TO AND FROM INTERESTED PERSONS:

(A) NAME OF PERSON: DENNIS VONDERFECHT

(A) PURPOSE OF LOAN: SPLIT DOLLAR LIFE INSUR. LOAN

(A) NAME OF PERSON: DENNIS VONDERFECHT

(A) PURPOSE OF LOAN: SPLIT DOLLAR LIFE INSUR. LOAN

(A) NAME OF PERSON: DENNIS VONDERFECHT

(A) PURPOSE OF LOAN: SPLIT DOLLAR LIFE INSUR. LOAN

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

(A) NAME OF PERSON: CLEM WILKES, III

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

FAMILY MEMBER OF CLEM WILKES, JR., MSHA BOARD TREASURER.

(D) DESCRIPTION OF TRANSACTION: CLEM WILKES, JR., TREASURER OF THE MSHA BOARD OF DIRECTORS, IS A FAMILY MEMBER OF CLEM WILKES, III, AN EMPLOYEE OF MSHA.

(A) NAME OF PERSON: WATAUGA PATHOLOGY ASSOCIATES, P.C.

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

PROVIDER OF MEDICAL SERVICES TO MSHA.

SCHEDULE O (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

(D) DESCRIPTION OF TRANSACTION: DR. SANDRA BROOKS, MEMBER OF THE MSHA BOARD OF DIRECTORS, IS AN OWNER IN AND SERVES AS VICE PRESIDENT OF WATAUGA PATHOLOGY ASSOCIATES, P.C., WHICH PROVIDES MEDICAL SERVICES TO MSHA.

(A) NAME OF PERSON: PULMONARY ASSOCIATES OF EAST TENNESSEE, P.C.

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION: PROVIDER OF MEDICAL SERVICES TO MSHA.

(D) DESCRIPTION OF TRANSACTION: DR. JEFF FARROW, MEMBER OF THE MSHA BOARD OF DIRECTORS, IS AN OWNER IN PULMONARY ASSOCIATES OF EAST TENNESSEE, P.C., WHICH PROVIDES MEDICAL SERVICES TO MSHA.

(A) NAME OF PERSON: PAULA CLAYTORE

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION: FAMILY MEMBER OF DALE CLAYTORE, MSHA KEY EMPLOYEE.

(D) DESCRIPTION OF TRANSACTION: DALE CLAYTORE, A KEY EMPLOYEE OF MSHA, IS A FAMILY MEMBER OF PAULA CLAYTORE, AN EMPLOYEE OF MSHA.

(A) NAME OF PERSON: WORKSPACE INTERIORS, INC.

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION: PROVIDER OF COMMERCIAL FURNISHINGS TO MSHA.

(D) DESCRIPTION OF TRANSACTION: ROBERT FEATHERS, VICE CHAIR OF THE MSHA BOARD OF DIRECTORS, IS OWNER OF WORKSPACE INTERIORS, INC., WHICH PROVIDES COMMERCIAL FURNISHING PRODUCTS TO MSHA. DURING FY10, MSHA COMPLETED CONSTRUCTION OF OUR NEW HOSPITAL, FRANKLIN WOODS COMMUNITY HOSPITAL. MSHA PURCHASED FURNISHINGS FROM WORKSPACE INTERIORS, INC. FOR THE NEW

HOSPITAL. TRANSACTIONS ARE CONDUCTED AT ARMS-LENGTH BASED UPON AN INDEPENDENT BIDDING PROCESS. ONLY INDEPENDENT, DISINTERESTED MEMBERS OF THE BOARD REVIEW, APPROVE, AND OVERSEE ALL ASPECTS AND ALL ELEMENTS OF CONSTRUCTION CONTRACTS, WHICH INCLUDE FURNISHINGS RELATED TO NEW CONSTRUCTION.

FORM 990, PART I, LINE I,
MISSION & SIGNIFICANT ACTIVITIES:

MOUNTAIN STATES HEALTH ALLIANCE (MSHA) IS COMMITTED TO OUR MISSION OF BRINGING LOVING CARE TO HEALTH CARE. WE EXIST TO IDENTIFY AND RESPOND TO THE HEALTHCARE NEEDS OF INDIVIDUALS AND COMMUNITIES IN THE 29-COUNTY AREA WE SERVE, HELPING THEM ATTAIN THEIR HIGHEST LEVEL OF HEALTH. MSHA DELIVERS THIS CARE THROUGH THE PHILOSOPHY OF PATIENT-CENTERED CARE, AND THE DEVELOPMENT OF COMPREHENSIVE STRATEGIC PLANNING AND IMPLEMENTATION. NEAR THE END OF FY10, MSHA COMPLETED CONSTRUCTION OF A NEW REPLACEMENT HOSPITAL, FRANKLIN WOODS COMMUNITY HOSPITAL (FWCH), A CERTIFIED "GREEN" FACILITY AND THE FIRST "GREEN" HOSPITAL IN THE STATE OF TENNESSEE. FWCH OPENED IN EARLY FY11 AND WILL REPLACE NORTH SIDE AND SPECIALTY HOSPITALS IN JOHNSON CITY. IN ADDITION TO THE COMPLETION OF FWCH DURING FY10, CONSTRUCTION ON A REPLACEMENT HOSPITAL FOR JOHNSTON MEMORIAL HOSPITAL WAS ONGOING THROUGHOUT THE REPORTING PERIOD AND DESIGN WORK WAS STARTED ON A REPLACEMENT FACILITY FOR SMYTH COUNTY COMMUNITY HOSPITAL AS WELL. BOTH HOSPITALS ARE LOCATED IN VIRGINIA AND MAJORITY OWNED BY MSHA.

MSHA OFFERS UNIQUE SERVICES TO THE BROAD COMMUNITY WITH OUR NISWONGER

SCHEDULE O (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

CHILDREN'S HOSPITAL. THROUGH NISWONGER CHILDREN'S HOSPITAL, THE ST. JUDE CHILDREN'S HOSPITAL AFFILIATE CLINIC, WE PROVIDE THE REGION'S ONLY CHILDREN'S EMERGENCY DEPARTMENT. NISWONGER CHILDREN'S ALSO PROVIDES AN N.I.C.U., WHICH IS THE STATE DESIGNATED PERINATAL CENTER FOR THIS REGION. MSHA OFFERS THE LARGEST AIR AMBULANCE SERVICE IN THE REGION WITH WINGS AIR RESCUE COVERING THE ENTIRE 29-COUNTY SERVICE AREA.

MSHA HAS MADE TREMENDOUS FINANCIAL INVESTMENTS TO NURSING PROGRAMS AT EAST TENNESSEE STATE UNIVERSITY AND LOCAL COLLEGES IN OUR REGION. EACH PROGRAM WAS TARGETED TO INCREASE THE NUMBER OF RN STUDENTS AND GRADUATES. MSHA'S NURSING SCHOLARSHIP PROGRAM HAS BEEN SO SUCCESSFUL THAT IN FY10, MSHA WAS ABLE TO ELIMINATE CONTRACT RNS, PRODUCING A LABOR SAVINGS OF $9 MILLION WHILE PROVIDING EXCELLENT NURSE CARE AT THE BEDSIDE.

TO MEET ITS MISSION CLINICALLY, MSHA IS INVOLVED IN NUMEROUS QUALITY INITIATIVES AROUND THE UNITED STATES, BENCHMARKING AND IMPROVING PATIENT OUTCOMES AT OUR ACUTE CARE FACILITIES. THESE EFFORTS HAVE GENERATED NATIONAL, STATE AND REGIONAL RECOGNITIONS AS MSHA CONTINUES TO IMPROVE ITS PROCESSES AND OUTCOMES. IN FEBRUARY 2010, MSHA WAS FORMALLY RECOGNIZED BY THE TENNESSEE CENTER FOR PERFORMANCE EXCELLENCE AS THE RECIPIENT OF THE 2009 EXCELLENCE AWARD. MSHA PREVIOUSLY RECEIVED THIS RECOGNITION IN 2005, THUS MAKING MSHA THE ONLY HEALTHCARE ORGANIZATION IN TENNESSEE TO RECEIVE THIS RECOGNITION TWICE. TWO MSHA HOSPITALS, INDIAN PATH MEDICAL CENTER AND NORTH SIDE HOSPITAL, RECEIVED THE QUEST PROJECT'S QUALITY OF CARE TOP PERFORMER AWARDS IN ALL 5 FOCUS AREAS: 1) EVIDENCE BASED CARE; 2) MORTALITY REDUCTION; 3) COST OF CARE;

4) REDUCTION OF HARM; AND 5) PATIENT EXPERIENCE.

OUR MISSION DIRECTS THE SYSTEM TO IDENTIFY AND RESPOND TO THE HEALTHCARE NEEDS OF INDIVIDUALS AND COMMUNITIES IN OUR REGION. AS A RESULT, MSHA FINANCIALLY SUPPORTS MANY NON-PROFIT ORGANIZATIONS COMMITTED TO MEDICAL ASSISTANCE TO THE UNINSURED/UNDERINSURED AS WELL AS PROGRAMS TO IMPROVE THE OVERALL HEALTH AND WELLNESS OF OUR REGION.

FORM 990, PART I, LINE 6,
VOLUNTEERS:

MOUNTAIN STATES HEALTH ALLIANCE AUXILIARY (AUXILIARY) SUPPORTS THE NUMEROUS HOSPITALS WITHIN THE MOUNTAIN STATES HEALTH ALLIANCE (MSHA) SYSTEM. THE AUXILIARY IS A VERY ACTIVE ORGANIZATION THAT CONSTANTLY LOOKS FOR AND SOLICITS RECOMMENDATIONS ON ACTIVITIES THAT WILL BENEFIT MSHA HOSPITALS, PATIENTS AND THEIR FAMILIES, AND THE COMMUNITY. SINCE MSHA HAS NUMEROUS HOSPITALS OF VARYING SIZE AND SERVICES, THE OPPORTUNITY TO PROVIDE ASSISTANCE IS TREMENDOUS AND THE AUXILIARY OFTEN TAILORS ITS ACTIVITIES TO THE UNIQUE NEEDS WITHIN A SPECIFIC HOSPITAL.

ALTHOUGH WE REPORT ACTIVE VOLUNTEERS OF 1,464 ON PAGE 1, LINE 6, WE ACTUALLY HAVE CLOSER TO 3,500 VOLUNTEERS. WE ONLY KEEP PRECISE RECORDS FOR THE ACTIVE MEMBERS WHO WORK REGULARLY SCHEDULED HOURS. FOR EXAMPLE, OUR VOLUNTEERS THAT DO NEEDLEWORK, SEWING, ETC. IN THEIR HOME ARE NOT COUNTED. OUR ACTIVE VOLUNTEERS SERVED 194,497 HOURS DURING FY10. OUR VOLUNTEERS GIVE MUCH TO MSHA AND THE COMMUNITIES MSHA SERVES. SURVEY RESULTS FROM AN EVALUATION COMPLETED BY OUR VOLUNTEERS INDICATE THAT

SCHEDULE O (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

100% WOULD RECOMMEND VOLUNTEERING AT A MSHA HOSPITAL TO THEIR FRIENDS.

SOME OF THE ACTIVITIES PROVIDED BY THE AUXILIARY VOLUNTEERS DURING FY10 ARE REPORTED BELOW:

MUSICAL ENTERTAINMENT. TAPED CONCERTS AND PERFORMANCES BY LOCAL INDIVIDUALS AND GROUPS. THE TAPES ARE PLAYED ON A NEWLY DEVELOPED VOLUNTEER MUSIC CHANNEL AT JOHNSON CITY MEDICAL CENTER (JCMC). A MUSICAL EVENTS CALENDAR IS MAINTAINED ON THE INTRANET FOR ALL HOSPITALS AND IN THE DAILY "MSHA MOMENT" - AN INFORMATIONAL COMMUNICATION TO ALL TEAM MEMBERS. SUNDAY AFTERNOON MUSICAL PERFORMANCES ARE GIVEN AT 5 MSHA HOSPITALS. A HARMONICA PLAYER WALKS THE HALLS AND PROVIDES HARMONICA MUSIC. HE WILL GO IN ANY PATIENT ROOM WHEN THE PATIENT/PATIENT FAMILY REQUESTS AND HE GIVES OUT FREE HARMONICAS WITH BEDSIDE LESSONS ESPECIALLY FOR CHILDREN AT OUR NISWONGER CHILDREN'S HOSPITAL. THESE HARMONICA LESSONS ARE ALSO HELPFUL TO HEART PATIENTS WHO ARE HAVING TROUBLE USING THEIR BREATHING DEVICE.

VISUAL ARTS. THE AUXILIARY PREPARES A ROTATING ART EXHIBIT AT JCMC AND INDIAN PATH MEDICAL CENTER (IPMC). WE HAVE CERTIFIED MASTER GARDENER VOLUNTEERS AT JCMC, IPMC, AND PRINCETON TRANSITIONAL CARE.

LITERARY ARTS. A READING PROGRAM IS PROVIDED FOR THE PATIENTS AT NISWONGER CHILDREN'S HOSPITAL.

CULINARY ARTS. VOLUNTEERS BAKE AND DELIVER COOKIES DAILY TO JCMC AND

IPMC. VOLUNTEERS ARRIVE EARLY EACH MORNING TO BAKE THE COOKIES. THE COOKIES ARE WRAPPED AND DELIVERED TO SURGERY, ICU, HEART CATH, AND ER WAITING ROOMS. A VARIETY OF SNACKS AND MEALS ARE DELIVERED TO NORTON COMMUNITY HOSPITAL FAMILY KITCHENS. GOODY BASKET DELIVERIES ARE MADE TO JCMC'S ICU WAITING ROOM.

CREATIVE ARTS. VOLUNTEERS FROM AREA CHURCH GROUPS MAKE QUILTS AND PERSONAL CARE KITS FOR ER PATIENTS AT IPMC. VOLUNTEERS CREATE COLORING BOOKS FOR WAITING AREAS. ALL NEWBORNS RECEIVE HAND-KNITTED OR CROCHETED BABY HATS AND MANY RECEIVE BLANKETS AND/OR BOOTIES. ALL BABIES BORN DURING DECEMBER RECEIVE A HANDMADE, OVER-SIZED CHRISTMAS STOCKING. VOLUNTEERS BEGIN WORKING ON THE STOCKINGS IN THE SUMMER AND COMPLETE OVER 400 STOCKINGS. THE BABIES ARE OFTEN SENT HOME NESTLED IN THE STOCKING. VOLUNTEERS MAKE IV COVERS, SOFT CAPS FOR ONCOLOGY PATIENTS, AND HEATABLE BABY POSITIONING PADS. SPECIAL ENTERTAINMENT FOR CHILDREN INCLUDES VOLUNTEER CLOWNS AND SANTA. BOTH SANTA AND THE CLOWNS MAKE MONTHLY VISITS. VOLUNTEERS MAKE PILLOWS FOR BARIATRIC PATIENTS.

COMMUNITY INVOLVEMENT. VOLUNTEERS ARE AVAILABLE 7 DAYS A WEEK, 24 HOURS A DAY FOR NISWONGER CHILDREN'S HOSPITAL NICU. THIS PROGRAM'S PURPOSE IS TO HOLD AND COMFORT BABIES IN THE NICU AND IS APTLY CALLED THE NICU "CUDDLER PROGRAM". THE AUXILIARY MAINTAINS A PROGRAM FOR HEART PATIENTS CALLED "MENDED HEARTS". MENDED HEARTS HAS 19 TRAINED VOLUNTEERS TO VISIT WITH CARDIAC PATIENTS BEFORE AND AFTER OPEN HEART SURGERY EVERY DAY. THEY ALSO HAVE MONTHLY SUPPORT MEETINGS WITH PROGRAMS ON HEART HEALTH AND OFFER ANOTHER CLASS EVERY SIX WEEKS TO THE CARDIAC REHAB

SCHEDULE O (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

PROGRAM. THIS PROGRAM SERVED 1,094 PATIENTS AND FAMILY MEMBERS. COURTESY CARTS AND A VAN ARE OPERATED BY VOLUNTEERS TO TRANSPORT PATIENTS AND VISITORS TO ANY DOOR AT JCMC. JCMC IS A LARGE HOSPITAL WITH MULTIPLE ENTRY POINTS AND PARKING CAN BE A GOOD DISTANCE AWAY FROM THE FACILITY. THIS TRANSPORT PROGRAM HAS BEEN VERY WELL RECEIVED BY OUR PATIENTS AND THEIR VISITORS. THE CARTS AND VAN OPERATE 7 DAYS A WEEK FROM 9 A.M. TO 7 P.M.

FRANKLIN WOODS COMMUNITY HOSPITAL (FWCH). FWCH IS A BRAND-NEW MSHA HOSPITAL. WE ARE VERY PROUD OF THIS NEW FACILITY, WHICH IS A CERTIFIED "GREEN" HOSPITAL. PRIOR TO OPENING IN THE SUMMER OF 2010, THE AUXILIARY VOLUNTEER TEAM ASSISTED FWCH IN SEVERAL WAYS. THE AUXILIARY ASSISTED WITH RECRUITMENT EFFORTS THROUGH RADIO ADVERTISEMENT, WEBSITE SUPPORT, RECRUITMENT FAIRS, PRESENTATIONS TO COMMUNITY GROUPS, AND PLACEMENT OF FLYERS THROUGHOUT OUR SERVICE AREAS. VOLUNTEERS SERVED AS MOCK PATIENTS IN DIAGNOSTIC IMAGING TO PREPARE FWCH STAFF FOR ACTUAL PATIENTS. THE NAVIGATOR PROGRAM WAS STAFFED BY AUXILIARY VOLUNTEERS TO ASSIST WITH PRE-OPENING AND OPENING EVENTS AND TOURS TO THE GENERAL PUBLIC. EQUIPMENT HAS BEEN PURCHASED BY THE AUXILIARY TO PROVIDE COOKIE BAKING FOR THIS HOSPITAL AND WILL BE OPERATIONAL ONCE APPROVAL IS RECEIVED FROM THE FIRE MARSHAL. VARIOUS OTHER EQUIPMENT WAS PURCHASED FOR THIS NEW HOSPITAL TO PROMOTE CONTINUING VOLUNTEER SERVICES. ALSO, PET THERAPY VOLUNTEERS HAVE BEEN TRAINED AND A YEAR ROUND JUNIOR VOLUNTEER PROGRAM IS JUST TAKING OFF.

FORM 990, PART III, LINE 4A,

SCHEDULE O (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS (CONTINUED):

MSHA ALSO PROVIDES ACCESS TO SEVERAL ONLINE HEALTH INFORMATION SERVICES. MY HEALTH NEWS ALLOWS ACCESS TO HEALTH INFORMATION TOPICS AND SERVICES THAT MATTER TO THE USER. THIS SERVICE SENDS UP-TO-DATE INFORMATION FROM NATIONAL HEALTH RESOURCES TAILORED TO INDIVIDUAL NEEDS. MSHA PROVIDES ACCESS TO KIDSHEALTH, A SERVICE THAT PROVIDES PRACTICAL PARENTING INFORMATION AND NEWS. THIS SERVICE ALSO PROVIDES HOMEWORK HELP FOR KIDS AND STRAIGHT TALK ANSWERS FOR TEENS. MSHA ALSO PARTNERS WITH A.D.A.M. TO PROVIDE THE HEALTH ENCYCLOPEDIA. THIS SERVICE IS ONE OF THE MOST RESPECTED AND CREDIBLE ONLINE MEDICAL RESOURCES IN THE WORLD AND OFFERS ACCESS TO 4,000 ARTICLES ON HEALTH AND WELLNESS AND COVERS MORE THAN 1,500 MEDICAL TOPICS. MSHA PROVIDES CME AND CEU OPPORTUNITIES WITH MEDNEWSPLUS FOR PHYSICIANS AND NURSES FREE OF CHARGE. THE SERVICE IS OPEN TO ANY PHYSICIAN OR NURSE IN THE REGION AND OFFERS CME AND CEU CREDITS. MSHA ALSO PROVIDES LINKS TO HELPFUL HEALTH-RELATED SITES ON THE INTERNET.

PATIENT CARE SERVICES

DATA SHOWS THAT THE HEALTH STATUS OF MSHA'S SERVICE AREA IS GENERALLY POOR. MSHA'S SERVICE AREA CONSISTS OF COUNTIES IN TENNESSEE AND SOUTHWEST VIRGINIA. AMONG THE 50 STATES, TENNESSEE RANKED 44TH AND VIRGINIA RANKED 21ST IN TERMS OF HEALTH STATUS. SOME OF THE OVERWHELMING HEALTH ISSUES IN OUR SERVICE AREA INCLUDE:

1. HIGH PREVALENCE OF OBESITY

2. HIGH INFANT MORTALITY

3. HIGH RATE OF CIGARETTE SMOKING

4. POOR AIR QUALITY

5. LOW RATE OF DIABETIC CARE

6. HIGH RATE OF UNINSURED

7. LOW LEVEL OF EDUCATION

8. HIGH RATE OF DEATHS DUE TO CARDIOVASCULAR CONDITIONS, CANCER AND DIABETES

GIVEN THIS HEALTH PROFILE, MSHA EXISTS TO IDENTIFY AND RESPOND TO THE HEALTHCARE NEEDS OF ALL INDIVIDUALS AND COMMUNITIES IN THE REGION AND TO ASSIST THEM IN ATTAINING THEIR HIGHEST POSSIBLE LEVEL OF HEALTH. MSHA LIVES ITS MISSION TO BRING LOVING CARE TO HEALTH CARE IN OUR REGION. MSHA OPERATES ON A NON-DISCRIMINATORY BASIS, PROVIDING QUALITY HEALTH CARE TO ALL PATIENTS REGARDLESS OF RACE, RELIGION, GENDER, ETHNICITY, DISABILITY, AGE OR ABILITY TO PAY.

CHARITY AND UNREIMBURSED COSTS

CHARITY CARE: WHILE REIMBURSEMENT FOR HEALTHCARE SERVICES RENDERED IS CRITICAL TO THE OPERATION AND SUSTAINABILITY OF THE ORGANIZATION, MSHA RECOGNIZES ITS OBLIGATION TO PROVIDE CARE TO INDIVIDUALS WHO CANNOT AFFORD ESSENTIAL MEDICAL SERVICES, INCLUDING EMERGENCY CARE. A PATIENT IS CLASSIFIED AS A CHARITY PATIENT BY REFERENCE TO ESTABLISHED POLICIES OF MSHA AND GUIDELINES OUTLINED BY THE FEDERAL GOVERNMENT. HOWEVER, FINANCIAL ASSISTANCE DECISIONS ARE NOT SOLELY BASED ON INCOME. UNIQUE FINANCIAL CIRCUMSTANCES ARE WEIGHED WITH VERIFIED PATIENT ASSETS WHICH

CAN DETERMINE FINANCIAL ASSISTANCE ELIGIBILITY. IT IS NOT UNTIL AFTER VERIFICATION OF INCOME AND ASSETS THAT A DECISION AS TO THE AMOUNT OF WRITE-OFF WILL BE MADE. IN FISCAL YEAR 2010, MSHA INCURRED A LOSS OF $10,245,255 ATTRIBUTABLE TO THE PROVISION OF FREE CARE TO INDIGENT PATIENTS.

GOVERNMENTAL PROGRAM ENROLLEES: MSHA PROVIDES CARE TO PERSONS COVERED BY GOVERNMENTAL PROGRAMS, INCLUDING MEDICARE AND MEDICAID AND STATE-FUNDED TENNCARE. IN FY10, THE UNREIMBURSED COST OF SERVICES PROVIDED TO THIS PATIENT POPULATION WAS $2,574,662 (MEDICARE, BASED ON MEDICARE ALLOWABLE COSTS), $4,926,881 (MEDICAID) AND $23,780,966 (TENNCARE).

BAD DEBT: MSHA PROVIDES AN INCREASING LEVEL OF SERVICE TO SELF-PAY PATIENTS FOR WHICH IT RECEIVES LITTLE OR NO PAYMENT. DURING FY10, BAD DEBTS RESULTED IN UNREIMBURSED COSTS OF $16,796,337.

PROMOTE COMMUNITY HEALTH

MSHA OFFERS MANY REDUCED-PRICE OR FREE SERVICES AND PROGRAMS YEAR-ROUND IN CARE SETTINGS THAT IT ESTABLISHED TO ACCOMMODATE THE WIDELY SCATTERED, AGING AND SOCIOECONOMICALLY DISADVANTAGED POPULATION. SUCH PROGRAMS SERVE BONA FIDE COMMUNITY HEALTH NEEDS AND RESULT IN FINANCIAL LOSSES TO THE ORGANIZATION.

WINGS AIR RESCUE (WINGS), THE REGION'S ONLY EMERGENCY MEDICAL

SCHEDULE O (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

HELICOPTER SERVICE, IS CONSIDERED BY MSHA TO BE A REGIONAL ASSET. LICENSED BY THE STATE OF TENNESSEE AND THE COMMONWEALTHS OF KENTUCKY AND VIRGINIA, WINGS PROVIDED AIR TRANSPORT OF CRITICALLY ILL AND INJURED PATIENTS TO THE CLOSEST TERTIARY FACILITIES, INCLUDING NON-MSHA FACILITIES. 51% OF THEIR PATIENTS ARE FROM TRAUMA SCENES, WITH OTHERS BEING CARDIAC, OB, PEDIATRIC AND MEDICAL. DURING FY09, WINGS TRANSPORTED 1,540 PATIENTS AND MADE 9 SEARCH AND RESCUE FLIGHTS AT A NET OPERATING LOSS OF $817,335 TO MSHA.

ASK-A-NURSE MEDICAL CALL CENTER IS A 24-HOUR TOLL-FREE MEDICAL INFORMATION LINE. EXPERIENCED REGISTERED NURSES ANSWER CALLS AND PROVIDE INVALUABLE HEALTH INFORMATION. THEY MANAGE PHYSICIAN-APPROVED PATIENT TRIAGE SERVICES; MAKE INDIVIDUAL CALLBACKS FOR PEDIATRIC AND ADULT PATIENTS WITH SERIOUS SYMPTOMS; AND COORDINATE PATIENT TRANSPORTS AND EMERGENCY DEPARTMENT ACCESS. IN FY10, ASK-A-NURSE HANDLED 57,507 CALLS INCLUDING 4,355 PHYSICIAN REFERRALS. MSHA INCURRED AN EXPENSE OF $615,325 TO PROVIDE THIS SERVICE AT NO COST TO THE COMMUNITY.

DURING FY10, MSHA OPENED THE DOORS OF A SATELLITE DISPENSARY OF HOPE. THE DISPENSARY OF HOPE PROVIDES PRESCRIPTION DRUGS TO THOSE WHO MAY NOT HAVE OTHERWISE BEEN ABLE TO AFFORD NEEDED MEDICATIONS. THE SITE HAS ITS OWN PHARMACY, A PART-TIME PHARMACIST, A FULL-TIME PHARMACY TECH AND A SOCIAL WORKER/RECEPTIONIST. THE LOCAL DISPENSARY OF HOPE WILL BE STAFFED, IN PART, BY VOLUNTEER PHARMACISTS FROM THE COMMUNITY AND WILL SERVE AS A TRAINING SITE FOR THE BILL GATTON COLLEGE OF PHARMACY AT EAST TENNESSEE STATE UNIVERSITY. DURING FY10, MSHA INCURRED

UNREIMBURSED EXPENSES OF $201,099 FOR THIS PROGRAM.

THE HEALTH RESOURCES CENTER (HRC) IS A COMMUNITY OUTREACH SERVICE PROVIDED BY MSHA. THE HRC IS CONVENIENTLY LOCATED IN THE REGION'S LARGEST SHOPPING MALL. THE HRC OFFERS FREE CLASSES, BLOOD PRESSURE CHECKS, INFORMATIONAL MATERIALS AND RESOURCES AS WELL AS A NUMBER OF OTHER SERVICES IN AN EFFORT TO MEET COMMUNITY MEMBERS' BASIC HEALTH AND HEALTH EDUCATION NEEDS. THE HRC HAD 25,208 VISITS TO THEIR OFFICE AND PERFORMED 2,016 HEALTH SCREENINGS. THE HRC ALSO HOSTED MORE THAN 7,940 ATTENDEES WHO PARTICIPATED IN MONTHLY HEALTH EDUCATION PROGRAMS. THE HRC ALSO PROVIDES OUTREACH SERVICES WHERE THEY SCREENED AN ADDITIONAL 3,498 COMMUNITY MEMBERS. THE UNCOMPENSATED COST OF HRC WAS $373,448.

MSHA'S COMMUNITY HEALTH AND WELLNESS SCREENING CENTER (CHAWS) WORKS WITH LOCAL SCHOOLS AND BUSINESSES AS WELL AS INDIVIDUAL COMMUNITY MEMBERS TO PROVIDE ONSITE HEALTH EDUCATION PROGRAMS, PERFORM HEALTH ASSESSMENTS AND OFFER HEALTHY LIFESTYLE COUNSELING. IN FY10, CHAWS PROVIDED 1,146 SCREENINGS WITH AN UNREIMBURSED EXPENSE OF $286,412.

BASED ON COMMUNITY NEEDS, MSHA INCURRED AN EXPENSE OF $198,868 TO RECRUIT PHYSICIANS INTO CLINICAL/GEOGRAPHICAL AREAS THAT WERE FEDERALLY DESIGNATED AS MEDICALLY UNDERSERVED. MSHA INCURRED AN ADDITIONAL EXPENSE OF $1,687,521 TO RECRUIT PHYSICIANS INTO OTHER AREAS SERVICED BY MSHA.

JOHNSON COUNTY COMMUNITY HOSPITAL (JCCH) IS A FEDERALLY DESIGNATED

SCHEDULE O (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

CRITICAL ACCESS HOSPITAL. THIS FACILITY IS LOCATED IN ONE OF TENNESSEE'S POOREST COUNTIES AND PROVIDES EMERGENCY, INPATIENT AND OUTPATIENT CARE TO THE COUNTY'S RESIDENTS, MANY OF WHOM ARE OVER 65 YEARS OLD. JCCH CONTINUES TO BE DESIGNATED AS A PHYSICIAN SHORTAGE AREA FOR MANY SPECIALTIES. JCCH OPERATES A PHYSICIAN SPECIALTY CLINIC, WHICH INCURRED AN OPERATING LOSS OF $59,577 IN FY10. THE SPECIALTY CLINIC INCLUDES GASTROINTESTINAL, OB/GYN, GENERAL SURGERY, PODIATRY AND OTHER SPECIALTY SERVICES. THIS CONTINUES TO BE A VALUABLE RESOURCE TO THE RESIDENTS OF THE AREA BY AIDING WITH TRANSPORTATION ISSUES (OTHER PHYSICIAN OFFICES ARE LOCATED MORE THAN AN HOUR AWAY), RESOLVING ACCESS LIMITATIONS FOR SPECIALTY SERVICES, AND PROVIDING RELIEF TO THE SPECIAL HEALTH PROBLEMS OF A LARGELY ELDERLY POPULATION. RURAL LIFE OFTEN INCLUDES HAZARDOUS OCCUPATIONS SUCH AS FARMING, WHICH INCREASES THE RISK FOR CHRONIC RESPIRATORY DISEASES AND CANCER-RELATED ILLNESSES CAUSED BY FERTILIZATION AND OTHER CHEMICALS. THIS RURAL POPULATION HAS A HIGHER INCIDENCE OF CARDIOVASCULAR DISEASE DUE TO DIET AND GENETIC PREDISPOSITION. GIVEN THESE FACTORS, RURAL HOSPITALS MUST REMAIN FLEXIBLE AND DIVERSE IN THEIR FACILITIES AND THE SERVICES THEY OFFER THE COMMUNITY. MSHA REMAINS FIRM IN THE BELIEF THAT FINANCIALLY SUPPORTING THE SERVICES OF JCCH AND THE SPECIALTY CLINIC TO ASSIST RESIDENTS IN ATTAINING A HIGH LEVEL OF HEALTH CONTINUES TO BE A CORE VALUE OF OUR BUSINESS AND COMMUNITY SUPPORT.

MSHA OPERATES A RURAL HEALTH CLINIC LOCATED IN ST PAUL, VA, ON THE BORDER OF WISE AND RUSSELL COUNTIES. RIVERSIDE CLINIC FIRST OPENED IN 1991 TO PROVIDE PRIMARY CARE SERVICES TO THIS ELDERLY, UNDERSERVED

POPULATION. THE CLINIC'S LARGEST PAYOR IS MEDICARE, WHICH ACCOUNTS FOR MORE THAN 40% OF THEIR PATIENTS. DURING FY10, THE CLINIC HAD 10,900 OUTPATIENT VISITS. DURING FY10, RIVERSIDE CLINIC INCURRED UNREIMBURSED EXPENSES OF $527,715.

FORM 990, PART III, LINE 4A,
STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS (CONTINUED):

MSHA HAS PARTNERED WITH THE COMPANY MEDASSIST TO WORK WITH SELF-PAYING PATIENTS WHO HAVE LIMITED FINANCIAL RESOURCES. DURING FY10, MEDASSIST REPRESENTATIVES WERE AVAILABLE AT ALL MSHA FACILITIES FOR DAILY INTERACTION AND FINANCIAL SCREENING OF PATIENTS. MEDASSIST REPRESENTATIVES WERE ABLE TO DETERMINE GOVERNMENTAL MEDICAL ASSISTANCE (TENNCARE OR MEDICAID) ELIGIBILITY, AND TO HELP WITH THE APPLICATION PROCESS AND FOLLOW-UP. DURING FY10, 4,334 POTENTIALLY ELIGIBLE PATIENTS TOOK ADVANTAGE OF MEDASSIST'S HELP, AND OF THOSE PATIENTS WHO APPLIED FOR TENNCARE OR VIRGINIA MEDICAID COVERAGE, 2,382 (55%) WERE APPROVED FOR COVERAGE. ONCE A PERSON IS APPROVED FOR TENNCARE OR MEDICAID THROUGH THE MEDASSIST PROGRAM OFFERED THROUGH MSHA, THEY RETAIN COVERAGE FOR FUTURE MEDICAL CARE. MEDASSIST IS COMPENSATED BY MSHA. DURING FY10, MSHA'S COST FOR THIS PROGRAM WAS $732,865.

MSHA WORKED WITH GOJO, THE MAKERS OF PURELL, TO IMPLEMENT A HAND SANITIZER PROGRAM. MSHA PROVIDED 3,000 BAGS OF PURELL ALCOHOL GEL TO HUNDREDS OF ELEMENTARY, MIDDLE SCHOOLS AND HIGH SCHOOLS IN OUR REGION. THIS INITIATIVE WAS A PROACTIVE MEASURE BY MSHA AGAINST THE 2009-2010 FLU SEASON IN AN ATTEMPT TO IMPROVE SCHOOL ATTENDANCE BY LOWERING

SCHEDULE O (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

ABSENTEEISM DUE TO ILLNESS. IN THE SCHOOLS WHERE THEY AGGRESSIVELY IMPLEMENTED THE GEL UNITS AND MEASURED THE ABSENTEEISM, DOUBLE DIGIT IMPROVEMENTS WERE RECORDED. DURING FY10, MSHA RE-SUPPLIED OUR LOCAL SCHOOLS SYSTEMS WITH HAND SANITIZER AT AN EXPENSE OF $10,283.

MSHA ALSO GIFTS THE LAND LEASE TO THE RONALD MCDONALD HOUSE AT A FAIR MARKET VALUE OF $60,000. THE RONALD MCDONALD HOUSE IS LOCATED ON THE CAMPUS OF NISWONGER CHILDREN'S HOSPITAL AND JOHNSON CITY MEDICAL CENTER.

MSHA CONTRIBUTED $50,000 TO CARESPARK. CARESPARK WAS ESTABLISHED IN 2005 TO EXPLORE WAYS TO SHARE HEALTH INFORMATION SECURELY, EFFICIENTLY AND COST-EFFECTIVELY. CARESPARK WAS INITIATED BY VOLUNTEERS WITH THE COMMUNITY HEALTH IMPROVEMENT PARTNERSHIP, WHO HAD BEEN WORKING TOGETHER FOR MORE THAN A DECADE THROUGH THE LOCAL NON-PROFIT CITIZEN ORGANIZATION, KINGSPORT TOMORROW, TO DEVELOP COLLABORATIVE PROCESSES TO IMPROVE HEALTH WITHIN THE COMMUNITY.

MSHA CONTRIBUTED $30,000 TO THE ETSU FOUNDATION TO SUPPORT THE JOHNSON CITY DOWNTOWN CLINIC. THE JOHNSON CITY DOWNTOWN CLINIC WAS ORIGINALLY ESTABLISHED TO SERVE THE NEEDS OF THE LOCAL HOMELESS POPULATION IN JOHNSON CITY AND HAS EXPANDED OVER THE PAST NEARLY 15 YEARS TO INCLUDE THE UNINSURED, UNDERINSURED, TENNCARE ENROLLEES, A GROWING HISPANIC POPULATION, AND MEDICALLY INDIGENT INDIVIDUALS.

MSHA CONTRIBUTED $25,000 TO SUSAN G. KOMEN BREAST CARE FOUNDATION.

SCHEDULE O (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

SUSAN G. KOMEN IS THE GLOBAL LEADER OF THE BREAST CANCER MOVEMENT AND THE WORLD'S LARGEST GRASSROOTS NETWORK OF BREAST CANCER SURVIVORS AND ACTIVISTS.

COMMUNITY CONTRIBUTIONS

AS THE SECOND LARGEST EMPLOYER IN THE REGION, MSHA IS ONE OF THE AREA'S PRINCIPLE BENEFACTORS AND HAS MADE CORPORATE CITIZENSHIP AN INTEGRAL PART OF ITS CULTURE. FROM SYSTEM-WIDE INITIATIVES TO INDIVIDUAL EFFORTS OF CARING TEAM MEMBERS, ITS AIM IS TO ENRICH THE COMMUNITIES THAT THE ORGANIZATION SERVES. MSHA'S COMMITMENT INCLUDES FINANCIAL CONTRIBUTIONS, IN-KIND (NON-CASH) CONTRIBUTIONS AND LEADERSHIP RESOURCES WITHIN THREE BROAD CATEGORIES OF GIVING:

1) DIRECT CONTRIBUTIONS THAT SUPPORT COMMUNITY HEALTHCARE NEEDS AND THOSE NONPROFIT AGENCIES THAT ADVOCATE THE HEALTH AND WELL-BEING OF COMMUNITY MEMBERS;

2) MSHA-RUN AND MSHA-SUPPORTED PROGRAMS THAT CONTRIBUTE TO THE HEALTH AND WELL-BEING OF AREA RESIDENTS; AND

3) EDUCATION/TRAINING; BOTH AS A COMMUNITY CITIZEN AND AS AN EMPLOYER.

1.) DIRECT CONTRIBUTIONS - IN-KIND AND CASH

MSHA LEADERS SUPPORT AND ENCOURAGE ALL TEAM MEMBERS TO VOLUNTEER TIME, MONEY AND SKILLS TO COMMUNITY SERVICE PROJECTS AND CHARITABLE ORGANIZATIONS. SENIOR LEADERS AND BOARD MEMBERS SET A POSITIVE EXAMPLE

SCHEDULE O (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

FOR MSHA TEAM MEMBERS, SERVING VOLUNTARILY ON COMMITTEES AND MANAGING BOARDS OF LOCAL SERVICE AND NONPROFIT ORGANIZATIONS. MANY ALSO SERVE AS MEMBERS AND CONSULTANTS ON PROFESSIONAL COMMITTEES AND TASK FORCES THAT AFFECT REGIONAL DEVELOPMENT IN HEALTH CARE AND EDUCATION. TEAM MEMBERS SERVED THE BOYS & GIRLS CLUB, KIWANIS CLUBS, ROTARY CLUBS, SUSAN G. KOMEN BREAST CANCER FOUNDATION, ECONOMIC DEVELOPMENT STEERING COMMITTEE FOR WASHINGTON COUNTY, JUNIOR ACHIEVEMENT, SALVATION ARMY, AMERICAN HEART ASSOCIATION, HANDS ON! MUSEUM, KINGSPORT TOMORROW INC., APPALACHIAN MOUNTAIN PROJECT ACCESS, WASHINGTON COUNTY EMERGENCY MEDICAL SERVICES, WASHINGTON COUNTY VETERAN'S MEMORIAL COMMITTEE OF THE JOHNSON CITY PARKS AND RECREATION FOUNDATION, EATING DISORDERS COALITION OF TENNESSEE, JOHNSON CITY SYMPHONY ORCHESTRA, DAWN OF HOPE, UNITED WAY, CHAMBER OF COMMERCE BOARDS, AND MANY OTHERS. ALTHOUGH MSHA DID NOT FULLY MONITOR THESE ACTIVITIES DURING FY10 TO TABULATE THE TOTAL FINANCIAL COST, THE AMOUNT WOULD BE SIGNIFICANT SINCE SOME OF THESE TEAM MEMBERS DEVOTED TWO WEEKS OF NORMAL WORK TIME TO OUTSIDE CHARITABLE ACTIVITIES.

SUMMARY LIST OF CHARITABLE GIVING:

IN FY10, MSHA PROVIDED CASH AND IN-KIND SUPPORT TO NUMEROUS HEALTH AND HUMAN SERVICE AGENCIES, INCLUDING, BUT NOT LIMITED TO, THE FOLLOWING RECIPIENTS. MAJOR PROGRAMS ARE DESCRIBED IN MORE DETAIL IN THE SECTIONS THAT FOLLOW.

- CARESPARK - $50,000

SCHEDULE O (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

- ETSU FOUNDATION - $30,000
- TENNESSEE TECHNOLOGY CENTER - $25,000
- SUSAN G. KOMEN BREAST CANCER FOUNDATION - $25,000
- WELLMONT FOUNDATION INC. - $15,000
- EAST TENNESSEE STATE UNIVERSITY - $12,450
- AMERICAN HEART ASSOCIATION - $10,700
- GEISINGER HEALTH SYSTEM FOUNDATION - $10,000
- JOHNSON CITY PARKS & RECREATION - $5,152
- CHILDREN'S ADVOCACY CENTER - $1,000
- AMERICAN CANCER SOCIETY - $1,212
- MARCH OF DIMES - $1,037

MSHA, IN COLLABORATION WITH AREA HEALTH AGENCIES AND PROVIDERS, MAY OFFER ASSISTANCE WITH COORDINATION, ADVOCACY AND PUBLICITY; PROVIDE SPACE; OR CONTRIBUTE SUPPLIES TO SUPPORT GROUPS FOR THEIR PROGRAM ACTIVITIES.

MSHA VALUES SOCIAL RESPONSIBILITY AND IS COMMITTED TO COMMUNITY HEALTH AND HEALTH EDUCATION. ANNUALLY, MSHA MAKES GENEROUS MONETARY DONATIONS TO AREA HEALTH AND HUMAN SERVICE AGENCIES WHOSE PROGRAMS ARE SPECIFICALLY DESIGNED TO PROVIDE FOR THE HEALTHCARE NEEDS OF THE HOMELESS, INDIGENT AND UNDERSERVED POPULATIONS.

THROUGHOUT THE YEAR, MSHA MAKES CONTRIBUTIONS TO LOCAL SCHOOLS AND ORGANIZATIONS THAT PROVIDE EDUCATIONAL AND SOCIAL SUPPORT FOR YOUNG PEOPLE. SOME OF THE CONTRIBUTIONS TO YOUTH PROGRAMS INCLUDE:

- REGIONAL COUNTY AND CITY SCHOOLS - $16,727
- HANDS ON! REGIONAL MUSEUM - $12,000
- JOHNSON CITY PUBLIC LIBRARY - $500
- CARTER COUNTY IMAGINATION LIBRARY - $500
- COALITION FOR KIDS - $1,240
- BOYS TO MEN - $1,032
- GIRLS INC. - $536

ONE MSHA RESPONSE TO THE REGION'S HIGH INCIDENCE RATE OF CHILDHOOD OBESITY WAS TO CONTRIBUTE $10,250 TO EAST TENNESSEE STATE UNIVERSITY'S FIT KIDS PROGRAM.

MSHA CONTRIBUTES ANNUALLY TO LOCAL CHAPTERS OF SEVERAL NATIONAL NONPROFIT ORGANIZATIONS WHOSE RESEARCH FOCUSES ON THOSE DISEASES AND CONDITIONS MOST PREVALENT IN THE REGION.

FY10:

- SUSAN G. KOMEN BREAST CANCER FOUNDATION - $25,000
- AMERICAN HEART ASSOCIATION - $10,700
- AMERICAN CANCER SOCIETY - $1,212
- MARCH OF DIMES - $1,037
- UNITED WAY - $1,357

2.) COMMUNITY PROGRAMS

SCHEDULE O (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

DEMOGRAPHIC STUDIES AND A CUSTOMER MARKET NEEDS ANALYSIS, PERFORMED ANNUALLY DURING STRATEGIC PLANNING, INDICATE THE NECESSITY OF HAVING A WIDE ARRAY OF FREE AND PRICE-REDUCED SERVICES THAT ARE WELL-SITUATED FOR EASY ACCESS FROM RURAL, MOUNTAINOUS AREAS. MSHA HAS GIVEN HIGH PRIORITY TO INVESTMENTS IN COMMUNITY OUTREACH, AND AS A RESULT, HAS ESTABLISHED COUNCILS AND DEPARTMENTS WHOSE FOCUS IS TO TRANSLATE FINDINGS INTO VIABLE HEALTHCARE PROGRAMS BOTH FOR THE COMMUNITY AT LARGE AND FOR POPULATIONS WITH SPECIAL NEEDS.

FORM 990, PART III, LINE 4A,
STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS (CONTINUED):
AMONG INITIATIVES AND ONGOING SERVICES THAT PROMOTE COMMUNITY HEALTH AND SOCIAL WELLBEING ARE DISEASE MANAGEMENT, WELLNESS PROGRAMS, HEALTH-RELATED EDUCATION SESSIONS BY MSHA NURSES, STAFF PHYSICIANS, NUTRITIONISTS, AND OTHER SPECIALISTS; HEALTH SCREENINGS AND SUPPORT. MSHA ALSO OFFERS SPECIAL PROGRAMS FOR YOUTH, THE ELDERLY, THE DISABLED AND THE MEDICALLY UNDERSERVED.

DURING FY09, MSHA CONTINUED THE LARGEST COMMUNITY HEALTH NEEDS ASSESSMENT IN ITS HISTORY IN AN EFFORT TO PROFILE THE HEALTH OF THE RESIDENTS WITHIN THE LOCAL REGION. THIS ASSESSMENT SPECIFICALLY FOCUSED ON MSHA'S 13-COUNTY CORE SERVICE AREA, WHICH INCLUDES, BUT IS NOT LIMITED TO, ALL THE COUNTIES IN WHICH MSHA HAS A FACILITY. THE SEVEN TENNESSEE COUNTIES INCLUDED IN THIS NEEDS ASSESSMENT WERE: CARTER COUNTY, GREENE COUNTY, HAWKINS COUNTY, JOHNSON COUNTY, SULLIVAN COUNTY, UNICOI COUNTY AND WASHINGTON COUNTY. THE OTHER SIX VIRGINIA COUNTIES

ARE LOCATED IN SOUTHWEST VIRGINIA. AFTER ANALYZING THE MANY HEALTH DISPARITIES IN THE REGION, MSHA CHOSE CHILDHOOD OBESITY AS ITS HEALTH PRIORITY.

MSHA COLLABORATED WITH EAST TENNESSEE STATE UNIVERSITY'S COLLEGE OF PUBLIC HEALTH TO DEVELOP THE MSHA-ETSU OBESITY COLLABORATIVE. THE FOCUS OF THIS COLLABORATIVE IS TO PULL TOGETHER MANY PARTNERS AND ORGANIZATIONS TO REDUCE THE LEVEL OF CHILDHOOD OBESITY THROUGHOUT NORTHEAST TENNESSEE AND SOUTHWEST VIRGINIA. MSHA PROVIDED THE FUNDING AND COORDINATION, WHILE ETSU WORKED ON RESEARCH EFFORTS. THIS INITIATIVE PROVIDED FUNDING FOR UP TO 25 MICRO-GRANTS OF $2,000 EACH TO LOCAL COMMUNITY ORGANIZATIONS SUCH AS CHURCHES, COMMUNITY GROUPS, SCHOOLS AND EMPLOYERS THAT WANT TO EXPLORE CHILDHOOD OBESITY REDUCTION EFFORTS.

IN FY10, MSHA AND ETSU NAMED THE OBESITY COLLABORATIVE "HEAL APPALACHIA" - HEAL, STANDING FOR "HEALTHY EATING ACTIVE LIVING." MSHA RECEIVED OVER 100 APPLICATIONS FOR THE MICRO-GRANTS. THE APPLICANTS AWARDED THE GRANTS WERE ANNOUNCED AT A REGIONAL HEALTH SYMPOSIUM FOCUSING ON OBESITY. DURING FY10 MSHA SPENT $18,615 ON COORDINATING THE HEAL PROGRAM AND HOSTING THE SYMPOSIUM AND PAID 20 OF THE 25 GRANTS, OR $40,000. MSHA'S TOTAL FY10 COST: $58,615.

THE HEAL APPALACHIA COMMITTEE WILL EVALUATE LOCAL PROGRAM GRANT RECIPIENTS AS TO THEIR ABILITY TO MAKE A MEASURABLE IMPACT ON THE LEVEL OF CHILDHOOD OBESITY THROUGHOUT THE REGION. THIS COMMITTEE WILL THEN

SCHEDULE O (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

MAKE RECOMMENDATIONS TO EXECUTIVE LEADERSHIP AS TO HOW MSHA SHOULD CONTINUE TO DIRECT FINANCIAL SUPPORT FOR SUCCESSFUL PROGRAMS.

PROGRAMS FOR THE COMMUNITY AT LARGE

MSHA'S CONGESTIVE HEART FAILURE PROGRAM IS A MULTIDISCIPLINARY EFFORT DISEASE MANAGEMENT PROGRAM INVOLVING PHYSICIANS, CARDIOVASCULAR SERVICES, HOME HEALTH, ASK-A-NURSE CALL CENTER AND OTHER HOSPITAL SUPPORT GROUPS. BY INTEGRATING ITS CALL CENTER INTO A TELEHEALTH PROGRAM FOR CONGESTIVE HEART FAILURE PATIENTS, MSHA'S PROGRAM HAS BECOME A LEADER IN DISEASE MANAGEMENT AND WAS NAMED THE "BEST COLLABORATION IN DISEASE MANAGEMENT IN THE NATION" BY THE DISEASE MANAGEMENT ASSOCIATION OF AMERICA. OF THE 82 PROGRAM PARTICIPANTS IN FY10, 54% HAD NO EMERGENCY DEPARTMENT VISITS OR HOSPITAL ADMISSIONS FOR ANY REASON AND 85% HAD NO CHF ADMISSION AFTER ENROLLMENT INTO THE PROGRAM. THE FY10 UNREIMBURSED COST TO MSHA WAS $51,900.

IN ADDITION TO THE HEALTH SCREENINGS AND SUPPORT GROUPS OFFERED THROUGH THE HEALTH RESOURCES CENTER, DESCRIBED ABOVE, A VARIETY OF SCREENINGS, SUPPORT GROUPS, HEALTH EDUCATION, AND HEALTH FAIRS WERE PROVIDED AT A COST OF MORE THAN $54,403. THESE ACTIVITIES INCLUDE PROVIDING COMMUNITY HEALTH EDUCATION ON SUCH TOPICS AS ORTHOPEDICS, PRE- AND POST- NATAL, NUTRITION, SLEEP DISORDERS, BEHAVIORAL HEALTH ISSUES, CARDIOVASCULAR HEALTH, AND MANY OTHERS. IN ADDITION TO HEALTH EDUCATION, MSHA PROVIDED FREE BLOOD PRESSURE SCREENINGS AND COLORECTAL SCREENINGS, FOR SPECIFIC POPULATIONS AS WELL AS PHYSICALS FOR PEE-WEE AND HIGH SCHOOL FOOTBALL

PLAYERS IN JOHNSON COUNTY.

THE HOSPICE PROGRAM OFFERS EXTENDED 13-MONTH BEREAVEMENT SUPPORT RATHER THAN THE REQUIRED 12-MONTH PERIOD, THUS SUPPORTING FAMILIES DURING THE ANNIVERSARY MONTH OF THE PATIENT'S DEATH, WHICH CAN BE A CHALLENGING TIME. ALSO PROVIDED IS A CELEBRATION OF LIFE PROGRAM FOR FAMILIES OF FORMER HOSPICE PATIENTS AND THE COMMUNITY AT LARGE.

THE PARISH NURSE PROGRAM IS SPONSORED BY MSHA'S HOME HEALTH ORGANIZATION, WITH GOALS OF RECRUITING AREA CHURCHES AND REGISTERED NURSES TO THE PROGRAM AND PROVIDING PARTICIPANTS WITH EDUCATION ABOUT PARISH NURSING. PARISH NURSING IS AN AMALGAM OF SOCIAL WORK, GOOD NEIGHBORING AND NURSING. IT SUPPORTS, EDUCATES AND COUNSELS THOSE WITH HEALTHCARE NEEDS FROM WITHIN THEIR PLACES OF WORSHIP. A FEW OF THE SERVICES PROVIDED BY PARISH NURSES ARE BLOOD DRIVES, FLU SHOTS, HEALTH SCREENINGS, HEALTH FAIRS AND MONTHLY BLOOD PRESSURE CLINICS. SEVERAL OF THE NURSES ARE CERTIFIED TO TEACH CPR AND FIRST AID AT NO COST TO PARTICIPANTS. MSHA PROVIDES THE PARISH NURSE PROGRAM WITH COORDINATORS, SPONSORED ORIENTATION, MONTHLY EDUCATIONAL PROGRAMS AND OTHER SUPPORT FUNCTIONS. CURRENTLY, THERE ARE 26 CHURCHES PARTICIPATING IN TENNESSEE AND SIX IN SOUTHWEST VIRGINIA WITH PARISH NURSES ON STAFF. MSHA'S FY10 COST FOR THE PARISH NURSE PROGRAM WAS $60,685.

THE RESPOND DEPARTMENT AT WOODRIDGE HOSPITAL (WH) OFFER ASSESSMENTS AND REFERRALS FOR INDIVIDUALS DEALING WITH MENTAL HEALTH ISSUES AND SUBSTANCE ABUSE. PROFESSIONAL STAFF INCLUDES BEHAVIORAL HEALTH

COUNSELORS AND RNS WHO ARE AVAILABLE 24 HOURS A DAY, SEVEN DAYS A WEEK TO ANSWER CALLS FROM THE COMMUNITY CONCERNING TREATMENT. THROUGHOUT THE ASSESSMENT PROCESS, RESPOND COLLABORATES WITH A PSYCHIATRIST TO DETERMINE THE MOST APPROPRIATE LEVEL OF CARE. THE RESPOND DEPARTMENT AT WH INCURRED UNREIMBURSED COSTS OF $911,861 DURING FY10.

MSHA PROVIDED STAFF TO LOCAL AGENCIES, COUNCILS AND OTHER CHARITABLE ORGANIZATIONS TO ASSIST WITH LEADERSHIP PROGRAMS, PLANNING, SERVICE ON STEERING COMMITTEES AND PARTICIPATION WITH SPECIAL EVENTS. EXAMPLES INCLUDE AMERICAN RED CROSS BLOOD DRIVES, HEALTHY BABIES DAY, THE AMERICAN CANCER SOCIETY LEADERSHIP COUNCIL AND OTHERS AT A COST TO MSHA OF $33,508. WE FEEL SURE THIS AMOUNT IS UNDERREPORTED DUE TO THE DIFFICULTY IN TRACKING TEAM MEMBERS' MANY ACTIVITIES.

IN FY10, LOCAL HEALTH DEPARTMENTS SOLICITED HELP FROM MSHA TO ASSIST WITH H1N1 VACCINATION. MSHA WAS ABLE TO COORDINATE A RESPONSE TO THIS REQUEST BY PROVIDING NURSES TO ADMINISTER SHOTS. THE COST OF PROVIDING VACCINATION ASSISTANCE WAS $14,601.

PROGRAMS FOR SPECIAL POPULATIONS

DUE TO THE USE OF EMERGENCY DEPARTMENTS AS WALK-IN CLINICS BY THE POOR AND UNDERSERVED, MSHA HAS HELPED ESTABLISH AND FINANCE ALTERNATIVE CARE SETTINGS SUCH AS THE ETSU COLLEGE OF NURSING'S DOWNTOWN CLINIC IN JOHNSON CITY, TN. THE DOWNTOWN CLINIC IS DEDICATED TO SERVING THE PRIMARY NEEDS OF THE HOMELESS, INDIGENT AND UNINSURED POPULATIONS,

SCHEDULE O (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

PROVIDING THEM WITH FREE LABORATORY TESTING AND ASSISTANCE WITH THEIR DIAGNOSIS AND TREATMENTS. MSHA GIFTS THE CLINIC RENT, WHICH IS VALUED AT A DISCOUNTED $35,000 ANNUALLY. MSHA HAS AN AGREEMENT WITH THE DOWNTOWN CLINIC TO PROCESS THEIR LAB SPECIMENS AS WELL AS PROVIDE SOME DIAGNOSTIC IMAGING SERVICES TO CLINIC PATIENTS AT NO COST TO THE PATIENT OR THE CLINIC. IN FY10, THE COST ASSOCIATED WITH THE CLINIC'S LAB TESTING WAS $63,516 AND THE COST OF DIAGNOSTIC IMAGING SERVICES WAS $17,291. THESE EXPENSES ARE INCLUDED IN MSHA'S CHARITY WRITE-OFFS. DURING FY10, MSHA ALSO CONTRIBUTED AN ADDITIONAL $30,000 CONTRIBUTION TO ASSIST WITH THE CLINIC'S OPERATIONS.

MSHA'S SERVICE AREA COMPRISES A STABLE, AGING POPULATION, SO THE ORGANIZATION HAS ESTABLISHED A NUMBER OF PROGRAMS TO SERVE THE NEEDS OF SENIOR CITIZENS. AN EXAMPLE OF A SENIOR PROGRAM IS THE PINNACLE CLUB - A COMMUNITY OUTREACH PROGRAM FOR SERVICE-AREA SENIORS THAT OFFERS MONTHLY HEALTH-RELATED EVENTS AND FELLOWSHIP OPPORTUNITIES AT JOHNSON CITY MEDICAL CENTER, INDIAN PATH MEDICAL CENTER, RUSSELL COUNTY MEDICAL CENTER AND SYCAMORE SHOALS HOSPITAL. BENEFITS INCLUDE HEALTH SCREENINGS, FREE ANNUAL LAB SCREENINGS, AND DISCOUNTED FIRST-TIME ENROLLMENT FEES AT OUR WELLNESS CENTER AND FRANKLIN FITNESS CENTER. THERE ARE CURRENTLY 1,878 MEMBERS. THE CLUB SPONSORS HEALTH FAIRS, THE SENIOR EXPO, AND MONTHLY EDUCATIONAL LUNCHEONS IN KINGSPORT, JOHNSON CITY, AND ELIZABETHTON, TN, AND IN LEBANON, VA. THE CLUB ALSO PROVIDES FREE NOTARY SERVICES, SOCIALS, TRAVEL OPPORTUNITIES AND DISCOUNTS THROUGH NUMEROUS VENDORS. DURING FY10, MSHA INCURRED A NET OPERATING LOSS OF $82,879 ATTRIBUTABLE TO ITS SUPPORT OF THE PROGRAM.

SCHEDULE O (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

3) EDUCATION AND TRAINING

COMMUNITY HEALTH EDUCATIONAL PROGRAMS

MSHA PROVIDED A VARIETY OF WELLNESS AND HEALTH INFORMATION TO HELP EDUCATE AREA RESIDENTS ABOUT COMMUNITY-SPECIFIC HEALTH ISSUES. INFORMATION WAS PROVIDED THROUGH PRINTED MATERIALS, SPEAKING ENGAGEMENTS, RADIO AND TELEVISION INTERVIEWS, AND HEALTH FAIRS AND EXPOS.

FORM 990, PART III, LINE 4A,
STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS (CONTINUED):

MSHA ACCEPTED INVITATIONS TO SPEAK ON HEALTH-RELATED TOPICS AT VARIOUS COMMUNITY ORGANIZATIONS AND SCHOOLS. A VARIETY OF TOPICS WERE PRESENTED SUCH AS SKIN CARE, STRESS MANAGEMENT, NUTRITION, WEIGHT MANAGEMENT, PREVENTIVE CARE MEASURES, CARE OF AGING PARENTS AND OTHERS. YOUTH EDUCATION PROGRAMS WERE PRESENTED TO STUDENTS RANGING FROM KINDERGARTEN TO COLLEGE AND WERE DESIGNED TO PROMOTE SAFETY AT PLAY; AGE-APPROPRIATE HEALTH ISSUES; ILLNESS AND INJURY PREVENTION TECHNIQUES; NUTRITION; AND THE DANGERS OF TOBACCO, ALCOHOL AND DRUG USE. DIETITIANS GAVE TALKS, PROVIDED FOOD DEMONSTRATIONS TO VARIOUS GROUPS AND VISITED AREA SCHOOLS TO DISCUSS NUTRITION. HOME HEALTH, HOSPICE AND PARISH NURSING ALSO PROVIDED NUMEROUS SPEAKING ENGAGEMENTS. THE COST OF PROVIDING THESE SPEAKING ENGAGEMENTS WAS APPROXIMATELY $60,162.

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

MSHA'S AMERICAN HEART ASSOCIATION (AHA) TRAINING CENTER OFFERED SEVERAL COURSES TO HEALTHCARE PROVIDERS AND TO THE PUBLIC IN AN EFFORT TO EXPAND THE OUTREACH OF THE AMERICAN HEART ASSOCIATION AND MSHA IN PROMOTING WELLNESS AND SAVING LIVES. PROGRAMS INCLUDE: ADVANCED CARDIAC LIFE SUPPORT, BASIC CARDIAC LIFE SUPPORT, PEDIATRIC ADVANCED LIFE SUPPORT, FIRST AID AND LIFE SUPPORT INSTRUCTOR TRAINING. THE FY10 UNREIMBURSED COST TO PROVIDE THE EDUCATIONAL COURSES TO THE PUBLIC WAS $139,876.

IMPORTANT TO THE EFFICIENT AND SAFE OPERATION OF THE AIR AMBULANCE IS A CLEAR UNDERSTANDING OF HOW TO CLEAR AND PREPARE LANDING ZONES AND APPROPRIATE METHODS FOR COMMUNICATING WITH AIR HELICOPTER PILOTS AT ACCIDENT SCENES AND TRANSPORT SITES. DURING FY10, WINGS AIR RESCUE MADE 139 TRAINING RUNS TO AREA EMERGENCY MEDICAL SERVICE FACILITIES TO PERFORM TRAINING OF EMS CREWS.

SCHEDULE R (Form 990)
Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

OMB No. 1545-0047
2009
Open to Public Inspection

Name of the organization
MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number
62-0476282

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

(a) Name, address, and EIN 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" to Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity
DICKENSON COMMUNITY HOSPITAL - 77-0599553 P.O. BOX 1440, HOSPITAL DRIVE CLINTWOOD, VA 24228	HOSPITAL	VIRGINIA	501(C)(3)	LINE 3	NORTON COMMUNITY HOSPITAL
MOUNTAIN STATES FOUNDATION - 58-1418862 2335 KNOB CREEK ROAD, STE. 101 JOHNSON CITY, TN 37604	FUNDRAISING FOR MSHA HOSPITALS	TENNESSEE	501(C)(3)	LINE 11A	N/A
MSHA AUXILIARY - 58-1418345 400 N. STATE OF FRANKLIN ROAD JOHNSON CITY, TN 37604	SUPPORTING ORGANIZATION TO MSHA HOSPITALS	TENNESSEE	501(C)(3)	LINE 11A	N/A
SMYTH COUNTY COMMUNITY HOSPITAL - 54-0794913 565 RADIO HILL ROAD MARION, VA 24354	HOSPITAL	VIRGINIA	501(C)(3)	LINE 3	N/A

Part III **Identification of Related Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" to 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? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No
INTEGRATED SOLUTIONS HEALTH NETWORK LLC - 62-1711997, 400 N. STATE OF FRANKLIN RD, JOHNSON CITY, TN 37604	INVESTMENT COMPANY	TN	N/A	(D)	7,186.	2,229,938.		X	N/A		X
EMMAUS COMMUNITY HEALTHCARE, PLLC - 20-0577483, 6070 HWY 11E, PINEY FLATS, TN 37686	MEDICAL SERVICES	TN	N/A	N/A	N/A	N/A	N	/A	N/A	N	/A

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
BLUE RIDGE MEDICAL MANAGEMENT CORPORATION - 62-1490616, 1021 W. OAKLAND AVE., STE. 207, JOHNSON CITY, TN 37604	PHYSICIAN OFFICES	TN	N/A	C CORP	59,122,424.	188,408,632.	100.00%
MEDISERVE MEDICAL EQUIPMENT OF KINGSPORT - 62-1212286 1021 W. OAKLAND AVE., STE. 103 JOHNSON CITY, TN 37604	DURABLE MEDICAL EQUIPMENT CO.	TN	BLUE RIDGE MEDICAL MGMT CORP	C CORP	4,504,773.	3,698,034.	100.00%
MOUNTAIN STATES PROPERTIES - 62-1845895 1021 W. OAKLAND AVE., STE. 207 JOHNSON CITY, TN 37604	PROPERTY MANAGEMENT	TN	BLUE RIDGE MEDICAL MGMT CORP	C CORP	12,637,251.	147,225,234.	100.00%
BLUE RIDGE PHYSICIAN GROUP - 62-1700412 1019 W. OAKLAND AVE., STE. 5 JOHNSON CITY, TN 37604	HEALTHCARE SERVICES	TN	BLUE RIDGE MEDICAL MGMT CORP	C CORP	28,664,168.	3,115,353.	100.00%
COMMUNITY HOME CARE, INC. - 54-1453810 1460 PARK AVENUE NORTON, VA 24273	MEDICAL EQUIP. SALES & RENTAL	VA	NORTON COMMUNITY HOSPITAL	C CORP	325,299.	336,250.	50.10%

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

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.		Yes	No
1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?			
a Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity	1a	X	
b Gift, grant, or capital contribution to other organization(s)	1b	X	
c Gift, grant, or capital contribution from other organization(s)	1c	X	
d Loans or loan guarantees to or for other organization(s)	1d		X
e Loans or loan guarantees by other organization(s)	1e		X
f Sale of assets to other organization(s)	1f	X	
g Purchase of assets from other organization(s)	1g	X	
h Exchange of assets	1h		X
i Lease of facilities, equipment, or other assets to other organization(s)	1i		X
j Lease of facilities, equipment, or other assets from other organization(s)	1j	X	
k Performance of services or membership or fundraising solicitations for other organization(s)	1k	X	
l Performance of services or membership or fundraising solicitations by other organization(s)	1l	X	
m Sharing of facilities, equipment, mailing lists, or other assets	1m	X	
n Sharing of paid employees	1n	X	
o Reimbursement paid to other organization for expenses	1o	X	
p Reimbursement paid by other organization for expenses	1p	X	
q Other transfer of cash or property to other organization(s)	1q	X	
r Other transfer of cash or property from other organization(s)	1r		X

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

(a) Name of other organization(s)	(b) Transaction type (a-r)	(c) Amount involved
(1) MOUNTAIN STATES PROPERTIES	G	4,952,775.
(2) MOUNTAIN STATES PROPERTIES	J	1,550,138.
(3) MOUNTAIN STATES PROPERTIES	K	280,937.
(4) MOUNTAIN STATES PROPERTIES	N	53,164.
(5) MOUNTAIN STATES PROPERTIES	O	58,752.
(6) MOUNTAIN STATES PROPERTIES	P	504,170.

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

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

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Are all partners section 501(c)(3) organizations? Yes	(d) No	(e) Share of end-of-year assets	(f) Disproportionate allocations? Yes	(f) No	(g) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(h) General or managing partner? Yes	(h) No

Part II Continuation of 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
NORTON COMMUNITY HOSPITAL - 54-0566029 100 15TH STREET NW NORTON, VA 24273	HOSPITAL	VIRGINIA	501(C)(3)	LINE 3	N/A
JOHNSTON MEMORIAL HOSPITAL - 54-0544705 351 COURT STREET NW ABINGDON, VA 24210	HOSPITAL	VIRGINIA	501(C)(3)	LINE 3	N/A
ABINGDON PHYSICIAN PARTNERS - 20-5485345 351 COURT STREET NW ABINGDON, VA 24210	MEDICAL SERVICES	VIRGINIA	501(C)(3)	LINE 11A	JOHNSTON MEMORIAL HOSPITAL

Part IV Continuation of 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
COMMUNITY PHYSICIANS SERV. CORP. - 54-1641446 100 15TH STREET, NW NORTON, VA 24273	MEDICAL SERVICES	VA	NORTON COMMUNITY HOSPITAL	C CORP	27,385.	4,994.	50.10%
SOUTHWEST COMMUNITY HEALTH SERV. - 54-1460695 565 RADIO HILL RD, PO BOX 880 MARION, VA 24354	MEDICAL SERVICES	VA	SMYTH CO. COMMUNITY HOSPITAL	C CORP	338,242.	895,562.	80.00%

Part V Continuation of Transactions With Related Organizations (Schedule R (Form 990), Part V, line 2)

(a) Name of other organization	(b) Transaction type (a-r)	(c) Amount involved
(7) MEDISERVE	J	205,325.
(8) MEDISERVE	P	398,461.
(9) SMYTH COUNTY COMMUNITY HOSPITAL	A	717,517.
(10) SMYTH COUNTY COMMUNITY HOSPITAL	K	2,988,762.
(11) SMYTH COUNTY COMMUNITY HOSPITAL	Q	3,143,999.
(12) DICKENSON COMMUNITY HOSPITAL	K	392,804.
(13) JOHNSTON MEMORIAL HOSPITAL	B	4,571,429.
(14) JOHNSTON MEMORIAL HOSPITAL	K	3,998,831.
(15) JOHNSTON MEMORIAL HOSPITAL	O	68,700.
(16) JOHNSTON MEMORIAL HOSPITAL	P	326,906.
(17) JOHNSTON MEMORIAL HOSPITAL	Q	1,688,162.
(18) MOUNTAIN STATES FOUNDATION	B	780,502.
(19) MOUNTAIN STATES FOUNDATION	C	2,319,016.
(20) BLUE RIDGE MEDICAL MGMT CORP	G	64,070.
(21) BLUE RIDGE MEDICAL MGMT CORP	K	4,200,738.
(22) BLUE RIDGE MEDICAL MGMT CORP	L	17,624,563.
(23) BLUE RIDGE MEDICAL MGMT CORP	N	210,568.
(24) BLUE RIDGE MEDICAL MGMT CORP	P	6,716,791.

Part V **Continuation of Transactions With Related Organizations** (Schedule R (Form 990), Part V, line 2)

(a) Name of other organization	(b) Transaction type (a-r)	(c) Amount involved
(7) MOUNTAIN STATES HEALTH ALLIANCE AUXILIARY	O	106,396.
(8) MOUNTAIN STATES HEALTH ALLIANCE AUXILIARY	P	160,865.
(9) NORTON COMMUNITY HOSPITAL	K	1,303,051.
(10) INTEGRATED SOLUTIONS HEALTH NETWORK, LLC	L	113,442.
(11) INTEGRATED SOLUTIONS HEALTH NETWORK, LLC	P	206,926.
(12)		
(13)		
(14)		
(15)		
(16)		
(17)		
(18)		
(19)		
(20)		
(21)		
(22)		
(23)		
(24)		

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No. 1545-0047

2010

Open to Public Inspection

A For the 2010 calendar year, or tax year beginning JUL 1, 2010 and ending JUN 30, 2011

B Check if applicable:
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Termin-ated
- ☐ Amended return
- ☐ Applica-tion pending

C Name of organization
MOUNTAIN STATES HEALTH ALLIANCE
Doing Business As JOHNSON CITY MEDICAL CENTER

Number and street (or P.O. box if mail is not delivered to street address) Room/suite
400 NORTH STATE OF FRANKLIN ROAD

City or town, state or country, and ZIP + 4
JOHNSON CITY, TN 37604

F Name and address of principal officer: DENNIS VONDERFECHT
701 N. STATE OF FRANKLIN RD, STE. 1, JOHNSON

D Employer identification number
62-0476282

E Telephone number
423-302-3372

G Gross receipts $ 729,709,747.

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

H(b) Are all affiliates 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: ▶ WWW.MSHA.COM

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

L Year of formation: 1945 M State of legal domicile: TN

Part I Summary

1 Briefly describe the organization's mission or most significant activities: PLEASE SEE SCHEDULE O - PART I, LINE 1, MISSION AND SIGNIFICANT ACTIVITIES.

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

Activities & Governance	3	Number of voting members of the governing body (Part VI, line 1a)	13
	4	Number of independent voting members of the governing body (Part VI, line 1b)	7
	5	Total number of individuals employed in calendar year 2010 (Part V, line 2a)	8870
	6	Total number of volunteers (estimate if necessary)	1759
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	3,543,768.
	7b	Net unrelated business taxable income from Form 990-T, line 34	174,903.

			Prior Year	Current Year
Revenue	8	Contributions and grants (Part VIII, line 1h)	3,938,777.	3,143,661.
	9	Program service revenue (Part VIII, line 2g)	674,850,480.	703,882,320.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	16,043,398.	15,682,301.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	6,999,981.	6,648,445.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	701,832,636.	729,356,727.
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	301,136.	357,333.
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	287,264,466.	301,399,812.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 1,534,772.		
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	370,493,266.	377,644,976.
	18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	658,058,868.	679,402,121.
	19	Revenue less expenses. Subtract line 18 from line 12	43,773,768.	49,954,606.

			Beginning of Current Year	End of Year
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	1,530,090,739.	1,573,869,411.
	21	Total liabilities (Part X, line 26)	1,311,074,327.	1,268,238,796.
	22	Net assets or fund balances. Subtract line 21 from line 20	219,016,412.	305,630,615.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

▶ Signature of officer — Date

MARVIN EICHORN, SR VP/CFO
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name: DEBORAH O. ERNSBERGER
Preparer's signature: Deborah O. Ernsberger, C.P.A.
Date: 4-26-12
Check ☐ if self-employed
PTIN

Firm's name ▶ PERSHING YOAKLEY & ASSOCIATES, P. C.
Firm's EIN ▶

Firm's address ▶ ONE CHEROKEE MILLS, 2220 SUTHERLAND AVE
KNOXVILLE, TN 37919-2363
Phone no. 865-673-0844

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

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III ..... [X]

1 Briefly describe the organization's mission:
MOUNTAIN STATES HEALTH ALLIANCE IS COMMITTED TO BRINGING LOVING CARE TO HEALTH CARE. WE EXIST TO IDENTIFY AND RESPOND TO THE HEALTH CARE NEEDS OF INDIVIDUALS AND COMMUNITIES IN OUR REGION AND TO ASSIST THEM IN ATTAINING THEIR HIGHEST POSSIBLE LEVEL OF HEALTH.

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 [X] 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 [X] No
If "Yes," describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts 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 $ 548,973,782. including grants of $ 357,333.) (Revenue $ 704,105,247.)
MOUNTAIN STATES HEALTH ALLIANCE (MSHA) WAS CREATED IN SEPTEMBER 1998 AS A PRIVATE, LOCALLY OWNED, TAX-EXEMPT, REGIONAL HEALTHCARE SYSTEM. MSHA IS A 1,200 BED TERTIARY-CARE AND REFERRAL HOSPITAL SYSTEM, THE REGION'S LARGEST BY BED COUNT AND VOLUMES. FOR THE YEAR ENDING JUNE 30, 2011, MSHA RECORDED 48,180 INPATIENT ADMISSIONS, AND PROVIDED FOR 720,772 OUTPATIENT VISITS, INCLUDING 145,390 EMERGENCY VISITS AND 94,251 HOME HEALTH VISITS.

THE ALLIANCE IS COMPOSED OF 8 HOSPITALS, AN OUTPATIENT SURGERY CENTER, AN OUTPATIENT RADIATION ONCOLOGY CENTER, TWO OUTPATIENT DIAGNOSTIC CENTERS AND TWO OUTPATIENT REHABILITATION THERAPY CENTERS. IT ALSO HAS SERVICES FOR HOME HEALTH, DURABLE MEDICAL EQUIPMENT, INFUSION THERAPY,

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

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 ▶ 548,973,782.

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	X	
2	Is the organization required to complete Schedule B, Schedule of Contributors?	2	X	
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		X
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	X	
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		
6	Did the organization maintain any donor advised funds or any similar funds or accounts where 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		X
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		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		X
9	Did the organization report an amount in Part X, line 21; 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		X
10	Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10		X
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	X	
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		X
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	X	
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	X	
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e	X	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X*	11f	X	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI, XII, and XIII*	12a		X
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, XII, and XIII is optional*	12b	X	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		X
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		X
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, and program service activities outside the United States? *If "Yes," complete Schedule F, Parts I and IV*	14b		X
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the United States? *If "Yes," complete Schedule F, Parts II and IV*	15		X
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the United States? *If "Yes," complete Schedule F, Parts III and IV*	16		X
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*	17		X
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		X
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		X
20a	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20a	X	
b	If "Yes" to line 20a, did the organization attach its audited financial statements to this return? **Note.** Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions)	20b	X	

Part IV Checklist of Required Schedules *(continued)*

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V ☐

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a	719		
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	X	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	8870		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?		2b	X	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to *e-file.* (see instructions)				
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?		3a	X	
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*		3b	X	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		4a		X
b	If "Yes," enter the name of the foreign country: ▶				
	See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		5a		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		5b		X
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?		5c		
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible?		6a		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		6b		
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payer?		7a		X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		7b		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		7c		X
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		7e		X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		7f		X
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		7g		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		7h		
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		8		
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?		9a		
b	Did the organization make a distribution to a donor, donor advisor, or related person?		9b		
10	**Section 501(c)(7) organizations.** Enter:				
a	Initiation fees and capital contributions included on Part VIII, line 12	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter:				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?		12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**				
a	Is the organization licensed to issue qualified health plans in more than one state?		13a		
	Note. See the instructions for additional information the organization must report on Schedule O.				
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b			
c	Enter the amount of reserves on hand	13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?		14a		X
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O*		14b		

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

Check if Schedule O contains a response to any question in this Part VI X

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	1a	13		
b	Enter the number of voting members included in line 1a, above, who are independent	1b	7		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		2		X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		3		X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		4	X	
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		5		X
6	Does the organization have members or stockholders?		6	X	
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?		7a	X	
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?		7b	X	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:				
a	The governing body?		8a	X	
b	Each committee with authority to act on behalf of the governing body?		8b	X	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*		9		X

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

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

Section C. Disclosure

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

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

☐ Own website ☐ Another's website ☒ Upon request

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

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ▶

MARVIN EICHORN - 423-302-3372

400 N. STATE OF FRANKLIN RD., JOHNSON CITY, TN 37604

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

Check if Schedule O contains a response to any question in this Part VII X

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(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			
DENNIS VONDERFECHT PRESIDENT/CEO	60.00	X		X				855,625.	0.	42,464.
WILLIAM WALKER, M.D., DIRECTOR	0.80	X						0.	612,004.	1,615.
BARBARA ALLEN VICE CHAIR	2.10	X						0.	0.	0.
JOHN CAMPBELL DIRECTOR	0.60	X						0.	0.	0.
SANDRA BROOKS, M.D. DIRECTOR	1.30	X						0.	0.	0.
MAUREEN MACIVER PAST CHAIR	2.20	X						0.	0.	0.
GARY PEACOCK DIRECTOR	1.10	X						0.	0.	0.
CLEM WILKES, JR. TREASURER	1.60	X						0.	0.	0.
ROBERT FEATHERS CHAIRMAN	1.60	X						0.	0.	0.
BILL HAWKINS DIRECTOR	1.10	X						0.	0.	0.
MIKE CHRISTIAN DIRECTOR	1.30	X						0.	0.	0.
JOANNE GILMER SECRETARY	1.50	X						0.	0.	0.
DAVID MAY DIRECTOR	1.30	X						0.	0.	0.
MARVIN EICHORN SR VP/CFO	60.00			X				597,053.	0.	209,233.
DALE CLAYTORE VP	55.00				X			216,997.	0.	11,406.
ANN FLEMING SR VP	55.00				X			442,795.	0.	65,589.
CANDACE JENNINGS SR VP/CEO WASHINGTON CO.	55.00				X			458,976.	0.	71,955.

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

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(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			
LYNN KRUTAK VP/CFO	55.00				X			242,859.	0.	30,312.
MONTY MCLAURIN VP/CEO IPMC	55.00				X			324,458.	0.	54,124.
CINDY SALYER VP CARDIO/PULMONARY	55.00				X			232,182.	0.	41,464.
SHANE HILTON VP/CFO-TN	55.00				X			193,587.	0.	31,422.
PAT NIDAY CNO - WASHINGTON COUNTY	55.00				X			156,116.	0.	27,602.
BRAD NURKIN CEO - JCMC	55.00				X			244,706.	0.	20,237.
STEVE KILGORE PRESIDENT/CEO BRMMC	55.00					X		339,311.	0.	52,799.
JAMIE PARSONS VP H/R	50.00					X		253,987.	0.	30,442.
CHAO LEE, M.D. PHYSICIAN	50.00					X		309,360.	0.	25,655.
1b Sub-total ▶								4,868,012.	612,004.	716,319.
c Total from continuation sheets to Part VII, Section A ▶								724,235.	0.	97,822.
d Total (add lines 1b and 1c) ▶								5,592,247.	612,004.	814,141.

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 in reportable compensation from the organization ▶ 164

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

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization.

(A) Name and business address	(B) Description of services	(C) Compensation
HOSPITAL HOUSEKEEPING SYSTEMS 322 CONGRESS AVENUE, AUSTIN, TX 78701	HOUSEKEEPING SERVICES/MGMT	3,899,360.
CREDIT BUREAU COLLECTIONS P.O. BOX 5187, KINGSPORT, TN 37663	COLLECTION SERVICES	1,053,429.
MILLIGAN COLLEGE P.O. BOX 750, MILLIGAN COLLEGE, TN 37682	EDUCATIONAL	801,069.
HANCOCK DANIEL JOHNSON & NAGLE P.O. BOX 72050, RICHMOND, VA 23255-2050	LEGAL SERVICES	724,381.
AVANTAS WORK STRATEGIES, 1128 JOHN GALT BLVD, STE. 400, OMAHA, NE 68134	SCHEDULING SYSTEM	688,140.

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 in compensation from the organization ▶ 36

SEE PART VII, SECTION A CONTINUATION SHEETS

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

(A) Name and title	(B) Average hours per week	(C) Position (check all that apply)						(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			
TONY BENTON, JR VP	50.00					X		238,984.	0.	28,792.
MORRIS SELIGMAN CMO	50.00					X		485,251.	0.	69,030.
Total to Part VII, Section A, line 1c								724,235.		97,822.

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a Federated campaigns	1a				
	b Membership dues	1b				
	c Fundraising events	1c				
	d Related organizations	1d	1957949.			
	e Government grants (contributions)	1e	947,756.			
	f All other contributions, gifts, grants, and similar amounts not included above	1f	237,956.			
	g Noncash contributions included in lines 1a-1f: $					
	h Total. Add lines 1a-1f		3143661.			
Program Service Revenue		Business Code				
	2a PATIENT SERVICES	621500	700,421,164.	698,661,352.	1,759,812.	
	b WELLNESS PROGRAMS	621990	3231669.	3231669.		
	c P/S PROG. SERV. INCOME	561000	229,487.	225,554.	3,933.	
	d					
	e					
	f All other program service revenue					
	g Total. Add lines 2a-2f		703,882,320.			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		14,059,273.		7,768.	14,051,505.
	4 Income from investment of tax-exempt bond proceeds		13,232.			13,232.
	5 Royalties					
		(i) Real / (ii) Personal				
	6a Gross Rents	302737.				
	b Less: rental expenses	289918.				
	c Rental income or (loss)	12,819.				
	d Net rental income or (loss)		12,819.		13,871.	-1,052.
		(i) Securities / (ii) Other				
	7a Gross amount from sales of assets other than inventory	1,403,969. / 268929.				
	b Less: cost or other basis and sales expenses	63,102.				
	c Gain or (loss)	1,403,969. / 205827.				
	d Net gain or (loss)		1609796.	222,929.		1,386,867.
	8a Gross income from fundraising events (not including $ _____ of contributions reported on line 1c). See Part IV, line 18	a				
	b Less: direct expenses	b				
	c Net income or (loss) from fundraising events					
	9a Gross income from gaming activities. See Part IV, line 19	a				
	b Less: direct expenses	b				
	c Net income or (loss) from gaming activities					
	10a Gross sales of inventory, less returns and allowances	a				
	b Less: cost of goods sold	b				
	c Net income or (loss) from sales of inventory					
	Miscellaneous Revenue	Business Code				
	11a CAFETERIA SALES	722210	3932816.			3,932,816.
	b JCMC DAYCARE	624410	970,799.			970,799.
	c DIET/SECUR/ENGIN/OTHER	541900	953,931.		980,304.	-26,373.
	d All other revenue	541610	778,080.		778,080.	
	e Total. Add lines 11a-11d		6635626.			
	12 Total revenue. See instructions.		729,356,727.	702,341,504.	3,543,768.	20,327,794.

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) but are not required to complete columns (B), (C), and (D).

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 governments and organizations in the U.S. See Part IV, line 21	357,333.	357,333.		
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	4,701,600.		4,701,600.	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	233797106.	223583109.	9,528,935.	685,062.
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	9,763,324.	9,582,668.	151,295.	29,361.
9 Other employee benefits	35,048,014.	30,903,153.	4,064,436.	80,425.
10 Payroll taxes	18,089,768.	16,140,576.	1,911,865.	37,327.
11 Fees for services (non-employees):				
a Management				
b Legal	1,481,288.	70.	1,481,218.	
c Accounting	252,600.	5,441.	227,519.	19,640.
d Lobbying	15,666.	15,666.		
e Professional fundraising services. See Part IV, line 17				
f Investment management fees	909,566.		909,566.	
g Other	78,751,295.	60,834,645.	17,708,514.	208,136.
12 Advertising and promotion	3,065,167.	2,407,402.	645,067.	12,698.
13 Office expenses	8,682,390.	6,842,387.	1,703,754.	136,249.
14 Information technology	11,401,755.	10,286,180.	1,115,575.	
15 Royalties				
16 Occupancy	14,429,955.	11,969,854.	2,395,897.	64,204.
17 Travel	2,291,207.	1,637,251.	615,980.	37,976.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	359,432.	297,108.	61,719.	605.
20 Interest	42,206,499.	8,154.	42,198,345.	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	61,675,549.	30,249,046.	31,418,807.	7,696.
23 Insurance	627,063.	15,885.	611,178.	
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24f. If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O.)				
a MEDICAL SUPPLIES & DRUG	126183544.	126032884.	146,030.	4,630.
b TAXES - UBIT	7,800.		7,800.	
c REPAIRS & MAINTENANCE	14,046,240.	13,466,849.	529,169.	50,222.
d OTHER	5,377,696.	2,923,554.	2,293,658.	160,484.
e BAD DEBTS	4,097,305.	18,145.	4,079,160.	
f All other expenses	1,782,959.	1,396,422.	386,480.	57.
25 Total functional expenses. Add lines 1 through 24f	679402121.	548973782.	128893567.	1,534,772.
26 Joint costs. Check here ▶ ☐ if following SOP 98-2 (ASC 958-720). Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

			(A) Beginning of year		(B) End of year
Assets	1	Cash - non-interest-bearing		1	
	2	Savings and temporary cash investments	208,449,573.	2	94,236,272.
	3	Pledges and grants receivable, net	189,220.	3	196,903.
	4	Accounts receivable, net	84,415,992.	4	96,082,434.
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L	4,579,735.	5	5,517,265.
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)		6	
	7	Notes and loans receivable, net	20,219,171.	7	94,585,775.
	8	Inventories for sale or use	14,609,053.	8	15,564,585.
	9	Prepaid expenses and deferred charges	4,368,028.	9	3,217,335.
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D — 10a: 887,338,436.			
	b	Less: accumulated depreciation — 10b: 417,725,411.	463,651,654.	10c	469,613,025.
	11	Investments - publicly traded securities	152,089,704.	11	257,416,902.
	12	Investments - other securities. See Part IV, line 11		12	
	13	Investments - program-related. See Part IV, line 11	282,350,254.	13	282,266,093.
	14	Intangible assets	143,276,118.	14	143,276,118.
	15	Other assets. See Part IV, line 11	151,892,237.	15	111,896,704.
	16	Total assets. Add lines 1 through 15 (must equal line 34)	1,530,090,739.	16	1,573,869,411.
Liabilities	17	Accounts payable and accrued expenses	76,082,572.	17	66,520,793.
	18	Grants payable		18	
	19	Deferred revenue	20,092,072.	19	19,167,490.
	20	Tax-exempt bond liabilities	626,569,957.	20	620,629,456.
	21	Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties	400,096,949.	23	382,866,923.
	24	Unsecured notes and loans payable to unrelated third parties	3,114,607.	24	
	25	Other liabilities. Complete Part X of Schedule D	185,118,170.	25	179,054,134.
	26	Total liabilities. Add lines 17 through 25	1,311,074,327.	26	1,268,238,796.
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ [X] and complete lines 27 through 29, and lines 33 and 34.**			
	27	Unrestricted net assets	218,490,539.	27	305,570,637.
	28	Temporarily restricted net assets	525,873.	28	59,978.
	29	Permanently restricted net assets		29	
		Organizations that do not follow SFAS 117, check here ▶ [ ] and complete lines 30 through 34.			
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
	33	Total net assets or fund balances	219,016,412.	33	305,630,615.
	34	Total liabilities and net assets/fund balances	1,530,090,739.	34	1,573,869,411.

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI ..... [X]

1	Total revenue (must equal Part VIII, column (A), line 12)	1	729,356,727.
2	Total expenses (must equal Part IX, column (A), line 25)	2	679,402,121.
3	Revenue less expenses. Subtract line 2 from line 1	3	49,954,606.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	219,016,412.
5	Other changes in net assets or fund balances (explain in Schedule O)	5	36,659,597.
6	Net assets or fund balances at end of year. Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	305,630,615.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII .....

			Yes	No
1	Accounting method used to prepare the Form 990: [ ] Cash [X] Accrual [ ] 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?	2a		X
b	Were the organization's financial statements audited by an independent accountant?	2b	X	
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.	2c	X	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both: [ ] Separate basis [X] Consolidated basis [ ] Both consolidated and separate basis			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a	X	
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.	3b	X	

SCHEDULE A (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047

2010

Open to Public Inspection

Name of the organization	Employer identification number
MOUNTAIN STATES HEALTH ALLIANCE	62-0476282

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 11, 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.)

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 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.)

10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**

11 ☐ 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 that describes the type of supporting organization and complete lines 11e through 11h.

a ☐ Type I b ☐ Type II c ☐ Type III - Functionally integrated d ☐ Type III - Other

e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).

f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box ☐

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

		Yes	No
(i)	A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?	11g(i)	
(ii)	A family member of a person described in (i) above?	11g(ii)	
(iii)	A 35% controlled entity of a person described in (i) or (ii) above?	11g(iii)	

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

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document? Yes	(iv) No	(v) Did you notify the organization in col. (i) of your support? Yes	(v) No	(vi) Is the organization in col. (i) organized in the U.S.? Yes	(vi) No	(vii) Amount of support
Total									

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 **Public support.** Subtract line 5 from line 4.						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(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 IV.)						
11 **Total support.** Add lines 7 through 10						

12 Gross receipts from related activities, etc. (see instructions) 12

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

Section C. Computation of Public Support Percentage

14 Public support percentage for 2010 (line 6, column (f) divided by line 11, column (f)) ..... 14 %

15 Public support percentage from 2009 Schedule A, Part II, line 14 ..... 15 %

16a **33 1/3% support test - 2010.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ..... ▶ ☐

b **33 1/3% support test - 2009.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ..... ▶ ☐

17a **10% -facts-and-circumstances test - 2010.** 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 IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ..... ▶ ☐

b **10% -facts-and-circumstances test - 2009.** 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 IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ..... ▶ ☐

18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ..... ▶ ☐

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

(Complete only if you checked the box on line 9 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) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(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) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(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 IV.)						
13 **Total support** (Add lines 9, 10c, 11, and 12.)						

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

Section C. Computation of Public Support Percentage

15 Public support percentage for 2010 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2009 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for **2010** (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from **2009** Schedule A, Part III, line 17	18	%

19a **33 1/3% support tests - 2010.** 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 - 2009.** 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 ▶ ☐

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.
▶ See separate instructions.

OMB No. 1545-0047

2010

Open to Public Inspection

If the organization answered "Yes," to 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," to 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," to Form 990, Part IV, line 5 (Proxy Tax), or Form 990-EZ, Part V, line 35a (Proxy Tax), then

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

Name of organization	Employer identification number
MOUNTAIN STATES HEALTH ALLIANCE	62-0476282

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.
2 Political expenditures ▶ $
3 Volunteer hours

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-.

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.

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.		
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-		

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.

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? ☐ Yes ☐ 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 instructions for lines 2a through 2f on page 4.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(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)).**

	(a) Yes	(a) No	(b) Amount
1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a Volunteers?		X	
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?	X		
c Media advertisements?		X	
d Mailings to members, legislators, or the public?		X	
e Publications, or published or broadcast statements?		X	
f Grants to other organizations for lobbying purposes?		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body?	X		248,878.
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		X	
i Other activities? If "Yes," describe in Part IV		X	
j Total. Add lines 1c through 1i			248,878.
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		X	
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

		Yes	No
1 Were substantially all (90% or more) dues received nondeductible by members?	1		
2 Did the organization make only in-house lobbying expenditures of $2,000 or less?	2		
3 Did the organization agree to carryover 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) if BOTH Part III-A, lines 1 and 2 are answered "No" OR if 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**

Complete this part to provide the descriptions required for Part I-A, line 1; Part I-B, line 4; Part I-C, line 5; and Part II-B, line 1i. Also, complete this part for any additional information.

PART II-B, LINE 1(I), OTHER LOBBYING ACTIVITIES:

THE COMMUNITY & GOVERNMENT RELATIONS ASSISTANT VICE PRESIDENT AND/OR THE COMMUNITY & GOVERNMENT RELATIONS MANAGER AND/OR DIRECTOR ATTENDED THE FOLLOWING LEGISLATIVE CONFERENCES:

- PREMIER FEDERAL AFFAIRS NETWORK MEETINGS

Part IV Supplemental Information *(continued)*

- AMERICAN HOSPITAL ASSOCIATION ANNUAL MEETING
- TENNESSEE HOSPITAL ASSOCIATION LEGISLATIVE ADVOCACY DAY
- TENNESSEE HOSPITAL ASSOCIATION ANNUAL MEETING
- HOSPITAL ALLIANCE OF TENNESSEE ANNUAL MEETING
- NACHRI VIP ADVOCACY DAY
- TNPATH ANNUAL MEETING
- VHHA LEGISLATIVE ISSUES CONFERENCE, SPRING CONFERENCE ANNUAL MEETING
- ASSOCIATION OF AMERICAN MEDICAL COLLEGES GOVERNMENT RELATIONS MEETING

THE COMMUNITY & GOVERNMENT RELATIONS ASSISTANT VICE PRESIDENT AND/OR DEPARTMENTAL STAFF ALSO CONTACTED CONGRESSIONAL OFFICES CONCERNING THE FOLLOWING ISSUES:

- SUPPORT FOR EXTENSION OF ENHANCED FEDERAL MATCH ASSISTANCE PROGRAM
- SUPPORT AFFORDABLE CARE ACT PROVISIONS TO EXPAND INSURANCE COVERAGE TO THE UNINSURED
- SUPPORT FOR INITIATIVES TO IMPROVE PAYMENT DELIVERY REDESIGN SUCH AS ACO REGULATIONS
- SUPPORT FOR CONTINUATION OF TENNESSEE MEDICAID DSH
- CONTRIBUTED TO MSHA'S COMMENTS REGARDING PROPOSED ACO REGULATIONS
- OPPOSITION TO HOSPITAL CUTS IN PROPOSED IPPS RULE (CODING OFFSET)
- OPPOSITION TO ADDITIONAL CUTS IN MEDICARE/MEDICAID
- SUPPORT FOR REAUTHORIZATION OF CHILDREN'S HOSPITAL GRADUATE MEDICAL EDUCATION
- CONTINUED WORK WITH THE NATIONAL FOUNDATION FOR TRAUMA CARE TO SECURE FEDERAL FUNDING
- SUPPORT FOR AN INCREMENTAL AND REALISTIC TIMETABLE THAT RECOGNIZES FLEXIBLE CRITERIA FOR THE MEDICARE EHR INCENTIVE

Part IV Supplemental Information *(continued)*

PROGRAM

- SUPPORT FOR GRADUATE MEDICAL EDUCATION

THE COMMUNITY AND GOVERNMENT RELATIONS ASSISTANT VICE PRESIDENT AND/OR DEPARTMENTAL STAFF RESPONDED VIA LETTER, PHONE, OR IN PERSON TO THE FOLLOWING TENNESSEE AND VIRGINIA LEGISLATIVE ISSUES:

- SUPPORT FOR CONTINUATION OF HOSPITAL ASSESSMENT FEE IN TENNESSEE
- SUPPORT FOR CONTINUATION OF TENNESSEE'S APPROPRIATION FOR CARE OF UNINSURED MENTALLY ILL PATIENTS
- SUPPORT FOR RESTORATION OF FUNDING FOR PERINATAL CENTERS IN TENNESSEE
- SUPPORT FOR CONTINUATION OF SAFETY NET FUNDING FOR PROJECT ACCESS
- SUPPORT FOR LEGISLATION TO ENSURE THAT MEDICAID RATES REMAIN UNCHANGED IN VIRGINIA
- SUPPORT FOR A BUDGET AMENDMENT THAT REINSTATED SUPPLEMENTAL PAYMENTS TO JCMC'S NICU FOR ITS HIGH VIRGINIA MEDICAID VOLUME
- OPPOSED A CERTIFICATE OF NEED BILL IN TENNESSEE THAT WOULD HAVE SEVERELY WEAKENED THE CON PROCESS
- SUPPORTED TORT REFORM LEGISLATION IN TENNESSEE

SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2010

Open to Public Inspection

Name of the organization
MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number
62-0476282

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

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate contributions to (during year)		
3	Aggregate 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" to 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 Tax Year
a	Total number of conservation easements	2a
b	Total acreage restricted by conservation easements	2b
c	Number of conservation easements on a certified historic structure included in (a)	2c
d	Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d

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

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

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

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

7 Amount of expenses incurred in monitoring, inspecting, 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 XIV, 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" to 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 XIV, 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) Revenues included in 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 Revenues included in Form 990, Part VIII, line 1 ▶ $ _____

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

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

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

a ☐ Public exhibition
b ☐ Scholarly research
c ☐ Preservation for future generations
d ☐ Loan or exchange programs
e ☐ Other _____

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

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" to 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 XIV 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? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV.

Part V Endowment Funds. Complete if the organization answered "Yes" to 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 year end balance held as:

a Board designated or quasi-endowment ▶ _____ %
b Permanent endowment ▶ _____ %
c Term endowment ▶ _____ %

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

		Yes	No
(i) unrelated organizations	3a(i)		
(ii) related organizations	3a(ii)		
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b		

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

Part VI Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		34,838,122.		34,838,122.
b Buildings		443078534.	127384695.	315693839.
c Leasehold improvements		856,198.	379,181.	477,017.
d Equipment		408565582.	289961535.	118604047.
e Other				
Total. Add lines 1a through 1e. *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				469613025.

Part VII Investments - Other Securities. 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)		
(I)		
Total. (Col (b) must equal Form 990, Part X, col (B) line 12.) ▶		

Part VIII Investments - Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) INVESTMENT IN BRMMC	100,273,634.	COST
(2) INVESTMENT IN ISHN	1,843,937.	COST
(3) INVESTMENT IN OTHER	48,522.	COST
(4) INVESTMENT IN SCCH	48,100,000.	COST
(5) INVESTMENT IN JMH	132,000,000.	COST
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Col (b) must equal Form 990, Part X, col (B) line 13.) ▶	282,266,093.	

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) AWUL - CURRENT	7,628,257.
(2) AWUL - UNDER BOND INDENTURE AGREEMENTS	71,689,876.
(3) DEFERRED CHARGES AND OTHER	22,473,469.
(4) LONG TERM COMPENSATION INVESTMENT	10,105,102.
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. *(Column (b) must equal Form 990, Part X, col (B) line 15.)* ▶	111,896,704.

Part X Other Liabilities. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Amount
(1) Federal income taxes	
(2) ACCRUED INTEREST	19,607,249.
(3) OTHER LONG-TERM LIABILITIES	6,895,891.
(4) ACCRUED SALARIES, ABSENCES, & W/H	40,176,880.
(5) CALL OPTION LIABILITY	92,044,033.
(6) EST. FAIR VALUE OF INT. RATE SWAP	7,782,969.
(7) DUE TO THIRD PARTY PAYORS	12,547,112.
(8)	
(9)	
(10)	
(11)	
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25.)* ▶	179,054,134.

2. FIN 48 (ASC 740) Footnote. In Part XIV, 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).

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV.)	8	
9	Total adjustments (net). Add lines 4 through 8	9	
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	

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

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 on investments	2a			
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIV.)	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 XIV.)	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 XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

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 XIV.)	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 XIV.)	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 XIV Supplemental Information

Complete this part to 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, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

PART X, LINE 2: MOUNTAIN STATES HEALTH ALLIANCE IS CLASSIFIED AS AN ORGANIZATION EXEMPT FROM INCOME TAXES UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE. AS SUCH, NO PROVISION FOR INCOME TAXES HAS BEEN MADE IN THE ACCOMPANYING CONSOLIDATED FINANCIAL STATEMENTS FOR THE ALLIANCE AND ITS TAX-EXEMPT SUBSIDIARIES. TAXABLE ENTITIES ACCOUNT FOR INCOME TAXES IN ACCORDANCE WITH FASB ASC 740, "INCOME TAXES". THE ALLIANCE HAS NO SIGNIFICANT UNCERTAIN TAX POSITIONS AT JUNE 30, 2011 AND 2010.

SCHEDULE H (Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 20.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2010

Open to Public Inspection

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

Part I Financial Assistance and Certain Other Community Benefits at Cost

		Yes	No
1a	Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	X	
b	If "Yes," was it a written policy?	X	
2	If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year. [X] Applied uniformly to all hospital facilities [ ] Applied uniformly to most hospital facilities [ ] Generally tailored to individual hospital facilities		
3	Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year.		
a	Did the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing *free* care to low income individuals? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care: [ ] 100% [ ] 150% [X] 200% [ ] Other ____ %	X	
b	Did the organization use FPG to determine eligibility for providing *discounted* care to low income individuals? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care: [ ] 200% [ ] 250% [ ] 300% [ ] 350% [ ] 400% [X] Other 380 %	X	
c	If the organization did not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care. Include in the description whether the organization used an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care.		
4	Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	X	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	X	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	X	
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?		X
6a	Did the organization prepare a community benefit report during the tax year?	X	
b	If "Yes," did the organization make it available to the public?	X	

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

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheets 1 and 2)			13,141,846.		13,141,846.	1.95%
b Unreimbursed Medicaid (from Worksheet 3, column a)			15,382,326.	11,993,765.	3,388,561.	.50%
c Unreimbursed costs - other means-tested government programs (from Worksheet 3, column b)			73,485,181.	50,198,122.	23,287,059.	3.45%
d **Total** Financial Assistance and Means-Tested Government Programs			102,009,353.	62,191,887.	39,817,466.	5.90%
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			6,281,105.	1,021,002.	5,260,103.	.78%
f Health professions education (from Worksheet 5)			9,860,820.	2,652,458.	7,208,362.	1.07%
g Subsidized health services (from Worksheet 6)			17,494,050.	5,593,591.	11,900,459.	1.76%
h Research (from Worksheet 7)			472,920.		472,920.	.07%
i Cash and in-kind contributions to community groups (from Worksheet 8)			248,259.		248,259.	.04%
j Total. Other Benefits			34,357,154.	9,267,051.	25,090,103.	3.72%
k Total. Add lines 7d and 7j			136,366,507.	71,458,938.	64,907,569.	9.62%

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

		(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1	Physical improvements and housing						
2	Economic development			26,206.		26,206.	.00%
3	Community support			359.		359.	.00%
4	Environmental improvements						
5	Leadership development and training for community members						
6	Coalition building						
7	Community health improvement advocacy						
8	Workforce development			2,139,245.		2,139,245.	.32%
9	Other			82,635.		82,635.	.01%
10	Total			2,248,445.		2,248,445.	.33%

Part III Bad Debt, Medicare, & Collection Practices

				Yes	No
Section A. Bad Debt Expense					
1	Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15?	1		X	
2	Enter the amount of the organization's bad debt expense (at cost)	2	19,031,222.		
3	Enter the estimated amount of the organization's bad debt expense (at cost) attributable to patients eligible under the organization's financial assistance policy	3	11,418,733.		
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense. In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including a portion of bad debt amounts as community benefit.				
Section B. Medicare					
5	Enter total revenue received from Medicare (including DSH and IME)	5	201775707.		
6	Enter Medicare allowable costs of care relating to payments on line 5	6	207565036.		
7	Subtract line 6 from line 5. This is the surplus (or shortfall)	7	-5,789,329.		
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: ☐ Cost accounting system ☒ Cost to charge ratio ☐ Other				
Section C. Collection Practices					
9a	Did the organization have a written debt collection policy during the tax year?	9a		X	
b	If "Yes," did the organization's collection policy that applied to the largest number of its patients during the tax year contain provisions on the collection practices to be followed for patients who are known to qualify for financial assistance? Describe in Part VI	9b		X	

Part IV Management Companies and Joint Ventures

(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %
1 MEDICAL SPECIALISTS OF JOHNSON CITY, LLC	MEDICAL SERVICES	51.00%		49.00%
2 EMMAUS COMMUNITY HEALTHCARE, PLLC	MEDICAL SERVICES	75.00%		25.00%

Part V Facility Information

Section A. Hospital Facilities
(list in order of size, measured by total revenue per facility, from largest to smallest)

How many hospital facilities did the organization operate during the tax year? 6

Name and address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (describe)
1 JOHNSON CITY MEDICAL CENTER 400 N. STATE OF FRANKLIN ROAD JOHNSON CITY, TN 37604	X	X	X	X		X	X		REHABILITATION & MENTAL HEALTH HOSPITALS
2 INDIAN PATH MEDICAL CENTER 2000 BROOKSIDE DRIVE KINGSPORT, TN 37660	X	X		X			X		
3 FRANKLIN WOODS COMMUNITY HOSPITAL 300 MED TECH PARKWAY JOHNSON CITY, TN 37604	X	X					X		
4 SYCAMORE SHOALS HOSPITAL 1501 W. ELK AVENUE ELIZABETHTON, TN 37643	X	X					X		
5 RUSSELL COUNTY MEDICAL CENTER 58 CARROLL STREET LEBANON, VA 24266	X	X					X		
6 JOHNSON COUNTY COMMUNITY HOSPITAL 1901 S. SHADY STREET MOUNTAIN CITY, TN 37683	X				X		X		

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices

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

Name of Hospital Facility: JOHNSON CITY MEDICAL CENTER

Line Number of Hospital Facility (from Schedule H, Part V, Section A): 1

		Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for 2010)			
1 During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment (Needs Assessment)? If "No," skip to line 8	1		
If "Yes," indicate what the Needs Assessment describes (check all that apply):			
a ☐ A definition of the community served by the hospital facility			
b ☐ Demographics of the community			
c ☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d ☐ How data was obtained			
e ☐ The health needs of the community			
f ☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g ☐ The process for identifying and prioritizing community health needs and services to meet the community health needs			
h ☐ The process for consulting with persons representing the community's interests			
i ☐ Information gaps that limit the hospital facility's ability to assess all of the community's health needs			
j ☐ Other (describe in Part VI)			
2 Indicate the tax year the hospital facility last conducted a Needs Assessment: 20 ____			
3 In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3		
4 Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4		
5 Did the hospital facility make its Needs Assessment widely available to the public?	5		
If "Yes," indicate how the Needs Assessment was made widely available (check all that apply):			
a ☐ Hospital facility's website			
b ☐ Available upon request from the hospital facility			
c ☐ Other (describe in Part VI)			
6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply):			
a ☐ Adoption of an implementation strategy to address the health needs of the hospital facility's community			
b ☐ Execution of the implementation strategy			
c ☐ Participation in the development of a community-wide community benefit plan			
d ☐ Participation in the execution of a community-wide community benefit plan			
e ☐ Inclusion of a community benefit section in operational plans			
f ☐ Adoption of a budget for provision of services that address the needs identified in the Needs Assessment			
g ☐ Prioritization of health needs in its community			
h ☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i ☐ Other (describe in Part VI)			
7 Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	7		
Financial Assistance Policy			
Did the hospital facility have in place during the tax year a written financial assistance policy that:			
8 Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8		
9 Used federal poverty guidelines (FPG) to determine eligibility for providing *free* care to low income individuals?	9		
If "Yes," indicate the FPG family income limit for eligibility for free care: _____ %			

Part V Facility Information *(continued)* JOHNSON CITY MEDICAL CENTER

		Yes	No
10	Used FPG to determine eligibility for providing *discounted* care to low income individuals?	10	
	If "Yes," indicate the FPG family income limit for eligibility for discounted care: _____ %		
11	Explained the basis for calculating amounts charged to patients?	11	
	If "Yes," indicate the factors used in determining such amounts (check all that apply):		
a	☐ Income level		
b	☐ Asset level		
c	☐ Medical indigency		
d	☐ Insurance status		
e	☐ Uninsured discount		
f	☐ Medicaid/Medicare		
g	☐ State regulation		
h	☐ Other (describe in Part VI)		
12	Explained the method for applying for financial assistance?	12	
13	Included measures to publicize the policy within the community served by the hospital facility?	13	
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply):		
a	☐ The policy was posted on the hospital facility's website		
b	☐ The policy was attached to billing invoices		
c	☐ The policy was posted in the hospital facility's emergency rooms or waiting rooms		
d	☐ The policy was posted in the hospital facility's admissions offices		
e	☐ The policy was provided, in writing, to patients on admission to the hospital facility		
f	☐ The policy was available on request		
g	☐ Other (describe in Part VI)		

Billing and Collections

14	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy that explained actions the hospital facility may take upon non-payment?	14		
15	Check all of the following collection actions against a patient that were permitted under the hospital facility's policies at any time during the tax year:			
a	☐ Reporting to credit agency			
b	☐ Lawsuits			
c	☐ Liens on residences			
d	☐ Body attachments			
e	☐ Other actions (describe in Part VI)			
16	Did the hospital facility engage in or authorize a third party to perform any of the following collection actions during the tax year?	16		
	If "Yes," check all collection actions in which the hospital facility or a third party engaged (check all that apply):			
a	☐ Reporting to credit agency			
b	☐ Lawsuits			
c	☐ Liens on residences			
d	☐ Body attachments			
e	☐ Other actions (describe in Part VI)			
17	Indicate which actions the hospital facility took before initiating any of the collection actions checked in line 16 (check all that apply):			
a	☐ Notified patients of the financial assistance policy on admission			
b	☐ Notified patients of the financial assistance policy prior to discharge			
c	☐ Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills			
d	☐ Documented its determination of whether a patient who applied for financial assistance under the financial assistance policy qualified for financial assistance			
e	☐ Other (describe in Part VI)			

Part V Facility Information *(continued)* JOHNSON CITY MEDICAL CENTER

Policy Relating to Emergency Medical Care

		Yes	No
18	Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?		
	If "No," indicate the reasons why (check all that apply):		
a	☐ The hospital facility did not provide care for any emergency medical conditions		
b	☐ The hospital facility did not have a policy relating to emergency medical care		
c	☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)		
d	☐ Other (describe in Part VI)		

Charges for Medical Care

19	Indicate how the hospital facility determined the amounts billed to individuals who did not have insurance covering emergency or other medically necessary care (check all that apply):			
a	☐ The hospital facility used the lowest negotiated commercial insurance rate for those services at the hospital facility			
b	☐ The hospital facility used the average of the three lowest negotiated commercial insurance rates for those services at the hospital facility			
c	☐ The hospital facility used the Medicare rate for those services			
d	☐ Other (describe in Part VI)			
20	Did the hospital facility charge any of its patients who were eligible for assistance under the hospital facility's financial assistance policy, and to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care?	20		
	If "Yes," explain in Part VI.			
21	Did the hospital facility charge any of its patients an amount equal to the gross charge for any service provided to that patient?	21		
	If "Yes," explain in Part VI.			

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices

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

Name of Hospital Facility: INDIAN PATH MEDICAL CENTER

Line Number of Hospital Facility (from Schedule H, Part V, Section A): 2

		Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for 2010)			
1 During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment (Needs Assessment)? If "No," skip to line 8	1		
If "Yes," indicate what the Needs Assessment describes (check all that apply):			
a ☐ A definition of the community served by the hospital facility			
b ☐ Demographics of the community			
c ☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d ☐ How data was obtained			
e ☐ The health needs of the community			
f ☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g ☐ The process for identifying and prioritizing community health needs and services to meet the community health needs			
h ☐ The process for consulting with persons representing the community's interests			
i ☐ Information gaps that limit the hospital facility's ability to assess all of the community's health needs			
j ☐ Other (describe in Part VI)			
2 Indicate the tax year the hospital facility last conducted a Needs Assessment: 20____			
3 In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3		
4 Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4		
5 Did the hospital facility make its Needs Assessment widely available to the public?	5		
If "Yes," indicate how the Needs Assessment was made widely available (check all that apply):			
a ☐ Hospital facility's website			
b ☐ Available upon request from the hospital facility			
c ☐ Other (describe in Part VI)			
6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply):			
a ☐ Adoption of an implementation strategy to address the health needs of the hospital facility's community			
b ☐ Execution of the implementation strategy			
c ☐ Participation in the development of a community-wide community benefit plan			
d ☐ Participation in the execution of a community-wide community benefit plan			
e ☐ Inclusion of a community benefit section in operational plans			
f ☐ Adoption of a budget for provision of services that address the needs identified in the Needs Assessment			
g ☐ Prioritization of health needs in its community			
h ☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i ☐ Other (describe in Part VI)			
7 Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	7		
Financial Assistance Policy			
Did the hospital facility have in place during the tax year a written financial assistance policy that:			
8 Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8		
9 Used federal poverty guidelines (FPG) to determine eligibility for providing *free* care to low income individuals? If "Yes," indicate the FPG family income limit for eligibility for free care: _____ %	9		

Part V Facility Information *(continued)* INDIAN PATH MEDICAL CENTER

		Yes	No
10 Used FPG to determine eligibility for providing *discounted* care to low income individuals?	10		
If "Yes," indicate the FPG family income limit for eligibility for discounted care: _____ %			
11 Explained the basis for calculating amounts charged to patients?	11		
If "Yes," indicate the factors used in determining such amounts (check all that apply):			
a ☐ Income level			
b ☐ Asset level			
c ☐ Medical indigency			
d ☐ Insurance status			
e ☐ Uninsured discount			
f ☐ Medicaid/Medicare			
g ☐ State regulation			
h ☐ Other (describe in Part VI)			
12 Explained the method for applying for financial assistance?	12		
13 Included measures to publicize the policy within the community served by the hospital facility?	13		
If "Yes," indicate how the hospital facility publicized the policy (check all that apply):			
a ☐ The policy was posted on the hospital facility's website			
b ☐ The policy was attached to billing invoices			
c ☐ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d ☐ The policy was posted in the hospital facility's admissions offices			
e ☐ The policy was provided, in writing, to patients on admission to the hospital facility			
f ☐ The policy was available on request			
g ☐ Other (describe in Part VI)			
Billing and Collections			
14 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy that explained actions the hospital facility may take upon non-payment?	14		
15 Check all of the following collection actions against a patient that were permitted under the hospital facility's policies at any time during the tax year:			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other actions (describe in Part VI)			
16 Did the hospital facility engage in or authorize a third party to perform any of the following collection actions during the tax year?	16		
If "Yes," check all collection actions in which the hospital facility or a third party engaged (check all that apply):			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other actions (describe in Part VI)			
17 Indicate which actions the hospital facility took before initiating any of the collection actions checked in line 16 (check all that apply):			
a ☐ Notified patients of the financial assistance policy on admission			
b ☐ Notified patients of the financial assistance policy prior to discharge			
c ☐ Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills			
d ☐ Documented its determination of whether a patient who applied for financial assistance under the financial assistance policy qualified for financial assistance			
e ☐ Other (describe in Part VI)			

Part V Facility Information *(continued)* INDIAN PATH MEDICAL CENTER

Policy Relating to Emergency Medical Care

		Yes	No
18	Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?		
	If "No," indicate the reasons why (check all that apply):		
a	☐ The hospital facility did not provide care for any emergency medical conditions		
b	☐ The hospital facility did not have a policy relating to emergency medical care		
c	☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)		
d	☐ Other (describe in Part VI)		

Charges for Medical Care

19	Indicate how the hospital facility determined the amounts billed to individuals who did not have insurance covering emergency or other medically necessary care (check all that apply):			
a	☐ The hospital facility used the lowest negotiated commercial insurance rate for those services at the hospital facility			
b	☐ The hospital facility used the average of the three lowest negotiated commercial insurance rates for those services at the hospital facility			
c	☐ The hospital facility used the Medicare rate for those services			
d	☐ Other (describe in Part VI)			
20	Did the hospital facility charge any of its patients who were eligible for assistance under the hospital facility's financial assistance policy, and to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care?	20		
	If "Yes," explain in Part VI.			
21	Did the hospital facility charge any of its patients an amount equal to the gross charge for any service provided to that patient?	21		
	If "Yes," explain in Part VI.			

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices

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

Name of Hospital Facility: FRANKLIN WOODS COMMUNITY HOSPITAL

Line Number of Hospital Facility (from Schedule H, Part V, Section A): 3

		Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for 2010)			
1 During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment (Needs Assessment)? If "No," skip to line 8	1		
If "Yes," indicate what the Needs Assessment describes (check all that apply):			
a ☐ A definition of the community served by the hospital facility			
b ☐ Demographics of the community			
c ☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d ☐ How data was obtained			
e ☐ The health needs of the community			
f ☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g ☐ The process for identifying and prioritizing community health needs and services to meet the community health needs			
h ☐ The process for consulting with persons representing the community's interests			
i ☐ Information gaps that limit the hospital facility's ability to assess all of the community's health needs			
j ☐ Other (describe in Part VI)			
2 Indicate the tax year the hospital facility last conducted a Needs Assessment: 20 ____			
3 In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3		
4 Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4		
5 Did the hospital facility make its Needs Assessment widely available to the public?	5		
If "Yes," indicate how the Needs Assessment was made widely available (check all that apply):			
a ☐ Hospital facility's website			
b ☐ Available upon request from the hospital facility			
c ☐ Other (describe in Part VI)			
6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply):			
a ☐ Adoption of an implementation strategy to address the health needs of the hospital facility's community			
b ☐ Execution of the implementation strategy			
c ☐ Participation in the development of a community-wide community benefit plan			
d ☐ Participation in the execution of a community-wide community benefit plan			
e ☐ Inclusion of a community benefit section in operational plans			
f ☐ Adoption of a budget for provision of services that address the needs identified in the Needs Assessment			
g ☐ Prioritization of health needs in its community			
h ☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i ☐ Other (describe in Part VI)			
7 Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	7		
Financial Assistance Policy			
Did the hospital facility have in place during the tax year a written financial assistance policy that:			
8 Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8		
9 Used federal poverty guidelines (FPG) to determine eligibility for providing *free* care to low income individuals?	9		
If "Yes," indicate the FPG family income limit for eligibility for free care: _____ %			

Part V Facility Information *(continued)* FRANKLIN WOODS COMMUNITY HOSPITAL

		Yes	No
10 Used FPG to determine eligibility for providing *discounted* care to low income individuals?	10		
If "Yes," indicate the FPG family income limit for eligibility for discounted care: _____ %			
11 Explained the basis for calculating amounts charged to patients?	11		
If "Yes," indicate the factors used in determining such amounts (check all that apply):			
a ☐ Income level			
b ☐ Asset level			
c ☐ Medical indigency			
d ☐ Insurance status			
e ☐ Uninsured discount			
f ☐ Medicaid/Medicare			
g ☐ State regulation			
h ☐ Other (describe in Part VI)			
12 Explained the method for applying for financial assistance?	12		
13 Included measures to publicize the policy within the community served by the hospital facility?	13		
If "Yes," indicate how the hospital facility publicized the policy (check all that apply):			
a ☐ The policy was posted on the hospital facility's website			
b ☐ The policy was attached to billing invoices			
c ☐ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d ☐ The policy was posted in the hospital facility's admissions offices			
e ☐ The policy was provided, in writing, to patients on admission to the hospital facility			
f ☐ The policy was available on request			
g ☐ Other (describe in Part VI)			
Billing and Collections			
14 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy that explained actions the hospital facility may take upon non-payment?	14		
15 Check all of the following collection actions against a patient that were permitted under the hospital facility's policies at any time during the tax year:			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other actions (describe in Part VI)			
16 Did the hospital facility engage in or authorize a third party to perform any of the following collection actions during the tax year?	16		
If "Yes," check all collection actions in which the hospital facility or a third party engaged (check all that apply):			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other actions (describe in Part VI)			
17 Indicate which actions the hospital facility took before initiating any of the collection actions checked in line 16 (check all that apply):			
a ☐ Notified patients of the financial assistance policy on admission			
b ☐ Notified patients of the financial assistance policy prior to discharge			
c ☐ Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills			
d ☐ Documented its determination of whether a patient who applied for financial assistance under the financial assistance policy qualified for financial assistance			
e ☐ Other (describe in Part VI)			

Part V Facility Information *(continued)* FRANKLIN WOODS COMMUNITY HOSPITAL

Policy Relating to Emergency Medical Care

		Yes	No
18	Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?		
	If "No," indicate the reasons why (check all that apply):		
a	☐ The hospital facility did not provide care for any emergency medical conditions		
b	☐ The hospital facility did not have a policy relating to emergency medical care		
c	☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)		
d	☐ Other (describe in Part VI)		

Charges for Medical Care

		Yes	No
19	Indicate how the hospital facility determined the amounts billed to individuals who did not have insurance covering emergency or other medically necessary care (check all that apply):		
a	☐ The hospital facility used the lowest negotiated commercial insurance rate for those services at the hospital facility		
b	☐ The hospital facility used the average of the three lowest negotiated commercial insurance rates for those services at the hospital facility		
c	☐ The hospital facility used the Medicare rate for those services		
d	☐ Other (describe in Part VI)		
20	Did the hospital facility charge any of its patients who were eligible for assistance under the hospital facility's financial assistance policy, and to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care? If "Yes," explain in Part VI.		
21	Did the hospital facility charge any of its patients an amount equal to the gross charge for any service provided to that patient? If "Yes," explain in Part VI.		

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices

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

Name of Hospital Facility: SYCAMORE SHOALS HOSPITAL

Line Number of Hospital Facility (from Schedule H, Part V, Section A): 4

		Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for 2010)			
1 During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment (Needs Assessment)? If "No," skip to line 8	1		
If "Yes," indicate what the Needs Assessment describes (check all that apply):			
a ☐ A definition of the community served by the hospital facility			
b ☐ Demographics of the community			
c ☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d ☐ How data was obtained			
e ☐ The health needs of the community			
f ☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g ☐ The process for identifying and prioritizing community health needs and services to meet the community health needs			
h ☐ The process for consulting with persons representing the community's interests			
i ☐ Information gaps that limit the hospital facility's ability to assess all of the community's health needs			
j ☐ Other (describe in Part VI)			
2 Indicate the tax year the hospital facility last conducted a Needs Assessment: 20____			
3 In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3		
4 Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4		
5 Did the hospital facility make its Needs Assessment widely available to the public?	5		
If "Yes," indicate how the Needs Assessment was made widely available (check all that apply):			
a ☐ Hospital facility's website			
b ☐ Available upon request from the hospital facility			
c ☐ Other (describe in Part VI)			
6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply):			
a ☐ Adoption of an implementation strategy to address the health needs of the hospital facility's community			
b ☐ Execution of the implementation strategy			
c ☐ Participation in the development of a community-wide community benefit plan			
d ☐ Participation in the execution of a community-wide community benefit plan			
e ☐ Inclusion of a community benefit section in operational plans			
f ☐ Adoption of a budget for provision of services that address the needs identified in the Needs Assessment			
g ☐ Prioritization of health needs in its community			
h ☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i ☐ Other (describe in Part VI)			
7 Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	7		
Financial Assistance Policy			
Did the hospital facility have in place during the tax year a written financial assistance policy that:			
8 Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8		
9 Used federal poverty guidelines (FPG) to determine eligibility for providing *free* care to low income individuals?	9		
If "Yes," indicate the FPG family income limit for eligibility for free care: _____ %			

Part V Facility Information *(continued)* SYCAMORE SHOALS HOSPITAL

		Yes	No
10 Used FPG to determine eligibility for providing *discounted* care to low income individuals?	10		
If "Yes," indicate the FPG family income limit for eligibility for discounted care: _____ %			
11 Explained the basis for calculating amounts charged to patients?	11		
If "Yes," indicate the factors used in determining such amounts (check all that apply):			
a ☐ Income level			
b ☐ Asset level			
c ☐ Medical indigency			
d ☐ Insurance status			
e ☐ Uninsured discount			
f ☐ Medicaid/Medicare			
g ☐ State regulation			
h ☐ Other (describe in Part VI)			
12 Explained the method for applying for financial assistance?	12		
13 Included measures to publicize the policy within the community served by the hospital facility?	13		
If "Yes," indicate how the hospital facility publicized the policy (check all that apply):			
a ☐ The policy was posted on the hospital facility's website			
b ☐ The policy was attached to billing invoices			
c ☐ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d ☐ The policy was posted in the hospital facility's admissions offices			
e ☐ The policy was provided, in writing, to patients on admission to the hospital facility			
f ☐ The policy was available on request			
g ☐ Other (describe in Part VI)			
Billing and Collections			
14 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy that explained actions the hospital facility may take upon non-payment?	14		
15 Check all of the following collection actions against a patient that were permitted under the hospital facility's policies at any time during the tax year:			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other actions (describe in Part VI)			
16 Did the hospital facility engage in or authorize a third party to perform any of the following collection actions during the tax year?	16		
If "Yes," check all collection actions in which the hospital facility or a third party engaged (check all that apply):			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other actions (describe in Part VI)			
17 Indicate which actions the hospital facility took before initiating any of the collection actions checked in line 16 (check all that apply):			
a ☐ Notified patients of the financial assistance policy on admission			
b ☐ Notified patients of the financial assistance policy prior to discharge			
c ☐ Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills			
d ☐ Documented its determination of whether a patient who applied for financial assistance under the financial assistance policy qualified for financial assistance			
e ☐ Other (describe in Part VI)			

Part V Facility Information *(continued)* SYCAMORE SHOALS HOSPITAL

Policy Relating to Emergency Medical Care

		Yes	No
18	Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?		
	If "No," indicate the reasons why (check all that apply):		
a	☐ The hospital facility did not provide care for any emergency medical conditions		
b	☐ The hospital facility did not have a policy relating to emergency medical care		
c	☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)		
d	☐ Other (describe in Part VI)		

Charges for Medical Care

19	Indicate how the hospital facility determined the amounts billed to individuals who did not have insurance covering emergency or other medically necessary care (check all that apply):		
a	☐ The hospital facility used the lowest negotiated commercial insurance rate for those services at the hospital facility		
b	☐ The hospital facility used the average of the three lowest negotiated commercial insurance rates for those services at the hospital facility		
c	☐ The hospital facility used the Medicare rate for those services		
d	☐ Other (describe in Part VI)		
20	Did the hospital facility charge any of its patients who were eligible for assistance under the hospital facility's financial assistance policy, and to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care?		
	If "Yes," explain in Part VI.		
21	Did the hospital facility charge any of its patients an amount equal to the gross charge for any service provided to that patient?		
	If "Yes," explain in Part VI.		

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices

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

Name of Hospital Facility: RUSSELL COUNTY MEDICAL CENTER

Line Number of Hospital Facility (from Schedule H, Part V, Section A): 5

		Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for 2010)			
1 During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment (Needs Assessment)? If "No," skip to line 8	1		
If "Yes," indicate what the Needs Assessment describes (check all that apply):			
a ☐ A definition of the community served by the hospital facility			
b ☐ Demographics of the community			
c ☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d ☐ How data was obtained			
e ☐ The health needs of the community			
f ☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g ☐ The process for identifying and prioritizing community health needs and services to meet the community health needs			
h ☐ The process for consulting with persons representing the community's interests			
i ☐ Information gaps that limit the hospital facility's ability to assess all of the community's health needs			
j ☐ Other (describe in Part VI)			
2 Indicate the tax year the hospital facility last conducted a Needs Assessment: 20____			
3 In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3		
4 Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4		
5 Did the hospital facility make its Needs Assessment widely available to the public?	5		
If "Yes," indicate how the Needs Assessment was made widely available (check all that apply):			
a ☐ Hospital facility's website			
b ☐ Available upon request from the hospital facility			
c ☐ Other (describe in Part VI)			
6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply):			
a ☐ Adoption of an implementation strategy to address the health needs of the hospital facility's community			
b ☐ Execution of the implementation strategy			
c ☐ Participation in the development of a community-wide community benefit plan			
d ☐ Participation in the execution of a community-wide community benefit plan			
e ☐ Inclusion of a community benefit section in operational plans			
f ☐ Adoption of a budget for provision of services that address the needs identified in the Needs Assessment			
g ☐ Prioritization of health needs in its community			
h ☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i ☐ Other (describe in Part VI)			
7 Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	7		
Financial Assistance Policy			
Did the hospital facility have in place during the tax year a written financial assistance policy that:			
8 Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8		
9 Used federal poverty guidelines (FPG) to determine eligibility for providing *free* care to low income individuals?	9		
If "Yes," indicate the FPG family income limit for eligibility for free care: _____ %			

Part V Facility Information *(continued)* RUSSELL COUNTY MEDICAL CENTER

		Yes	No
10 Used FPG to determine eligibility for providing *discounted* care to low income individuals?	10		
If "Yes," indicate the FPG family income limit for eligibility for discounted care: _____ %			
11 Explained the basis for calculating amounts charged to patients?	11		
If "Yes," indicate the factors used in determining such amounts (check all that apply):			
a ☐ Income level			
b ☐ Asset level			
c ☐ Medical indigency			
d ☐ Insurance status			
e ☐ Uninsured discount			
f ☐ Medicaid/Medicare			
g ☐ State regulation			
h ☐ Other (describe in Part VI)			
12 Explained the method for applying for financial assistance?	12		
13 Included measures to publicize the policy within the community served by the hospital facility?	13		
If "Yes," indicate how the hospital facility publicized the policy (check all that apply):			
a ☐ The policy was posted on the hospital facility's website			
b ☐ The policy was attached to billing invoices			
c ☐ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d ☐ The policy was posted in the hospital facility's admissions offices			
e ☐ The policy was provided, in writing, to patients on admission to the hospital facility			
f ☐ The policy was available on request			
g ☐ Other (describe in Part VI)			
Billing and Collections			
14 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy that explained actions the hospital facility may take upon non-payment?	14		
15 Check all of the following collection actions against a patient that were permitted under the hospital facility's policies at any time during the tax year:			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other actions (describe in Part VI)			
16 Did the hospital facility engage in or authorize a third party to perform any of the following collection actions during the tax year?	16		
If "Yes," check all collection actions in which the hospital facility or a third party engaged (check all that apply):			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other actions (describe in Part VI)			
17 Indicate which actions the hospital facility took before initiating any of the collection actions checked in line 16 (check all that apply):			
a ☐ Notified patients of the financial assistance policy on admission			
b ☐ Notified patients of the financial assistance policy prior to discharge			
c ☐ Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills			
d ☐ Documented its determination of whether a patient who applied for financial assistance under the financial assistance policy qualified for financial assistance			
e ☐ Other (describe in Part VI)			

Part V Facility Information *(continued)* RUSSELL COUNTY MEDICAL CENTER

Policy Relating to Emergency Medical Care

		Yes	No
18	Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?		

If "No," indicate the reasons why (check all that apply):

- a ☐ The hospital facility did not provide care for any emergency medical conditions
- b ☐ The hospital facility did not have a policy relating to emergency medical care
- c ☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)
- d ☐ Other (describe in Part VI)

Charges for Medical Care

19	Indicate how the hospital facility determined the amounts billed to individuals who did not have insurance covering emergency or other medically necessary care (check all that apply):		

- a ☐ The hospital facility used the lowest negotiated commercial insurance rate for those services at the hospital facility
- b ☐ The hospital facility used the average of the three lowest negotiated commercial insurance rates for those services at the hospital facility
- c ☐ The hospital facility used the Medicare rate for those services
- d ☐ Other (describe in Part VI)

20	Did the hospital facility charge any of its patients who were eligible for assistance under the hospital facility's financial assistance policy, and to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care?		
	If "Yes," explain in Part VI.		
21	Did the hospital facility charge any of its patients an amount equal to the gross charge for any service provided to that patient?		
	If "Yes," explain in Part VI.		

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices

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

Name of Hospital Facility: JOHNSON COUNTY COMMUNITY HOSPITAL

Line Number of Hospital Facility (from Schedule H, Part V, Section A): 6

		Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for 2010)			
1 During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment (Needs Assessment)? If "No," skip to line 8	1		
If "Yes," indicate what the Needs Assessment describes (check all that apply):			
a ☐ A definition of the community served by the hospital facility			
b ☐ Demographics of the community			
c ☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d ☐ How data was obtained			
e ☐ The health needs of the community			
f ☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g ☐ The process for identifying and prioritizing community health needs and services to meet the community health needs			
h ☐ The process for consulting with persons representing the community's interests			
i ☐ Information gaps that limit the hospital facility's ability to assess all of the community's health needs			
j ☐ Other (describe in Part VI)			
2 Indicate the tax year the hospital facility last conducted a Needs Assessment: 20 ____			
3 In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3		
4 Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4		
5 Did the hospital facility make its Needs Assessment widely available to the public?	5		
If "Yes," indicate how the Needs Assessment was made widely available (check all that apply):			
a ☐ Hospital facility's website			
b ☐ Available upon request from the hospital facility			
c ☐ Other (describe in Part VI)			
6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply):			
a ☐ Adoption of an implementation strategy to address the health needs of the hospital facility's community			
b ☐ Execution of the implementation strategy			
c ☐ Participation in the development of a community-wide community benefit plan			
d ☐ Participation in the execution of a community-wide community benefit plan			
e ☐ Inclusion of a community benefit section in operational plans			
f ☐ Adoption of a budget for provision of services that address the needs identified in the Needs Assessment			
g ☐ Prioritization of health needs in its community			
h ☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i ☐ Other (describe in Part VI)			
7 Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	7		
Financial Assistance Policy			
Did the hospital facility have in place during the tax year a written financial assistance policy that:			
8 Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8		
9 Used federal poverty guidelines (FPG) to determine eligibility for providing *free* care to low income individuals?	9		
If "Yes," indicate the FPG family income limit for eligibility for free care: _____ %			

Part V Facility Information *(continued)* JOHNSON COUNTY COMMUNITY HOSPITAL

		Yes	No
10 Used FPG to determine eligibility for providing *discounted* care to low income individuals?	10		
If "Yes," indicate the FPG family income limit for eligibility for discounted care: _____ %			
11 Explained the basis for calculating amounts charged to patients?	11		
If "Yes," indicate the factors used in determining such amounts (check all that apply):			
a ☐ Income level			
b ☐ Asset level			
c ☐ Medical indigency			
d ☐ Insurance status			
e ☐ Uninsured discount			
f ☐ Medicaid/Medicare			
g ☐ State regulation			
h ☐ Other (describe in Part VI)			
12 Explained the method for applying for financial assistance?	12		
13 Included measures to publicize the policy within the community served by the hospital facility?	13		
If "Yes," indicate how the hospital facility publicized the policy (check all that apply):			
a ☐ The policy was posted on the hospital facility's website			
b ☐ The policy was attached to billing invoices			
c ☐ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d ☐ The policy was posted in the hospital facility's admissions offices			
e ☐ The policy was provided, in writing, to patients on admission to the hospital facility			
f ☐ The policy was available on request			
g ☐ Other (describe in Part VI)			

Billing and Collections

14 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy that explained actions the hospital facility may take upon non-payment?	14		
15 Check all of the following collection actions against a patient that were permitted under the hospital facility's policies at any time during the tax year:			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other actions (describe in Part VI)			
16 Did the hospital facility engage in or authorize a third party to perform any of the following collection actions during the tax year?	16		
If "Yes," check all collection actions in which the hospital facility or a third party engaged (check all that apply):			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other actions (describe in Part VI)			
17 Indicate which actions the hospital facility took before initiating any of the collection actions checked in line 16 (check all that apply):			
a ☐ Notified patients of the financial assistance policy on admission			
b ☐ Notified patients of the financial assistance policy prior to discharge			
c ☐ Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills			
d ☐ Documented its determination of whether a patient who applied for financial assistance under the financial assistance policy qualified for financial assistance			
e ☐ Other (describe in Part VI)			

Part V Facility Information *(continued)* JOHNSON COUNTY COMMUNITY HOSPITAL

Policy Relating to Emergency Medical Care

		Yes	No
18 Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?	18		

If "No," indicate the reasons why (check all that apply):

a ☐ The hospital facility did not provide care for any emergency medical conditions
b ☐ The hospital facility did not have a policy relating to emergency medical care
c ☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)
d ☐ Other (describe in Part VI)

Charges for Medical Care

19 Indicate how the hospital facility determined the amounts billed to individuals who did not have insurance covering emergency or other medically necessary care (check all that apply):

a ☐ The hospital facility used the lowest negotiated commercial insurance rate for those services at the hospital facility
b ☐ The hospital facility used the average of the three lowest negotiated commercial insurance rates for those services at the hospital facility
c ☐ The hospital facility used the Medicare rate for those services
d ☐ Other (describe in Part VI)

20 Did the hospital facility charge any of its patients who were eligible for assistance under the hospital facility's financial assistance policy, and to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care? 20
If "Yes," explain in Part VI.

21 Did the hospital facility charge any of its patients an amount equal to the gross charge for any service provided to that patient? 21
If "Yes," explain in Part VI.

Part V Facility Information *(continued)*

Section C. Other Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility

(list in order of size, measured by total revenue per facility, from largest to smallest)

How many non-hospital facilities did the organization operate during the tax year? 11

	Name and address	Type of Facility (describe)
1	JCMC AMBULATORY SURGERY CENTER 400 N. STATE OF FRANKLIN ROAD JOHNSON CITY, TN 37604	LICENSED AMBULATORY SURGERY CENTER
2	MOUNTAIN STATES IMAGING CENTER 301 MED TECH PARKWAY, STE. 100 JOHNSON CITY, TN 37604	LICENSED OUTPATIENT DIAGNOSTIC CENTER
3	FRANKLIN TRANSITIONAL CARE 400 N. STATE OF FRANKLIN ROAD JOHNSON CITY, TN 37604	LICENSED SKILLED NURSING FACILITY
4	MOUNTAIN STATES DIAGNOSTIC CENTER 1 PROFESSIONAL PARK DRIVE, #16 JOHNSON CITY, TN 37604	LICENSED OUTPATIENT DIAGNOSTIC CENTER
5	INDIAN PATH TRANSITIONAL CARE 2000 BROOKSIDE DRIVE KINGSPORT, TN 37660	LICENSED SKILLED NURSING FACILITY
6	MED. CENTER HOME CARE - JOHNSON CITY 101 MED TECH PARKWAY, STE. 100 JOHNSON CITY, TN 37604	LICENSED HOME HEALTH AGENCY
7	MEDICAL CENTER HOME CARE - KINGSPORT 2020 BROOKSIDE DRIVE, #28 KINGSPORT, TN 37660	LICENSED HOME HEALTH AGENCY
8	RUSSELL CO. MED. CENTER HOME HEALTH 116 FLANNAGAN AVE. LEBANON, VA 24266	LICENSED HOME HEALTH AGENCY
9	MEDICAL CENTER HOSPICE 10101 MED TECH PARKWAY, STE. 100 JOHNSON CITY, TN 37604	LICENSED HOSPICE AGENCY
10	JOHNSON COUNTY HOME HEALTH 1987 S. SHADY STREET MOUNTAIN CITY, TN 37683	LICENSED HOME HEALTH AGENCY

Part V Facility Information *(continued)*

Section C. Other Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility

(list in order of size, measured by total revenue per facility, from largest to smallest)

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

Name and address	Type of Facility (describe)
11 RUSSELL COUNTY MEDICAL CENTER HOSPICE 116 FLANNAGAN AVE. LEBANON, VA 24266	LICENSED HOSPICE AGENCY

Part VI Supplemental Information

Complete this part to provide the following information.

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

PART I, LINE 7: A COST TO CHARGE RATIO WAS DERIVED FROM THE SCHEDULE H APPLICABLE WORKSHEETS, INCLUDING WORKSHEET 2, RATIO OF PATIENT CARE COST TO CHARGES.

PART I, LINE 7G: JOHNSON COUNTY COMMUNITY HOSPITAL, A FEDERALLY DESIGNATED CRITICAL ACCESS HOSPITAL, OPERATES A PHYSICIAN SPECIALTY CLINIC, WHICH INCURRED AN OPERATING LOSS OF $59,254 FOR THE TWELVE MONTHS ENDING JUNE, 2011. THE SPECIALTY CLINIC INCLUDES CARDIOLOGY, ORTHOPEDICS, GENERAL SURGERY, VASCULAR SURGERY, NEPHROLOGY, ONCOLOGY, PODIATRY AND OTHER SPECIALTY SERVICES. THIS CONTINUES TO BE A VALUABLE RESOURCE TO THE RESIDENTS OF THE AREA BY AIDING WITH TRANSPORTATION ISSUES (OTHER OFFICES ARE MORE THAN AN HOUR AWAY), RESOLVING ACCESS LIMITATIONS FOR SPECIALTY SERVICES, AND PROVIDING RELIEF TO THE SPECIAL HEALTH PROBLEMS OF A LARGELY ELDERLY POPULATION. THE SPECIALTY CLINIC REPORTED 2,227 VISITS DURING THE YEAR.

RUSSELL COUNTY MEDICAL CENTER OPERATES A RURAL HEALTH CLINIC LOCATED IN ST PAUL, VA, ON THE BORDER OF WISE AND RUSSELL COUNTIES. RIVERSIDE CLINIC FIRST OPENED IN 1991 TO PROVIDE PRIMARY CARE SERVICES TO THIS ELDERLY

Part VI Supplemental Information

UNDERSERVED POPULATION. THE CLINIC'S LARGEST PAYOR IS MEDICARE, WHICH ACCOUNTS FOR MORE THAN 40% OF THEIR PATIENTS. DURING THE 12-MONTH REPORTING PERIOD, THE CLINIC HAD 10,101 OUTPATIENT VISITS AND INCURRED UNREIMBURSED EXPENSES OF $399,460.

PART I, LN 7 COL(F): BAD DEBT EXPENSE OF $4,097,305 IS INCLUDED IN THE STATEMENT OF FUNCTIONAL EXPENSES ON FORM 990, PART IX, LINE 25, BUT HAS BEEN SUBTRACTED FOR PURPOSES OF CALCULATING PERCENTAGES ON PART 1, LINE 7, COLUMN F.

PART II: MSHA LEADERS SUPPORT AND ENCOURAGE ALL EMPLOYEES TO VOLUNTEER TIME, MONEY, AND SKILLS TO COMMUNITY SERVICE PROJECTS AND CHARITABLE ORGANIZATIONS. SENIOR LEADERS AND BOARD MEMBERS SET A POSITIVE EXAMPLE FOR MSHA EMPLOYEES BY SERVING VOLUNTARILY ON COMMITTEES AND MANAGING BOARDS OF LOCAL SERVICE AND NONPROFIT ORGANIZATIONS. MANY ALSO SERVE AS MEMBERS AND CONSULTANTS ON PROFESSIONAL COMMITTEES AND TASK FORCES THAT AFFECT REGIONAL DEVELOPMENT IN HEALTH CARE, AND EDUCATION. EMPLOYEES SERVED THE BOYS & GIRLS CLUB, KIWANIS CLUBS, SUSAN G. KOMEN BREAST CANCER FOUNDATION, ECONOMIC DEVELOPMENT STEERING COMMITTEE FOR WASHINGTON COUNTY, THE TENNESSEE VALLEY CORRIDOR, JUNIOR ACHIEVEMENT, SALVATION ARMY, AMERICAN HEART ASSOCIATION, HANDS ON! MUSEUM, KINGSPORT TOMORROW INC., CARTER COUNTY TOMORROW, APPALACHIAN MOUNTAIN PROJECT ACCESS, WASHINGTON COUNTY EMERGENCY MEDICAL SERVICES, APPALACHIAN REGIONAL COALITION ON HOMELESSNESS, WASHINGTON COUNTY VETERAN'S MEMORIAL COMMITTEE OF THE JOHNSON CITY PARKS AND RECREATION FOUNDATION, EATING DISORDERS COALITION OF TENNESSEE, JOHNSON CITY SYMPHONY ORCHESTRA, DAWN OF HOPE, UNITED WAY, CHAMBER OF COMMERCE BOARDS, AND MANY OTHERS. SOME OF THESE EMPLOYEES DEVOTED TWO WEEKS OF NORMAL WORK TIME TO OUTSIDE CHARITABLE

Part VI Supplemental Information

ACTIVITIES.

MSHA PROVIDES SPONSORSHIPS AND OFFERS ASSISTANCE WITH COORDINATION, ADVOCACY, AND PUBLICITY; PROVIDES SPACE; OR CONTRIBUTES SUPPLIES TO SUPPORT COMMUNITY ORGANIZATIONS FOR THEIR PROGRAM ACTIVITIES. MSHA PROVIDES STAFF AT ITS EXPENSE TO LOCAL AGENCIES, COMMUNITY ADVISORY BOARDS, COUNCILS, AND OTHER ORGANIZATIONS TO ASSIST WITH LEADERSHIP PROGRAMS, PLANNING, COMMITTEE PARTICIPATION, AND ASSISTANCE WITH SPECIAL EVENTS. EXAMPLES INCLUDE AMERICAN RED CROSS BLOOD DRIVES, IMAGINATION LIBRARY STEERING COMMITTEE, RONALD MCDONALD HOUSE BOARD, UNITED WAY BOARD, AND OTHERS.

PHYSICIAN RECRUITMENT IS REPORTED IN COMMUNITY BUILDING AND INCLUDES EXPENSE TO REPLACE PHYSICIANS RETIRING OR LEAVING OUR SERVICE AREAS, INCLUDING RECRUITMENT TO ONE OF OUR FEDERALLY DESIGNATED UNDERSERVED COMMUNITIES. WITHOUT MSHA'S DEDICATION TO RURAL HEALTH, THERE WOULD NOT BE AN ADEQUATE NUMBER OF PHYSICIANS TO SERVE THIS PATIENT POPULATION.

MSHA SUPPORTS THE ECONOMIC DEVELOPMENT OF THE REGION BY PROVIDING FINANCIAL SUPPORT AS WELL AS PAID EMPLOYEE'S TIME TO SERVE ON ECONOMIC DEVELOPMENT BOARDS. EVIDENCE SHOWS THAT A HEALTHY ECONOMY RELATES TO A HEALTHIER POPULATION.

PART III, LINE 4: WORKSHEET A WAS USED FOR PART III, LINES 2 AND 3 IN DETERMINING BAD DEBT AT COST. MSHA FOLLOWS THE HEALTHCARE FINANCIAL MANAGEMENT ASSOCIATION'S PRINCIPLES AND PRACTICES BOARD ISSUED STATEMENT 15: VALUATION AND FINANCIAL STATEMENT PRESENTATION OF CHARITY CARE AND BAD DEBTS BY INSTITUTIONAL HEALTHCARE PROVIDERS ("THE STATEMENT"). THE

Part VI Supplemental Information

STATEMENT PROVIDES GUIDANCE ON COLLECTABILITY CRITERIA AND EMPHASIZES REVENUE RECOGNITION ONLY WHEN COLLECTIONS ARE REASONABLY ASSURED.

TO FURTHER EXPLAIN MSHA'S REPORTING OF BAD DEBT EXPENSE, MSHA'S FINANCIAL STATEMENTS ACCOUNT FOR BAD DEBT IN TWO LOCATIONS. FIRST, A DEDUCTION FROM REVENUE LINE ITEM CALLED "CONTRA-REVENUE" CONTAINS THE MAJORITY OF MSHA'S SELF-PAY ESTIMATED BAD DEBT. FOR FISCAL YEAR 2011, 95% OF TOTAL BAD DEBT WAS MOVED TO THIS LINE. THIS PERCENTAGE IS SIMPLY AN ESTIMATE OF WHAT PATIENT FINANCIAL SERVICES ANTICIPATES WILL NOT BE COLLECTED AFTER ALL DEBT COLLECTION EFFORTS HAVE BEEN EXHAUSTED. THIS ESTIMATE IS BASED ON HISTORICAL INFORMATION. THE REMAINING 5% OF BAD DEBT IS RECORDED IN THE EXPENSE SECTION APPROPRIATELY CALLED "BAD DEBT."

THE FOOTNOTES TO THE AUDITED FINANCIAL STATEMENTS STATES "CURRENT OPERATIONS INCLUDE A PROVISION FOR BAD DEBTS IN THE CONSOLIDATED STATEMENTS OF OPERATIONS ESTIMATED BASED UPON THE AGE OF THE PATIENT ACCOUNTS RECEIVABLE, PRIOR EXPERIENCE AND ANY UNUSUAL CIRCUMSTANCES (SUCH AS LOCAL, REGIONAL OR NATIONAL ECONOMIC CONDITIONS) WHICH AFFECT THE COLLECTABILITY OF RECEIVABLES, INCLUDING MANAGEMENT'S ASSUMPTIONS ABOUT CONDITIONS IT EXPECTS TO EXIST AND COURSES OF ACTION IT EXPECTS TO TAKE."

REGARDING LINE 3, IT IS IMPLAUSIBLE TO DETERMINE THE AMOUNT OF MSHA'S BAD DEBT EXPENSE ASSOCIATED WITH THOSE CLIENTS WHO MAY HAVE MET THE CRITERIA SET FORTH IN OUR FINANCIAL ASSISTANCE POLICY WITHOUT HAVING A COMPLETED FINANCIAL ASSESSMENT. WE ARE UNABLE TO DETERMINE OUR PATIENT'S FINANCIAL CIRCUMSTANCES UNLESS A COMPLETED FINANCIAL ASSESSMENT FORM IS VOLUNTARILY PROVIDED TO US. WE CAN ASSERT THAT MORE THAN 90% OF OUR PATIENTS WHO HAVE PROVIDED COMPLETED FINANCIAL ASSESSMENT FORMS HAVE BEEN APPROVED FOR AT

Part VI Supplemental Information

LEAST PARTIAL FINANCIAL ASSISTANCE.

OUR VICE PRESIDENT OF PATIENT FINANCIAL SERVICES CONSERVATIVELY ESTIMATES THAT 60% OF TOTAL BAD DEBT EXPENSE WAS ASSUMED ATTRIBUTABLE TO CLIENTS POTENTIALLY ELIGIBLE FOR FINANCIAL ASSISTANCE.

PART III, LINE 8: MEDICARE ALLOWABLE COSTS WERE REPORTED USING MSHA'S FILED MEDICARE COST REPORT (C/R). THE C/R USES A COST TO CHARGE RATIO BASED ON A STEP DOWN METHOD. IN CARING FOR THE PATIENT, THERE ARE SEVERAL SERVICES THAT ARE CONSIDERED NON-ALLOWABLE SUCH AS: TRANSPORTATION OF A PATIENT, COMFORT ITEMS TO INCLUDE A TELEVISION, MAGAZINES, OR A TELEPHONE. ADDITIONAL NON-ALLOWABLE COSTS INCLUDE THE RECRUITMENT OF PHYSICIANS, PHYSICIAN GUARANTEES AND A PORTION OF THE BAD DEBT (30%) ASSOCIATED WITH THE CARE OF THE PATIENT.

MEDICARE LOSSES, INCLUDING SOME NON-ALLOWABLE COSTS, SHOULD BE COUNTED AS A COMMUNITY BENEFIT AS THIS IS THE COST OF CARE FOR SERVING THE AGING POPULATION. AS A NOT-FOR-PROFIT ORGANIZATION, WE EXIST TO IDENTIFY AND RESPOND TO THE HEALTH CARE NEEDS OF THE COMMUNITY AND THE INDIVIDUAL WHILE MAINTAINING A HIGH LEVEL OF HEALTH CARE SERVICES WITHOUT LOSSES. SINCE LOSSES DO OCCUR THROUGH THE CMS SYSTEM OF REIMBURSEMENT, THESE LOSSES ARE A COST OF DOING BUSINESS FOR OUR COMMUNITY AND SHOULD BE CONSIDERED A COMMUNITY BENEFIT.

AS A PARTICIPATING PROVIDER IN THE MEDICARE PROGRAM, MSHA IS REQUIRED TO PROVIDE THE FULL REGIMEN OF CARE FOR OUR MEDICARE POPULATION. THERE ARE A NUMBER OF CARE REGIMENS THAT ARE COMPENSATED BY THE MEDICARE PROGRAM AT LEVELS BELOW OUR COST. THEREFORE IT IS ONLY LOGICAL TO ALLOW MSHA TO

Part VI Supplemental Information

REPORT THESE UNCOMPENSATED SERVICES AS A COMMUNITY BENEFIT ON THIS DOCUMENT. BY MAKING THIS CHANGE, NON-PROFIT PROVIDERS WILL BE ENCOURAGED TO SUSTAIN IMPORTANT CARE DELIVERY MODELS FOR OUR AGING POPULATION IN SPITE OF THE FACT IT IS SOMETIMES ECONOMICALLY INJURIOUS.

PART III, LINE 9B: MSHA FOLLOWS A STRONG COLLECTION PROGRAM THAT COMMUNICATES FINANCIAL RESPONSIBILITY TO THE PATIENT PRIOR TO SERVICE. COLLECTION PRACTICES APPLY TO ALL PATIENTS, CHARITY AND NON-CHARITY. IN ROUTINE CIRCUMSTANCES WHEN IT IS DETERMINED THAT A PATIENT HAS NOT RESPONDED TO REQUESTS FOR PAYMENT, AN ACCOUNT CAN BE REFERRED TO AN OUTSIDE COLLECTION AGENCY FOR COLLECTION ASSISTANCE. MSHA ENSURES THAT OUTSIDE COLLECTION AGENCIES FOLLOW HOSPITAL BILLING AND COLLECTION GUIDELINES. ONCE A DELINQUENT PATIENT ACCOUNT HAS BEEN SUBMITTED TO AN OUTSIDE COLLECTION AGENCY IT CAN BE RETRACTED IF IT IS DETERMINED THAT THE PATIENT IS ELIGIBLE FOR FINANCIAL ASSISTANCE. ALL REQUESTS FOR FINANCIAL ASSISTANCE MUST BE ACCOMPANIED BY A COMPLETED FINANCIAL ASSESSMENT FORM AND SUPPORTING DOCUMENTATION.

PART VI, LINE 8: MSHA SUBMITS COMMUNITY BENEFIT DATA TO THE VIRGINIA HEALTH AND HOSPITAL ASSOCIATION (VHHA) AND THE HOSPITAL ALLIANCE OF TENNESSEE (HAT). VHHA COMBINES DATA FROM ALL SOURCES TO DEMONSTRATE THE COMMUNITY BENEFITS PROVIDED BY BOTH FOR-PROFIT AND NOT-FOR-PROFIT HOSPITALS AND HEALTH SYSTEMS TO THE STATE OF VIRGINIA. HAT PROVIDES ITS MEMBERS AND TENNESSEE LEGISLATORS WITH COMMUNITY BENEFIT DATA IN AN EFFORT TO PROVIDE A CLEAR PICTURE OF NOT-FOR-PROFIT HEALTH SYSTEM'S INVESTMENT IN THE COMMUNITIES THEY SERVE.

PART VI, LINE 2: DURING FISCAL YEAR 2008 AND FISCAL YEAR 2009, MSHA

Part VI Supplemental Information

CONDUCTED THE LARGEST COMMUNITY HEALTH NEEDS ASSESSMENT IN ITS HISTORY IN AN EFFORT TO PROFILE THE HEALTH OF THE RESIDENTS WITHIN THE LOCAL REGION. THE ASSESSMENT FOCUSED ON STATE, REGIONAL, AND COUNTY SPECIFIC DATA COLLECTION. THIS ASSESSMENT ALSO INCLUDED PRIMARY DATA COLLECTED THROUGH APPROXIMATELY 50 ONE-ON-ONE INTERVIEWS. THOSE INTERVIEWED WERE INDIVIDUALS FROM AROUND THE REGION WHICH INCLUDED LOCAL AND STATE GOVERNMENT OFFICIALS, HEALTH DEPARTMENT REPRESENTATIVES, PHYSICIANS, GENERAL PUBLIC, LOCAL INDUSTRY, CIVIC ORGANIZATIONS, EDUCATION OFFICIALS, AND COMMUNITY RESOURCE GROUPS. THIS INFORMATION WAS COLLECTED, AND THEN ANALYZED, AND A SUMMARY OF THE FINDINGS WAS LISTED IN AN EFFORT TO OBTAIN A MORE DETAILED SNAPSHOT SPECIFIC TO EACH COUNTY LOCATED THROUGHOUT THE MSHA SERVICE AREA. THIS INFORMATION WAS REVIEWED BY MSHA'S STRATEGIC PLANNING TEAM ALONG WITH GOVERNMENT RELATIONS AND QUALITY DEPARTMENTS. THE MSHA STEERING COMMITTEE IDENTIFIED CHILDHOOD OBESITY AS THE HEALTH DISPARITY TARGETED FOR IMPROVEMENT.

DURING FISCAL YEAR 2009, MSHA BEGAN COLLABORATIVE EFFORTS WITH EAST TENNESSEE STATE UNIVERSITY'S COLLEGE OF PUBLIC HEALTH TO DEVELOP THE MSHA-ETSU OBESITY COLLABORATIVE COMMITTEE. THE FOCUS OF THIS COMMITTEE IS TO PULL TOGETHER MANY PARTNERS AND ORGANIZATIONS IN COLLABORATION TO REDUCE THE LEVEL OF CHILDHOOD OBESITY THROUGHOUT NORTHEAST TENNESSEE AND SOUTHWEST VIRGINIA. DURING FISCAL YEAR 2011, THE COMMITTEE OFFERED 25 SEED GRANTS OF $2,000 EACH TO LOCAL COMMUNITY ORGANIZATIONS SUCH AS CHURCHES, COMMUNITY GROUPS, SCHOOLS, AND EMPLOYERS THAT WANT TO EXPLORE OBESITY REDUCTION EFFORTS.

IN ADDITION TO THE GRANTS PROGRAM, AN ANNUAL SYMPOSIUM IS PROVIDED FREE TO THE REGION AND AVAILABLE TO RESIDENTS AND COMMUNITY GROUPS. NATIONAL,

Part VI Supplemental Information

REGIONAL, AND LOCAL EXPERTS SHARE INFORMATION ON TRENDS REGARDING CHILDHOOD OBESITY AND PROVEN COMMUNITY-BASED STRATEGIES TO REDUCE THE PREVALENCE.

MOUNTAIN STATES HEALTH ALLIANCE DOCUMENTED ITS CORPORATE RESPONSIBILITY PROGRAMS, PARTNERSHIPS, AND ACTIVITIES FOR COMMUNITY BENEFIT AND SOCIAL RESPONSIBILITY IN THE 2011 SOCIAL RESPONSIBILITY PLAN (THE PLAN). THE PLAN PROVIDES THE STRATEGIC DIRECTION OF SOCIAL RESPONSIBILITY FOR THE ORGANIZATION. MSHA CREATED A SOCIAL RESPONSIBILITY COMMITTEE TO ENSURE A STRATEGIC COMMITMENT TO THE ORGANIZATION'S SOCIAL RESPONSIBILITY THROUGH NEEDS PRIORITIZED FROM THE COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA). THE CHNA IDENTIFIES SEVERAL PRIORITIES TO FOCUS THE ORGANIZATION'S COMMUNITY BENEFIT, COMMUNITY BUILDING AND OTHER INITIATIVES TO IMPACT THE HEALTH OF INDIVIDUALS AND COMMUNITIES WITHIN THE DEFINED SERVICE AREA. THE COMMITTEE MEETS ON A QUARTERLY BASIS AND INCLUDES MSHA BOARD MEMBERS; THE DEAN OF PUBLIC HEALTH AT EAST TENNESSEE STATE UNIVERSITY; THE PRESIDENT AND CEO OF UNITED WAY OF WASHINGTON COUNTY, TENNESSEE; MSHA'S CEO AND OTHER EXECUTIVES AS WELL AS OTHER COMMUNITY LEADERS.

THE FOUNDATION OF MSHA'S SOCIAL RESPONSIBILITY IS THE CHNA TO PRIORITIZE FUTURE HEALTH IMPROVEMENT INITIATIVES TO BE COMPLETED IN COLLABORATION WITH LOCAL RESOURCES. THE PROJECT FULLY SUPPORTS THE MSHA MISSION TO "IDENTIFY AND RESPOND TO THE HEALTH CARE NEEDS OF INDIVIDUALS AND COMMUNITIES IN OUR REGION AND TO ASSIST THEM IN ATTAINING THEIR HIGHEST POSSIBLE LEVEL OF HEALTH". THE ASSESSMENT FOCUSES ON MSHA'S THIRTEEN CORE COUNTIES. ACTIVITIES ASSOCIATED WITH THE DEVELOPMENT OF THIS ASSESSMENT INCLUDE STATE, REGIONAL AND COUNTY-SPECIFIC SECONDARY DATA COLLECTION AND PRIMARY DATA OBTAINED THROUGH OVER 56 SURVEYS WITH INDIVIDUALS FROM THE

Part VI Supplemental Information

LOCAL COMMUNITIES.

PART VI, LINE 3: MSHA PROVIDES COMMUNICATION OF FINANCIAL ASSISTANCE ON ITS WEB SITE AND ON POSTERS PLACED IN PROMINENT AREAS SUCH AS ADMITTING AREAS, EMERGENCY DEPARTMENTS AND PATIENT PAYMENT (CASHIER) LOCATIONS. PRINTED EDUCATIONAL MATERIALS INCLUDING FINANCIAL ASSISTANCE CONTACT INFORMATION ARE ALSO PROVIDED IN THE PATIENT'S ADMITTING PAPERWORK. POSTERS AND REFERENCE MATERIALS ARE WRITTEN IN BOTH ENGLISH AND SPANISH. ADMITTING STAFF ARE TRAINED TO EDUCATE PATIENTS ON MSHA'S FINANCIAL ASSISTANCE POLICY. MSHA ALSO HAS FINANCIAL COUNSELORS WHICH COMMUNICATE THE PATIENT'S FINANCIAL RESPONSIBILITY PRIOR TO SERVICE AS WELL AS PROVIDE EDUCATION ON MSHA'S FINANCIAL ASSISTANCE POLICY. THESE COUNSELORS ALSO HELP UNINSURED PATIENTS DETERMINE SOURCES OF PAYMENT FOR MEDICAL BILLS AND HELP PATIENTS DETERMINE ELIGIBILITY FOR PROGRAMS SUCH AS TENNCARE OR MEDICAID. IN ADDITION, MSHA CONTRACTS WITH THE COMPANY FIRSTSOURCE SOLUTIONS USA TO WORK WITH SELF-PAYING PATIENTS WHO HAVE LIMITED FINANCIAL RESOURCES. FIRSTSOURCE SOLUTIONS USA DETERMINES A PATIENT'S ELIGIBILITY IN MEDICAL COVERAGE OPTIONS AND ASSISTS WITH THEIR ENROLLMENT. MSHA BEARS THE COST FOR THE FIRSTSOURCE SOLUTIONS USA PROGRAM.

PART VI, LINE 4: MSHA SERVES THE HEALTHCARE NEEDS OF 29 APPALACHIAN COUNTIES IN TENNESSEE, SOUTHWEST VIRGINIA, KENTUCKY AND NORTH CAROLINA. SOME OF THE COUNTIES MSHA SERVES ARE FEDERALLY DESIGNATED MEDICALLY UNDERSERVED AREAS. MSHA OPERATES 2 CRITICAL ACCESS HOSPITALS, DICKENSON COMMUNITY HOSPITAL IN VIRGINIA AND JOHNSON COUNTY COMMUNITY HOSPITAL IN TENNESSEE. THESE TWO FACILITIES OPERATE IN FEDERALLY DESIGNATED MEDICALLY UNDERSERVED AREAS.

Part VI Supplemental Information

THE HEALTH STATUS OF THE POPULATION IN MSHA'S SERVICE AREA IS GENERALLY POOR. THE SERVICE AREA EXTENDS TO SOME OF THE POOREST RURAL COUNTIES IN THE REGION WITH A POVERTY RATE OF ALMOST 30%. SOME OF THE MOST WELL OFF COUNTIES IN MSHA'S SERVICE AREA STILL HAVE A MEDIAN HOUSEHOLD INCOME LOWER THAN STATE AND NATIONAL AVERAGES. RURAL SERVICE AREA COUNTIES SHARE COMMON CHALLENGES OF:

1. HIGH RATES OF UNINSURED
2. HIGH PREVALENCE OF OBESITY
3. HIGH PREVALENCE OF DIABETES

PART VI, LINE 5: THE MAJORITY OF MSHA'S GOVERNING BODY IS COMPRISED OF PERSONS WHO RESIDE IN THE ORGANIZATION'S PRIMARY SERVICE AREA. ONLY TWO EMPLOYEES ARE ON THE MSHA BOARD OF DIRECTORS: THE CEO PAID BY MSHA AND A PHYSICIAN WHO IS PAID BY A RELATED ORGANIZATION.

PHYSICIANS THAT REQUEST PRIVILEGES WHO ARE QUALIFIED AND CREDENTIALED ARE EXTENDED PRIVILEGES BY MSHA.

MSHA IS DEDICATED TO OPERATING OUR FACILITIES EFFICIENTLY SO THAT WASTE IS MINIMIZED AND SURPLUSES MAY BE APPLIED TO MAINTAINING ADEQUATE FACILITIES AND EQUIPMENT FOR THE CARE FOR OUR PATIENTS. VARIOUS CHECKS AND BALANCES ARE ESTABLISHED TO ENSURE THAT EXPENDITURES FOR OPERATING EXPENSES AND CAPITAL COSTS ARE REASONABLE AND NECESSARY.

PART VI, LINE 6: MOUNTAIN STATES HEALTH ALLIANCE (MSHA) PROVIDES CARE TO PEOPLE IN 29 COUNTIES IN TENNESSEE, VIRGINIA, KENTUCKY, AND NORTH CAROLINA. EACH HOSPITAL IS FULLY ACCREDITED, MOST BY THE JOINT COMMISSION.

Part VI Supplemental Information

MSHA IS INTEGRATED BOTH VERTICALLY AND HORIZONTALLY AND IS THE LARGEST REGIONAL HEALTHCARE SYSTEM WITH 13 HOSPITALS. 9 FACILITIES ARE WHOLLY-OWNED AND 4 ARE MAJORITY OWNED. THIS FORM 990 ENCOMPASSES 9 WHOLLY-OWNED FACILITIES: 8 FACILITIES IN TENNESSEE AND 1 IN VIRGINIA. EACH FACILITY IN THIS FORM 990 IS ACCREDITED BY THE JOINT COMMISSION WITH THE EXCEPTION OF JCCH. JCCH RECEIVES CERTIFICATION THROUGH THE STATE OF TENNESSEE SINCE IT IS A CRITICAL ACCESS HOSPITAL.

IN ADDITION TO THE WHOLLY-OWNED HOSPITALS WITHIN THIS REPORTING FEDERAL EMPLOYER IDENTIFICATION NUMBER, MSHA ALSO HAS MAJORITY OWNERSHIP IN 4 HOSPITALS IN SOUTHWEST VIRGINA. IN ADDITION TO OUR ACUTE CARE HOSPITALS, OUR SYSTEM ALSO INCLUDES SUCH SERVICES AS: PRIMARY / SPECIALTY PHYSICIAN PRACTICES, URGENT CARE CENTERS, EMERGENCY DEPARTMENTS, OCCUPATIONAL MEDICINE, REHABILITATION, TRANSPLANT, OUTREACH LABORATORY, MENTAL HEALTH, NEONATAL INTENSIVE CARE, A NACHRI AFFILIATED CHILDREN'S HOSPITAL, RENAL DIALYSIS, ST. JUDE'S ONCOLOGY, INPATIENT / OUTPATIENT SURGERY, SKILLED NURSING, HOME HEALTH, AIR AMBULANCE TRANSPORT, AN ORGAN TRANSPLANT DEPARTMENT, AND MORE.

WITH THESE ADDITIONAL FACILITIES AND SERVICES, MSHA EXTENDS A HIGHLY EFFECTIVE HEALTH CARE DELIVERY SYSTEM. SINCE OUR SYSTEM IS BOTH HORIZONTALLY AND VERTICALLY INTEGRATED, PATIENTS CAN BE EFFICIENTLY MOVED ALONG AN INTEGRATED, COMPREHENSIVE CONTINUUM OF CARE AS THEIR HEALTH STATUS DICTATES. OUR FLAGSHIP FACILITY, JOHNSON CITY MEDICAL CENTER IS AT THE CORE OF OUR SYSTEM OFFERING FULL SERVICE TERTIARY CARE.

IN ADDITION TO OUR HOSPITALS, MSHA IS THE SOLE MEMBER OF BLUE RIDGE MEDICAL MANAGEMENT CORPORATION (BRMMC). MSHA EXTENDS AN INTEGRATED

Part VI Supplemental Information

HEALTHCARE DELIVERY SYSTEM THROUGH BRMMC TO INCLUDE MULTIPLE PRIMARY AND SPECIALTY CARE PATIENT ACCESS CENTERS AND NUMEROUS OUTPATIENT CARE SITES, INCLUDING URGENT CARE CENTERS, OCCUPATIONAL MEDICINE SERVICES, A SAME DAY SURGERY CENTER, AND OUTPATIENT REHABILITATION.

MSHA COUNTY-SPECIFIC OPERATIONS ARE GOVERNED BY A COMMUNITY BOARD OF DIRECTORS. COUNTY BOARDS REPORT TO A SYSTEM LEVEL BOARD OF DIRECTORS. ALL BOARDS ARE PRIMARILY COMPOSED OF LOCAL COMMUNITY RESIDENTS.

PART VI, LINE 7, LIST OF STATES RECEIVING COMMUNITY BENEFIT REPORT:

VA

SCHEDULE I (Form 990)

Department of the Treasury
Internal Revenue Service

Grants and Other Assistance to Organizations, Governments, and Individuals in the United States

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

▶ Attach to Form 990.

OMB No. 1545-0047

2010

Open to Public Inspection

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

Part I General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ..... [X] Yes [ ] No

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than $5,000. Check this box if no one recipient received more than $5,000. Part II can be duplicated if additional space is needed ..... ▶ [ ]

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
ETSU 807 UNIVERSITY PKWY JOHNSON CITY, TN 37614	62-6021046	501(C)(3)	20,450.	214.	COST	PRINT SUPPLIES FOR MEDICAL SYMPOSIUM	SUPPORT FIT KIDS PROGRAM
CARESPARK P.O. BOX 657, 125 BROAD STREET KINGSPORT, TN 37662	20-2694144	501(C)(3)	53,027.	0.			SUPPORT DEVELOPMENT OF SHARED HEALTH INFORMATION TO IMPROVE PATIENT CARE
SUSAN KOMEN BREAST CANCER FOUNDATION - P.O.BOX 5835 - KINGSPORT, TN 37663	84-1689067	501(C)(3)	25,164.	196.	COST	PRINT SUPPLIES FOR FUNDRAISING BROCHURE	BREAST CANCER RESEARCH
HANDS ON! REGIONAL MUSEUM 315 E. MAIN STREET JOHNSON CITY, TN 37601	62-1282542	501(C)(3)	7,500.	0.			SUPPORT LOCAL INTERACTIVE CHILDREN'S MUSEUM
CITY OF JOHNSON CITY 601 E. MAIN STREET JOHNSON CITY, TN 37601	62-6000320	115	9,500.	2,290.	COST	PRINT SUPPLIES	SPONSOR ECONOMIC DEVELOPMENT AND OTHER PROGRAMS/EVENTS
COALITION FOR KIDS P.O. BOX 3156 JOHNSON CITY, TN 37602	62-1765487	501(C)(3)	2,000.	6,560.	COST	PRINT SERVICES AND POSTAGE	GRANT TO COMBAT CHILDHOOD OBESITY

2 Enter total number of section 501(c)(3) and government organizations ..... ▶ 11.

3 Enter total number of other organizations ..... ▶

Part II Continuation of Grants and Other Assistance to Governments and Organizations in the United States (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
BOYS AND GIRLS CLUB OF KINGSPORT P.O. BOX 784, 213 LEE STREET KINGSPORT, TN 37662	62-0481370	501(C)(3)	20,000.	0.			GENERAL SUPPORT
CROSSROADS MEDICAL MISSION P.O. BOX 16852 BRISTOL, VA 24209	54-2038877	501(C)(3)	12,500.	0.			SUPPORT REMOTE AREA MEDICAL CARE
LINCOLN THEATRE 117 E. MAIN STREET, P.O. BOX 664 MARION, VA 24354	54-1477479	501(C)(3)	12,500.	0.			SUPPORT PERFORMING ARTS
ETSU FOUNDATION P.O. BOX 70721 JOHNSON CITY, TN 37614	23-7092731	501(C)(3)	51,500.	81.	COST	PRINT MEDICAL SYMPOSIUM BROCHURE	SUPPORT INDIGENT CLINIC AND FIT KIDS PROGRAM
RUSSELL COUNTY CAREER & TECHNOLOGY P.O. BOX 849, 304 CAREER TECH DRIVE LEBANON, VA 24266	54-6001591	501(C)(3)	0.	17,474.	COST	MEDICAL SUPPLIES	SUPPORT HEALTH PROFESSIONS EDUCATION

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance

Part IV **Supplemental Information.** Complete this part to provide the information required in Part I, line 2, and any other additional information.

SCHEDULE I, PART I, LINE 2: MSHA ADHERED TO THE FOLLOWING CRITERIA FOR OUR CONTRIBUTIONS TO ORGANIZATIONS IN THE REGION:

HEALTHCARE: THE ORGANIZATION ENHANCED OR IMPROVED ACCESS FOR THE UNINSURED OR UNDERINSURED POPULATION OR SUPPORTED A PROGRAM TO IMPROVE THE HEALTH OF OUR CHILDREN (I.E., CHILDHOOD OBESITY PREVENTION).

EDUCATION: THE ORGANIZATION PROVIDED A PROGRAM TO IMPROVE EDUCATION OF THE CHILDREN IN OUR REGION ALL THE WAY TO COLLEGE AGE STUDENTS (RN NURSING

Part IV Supplemental Information

PROGRAMS).

QUALITY OF LIFE: THE ORGANIZATION OFFERED PROGRAMS TO ENHANCE THE QUALITY OF LIFE WHICH IS IMPORTANT IN THE RECRUITMENT EFFORTS OF BUSINESSES IN THE REGION AS WE WORK TO ATTRACT AND RETAIN THE BEST TALENT.

FOR THE SUPPORTED PROGRAMS, METRICS WERE ESTABLISHED TO DETERMINE THE SUCCESS (OR FAILURE) OF EACH PROGRAM TO WHICH MSHA CONTRIBUTES. AS THE DEPRESSED ECONOMIC SITUATION CONTINUED DURING FY11, THE CRITERIA USED IN THE DECISION MAKING PROCESS FOR MAJOR DONATIONS WAS REVISED TO SUPPORT THOSE PROGRAMS WHICH FOCUSED ON HEALTH AND WELLNESS INITIATIVES, PARTICULARLY THOSE FIGHTING CHILDHOOD OBESITY.

SCHEDULE J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

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

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 23.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2010

Open to Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

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 in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.		
	[X] First-class or charter travel		
	[ ] Travel for companions		
	[ ] Tax indemnification and gross-up payments		
	[ ] Discretionary spending account		
	[ ] Housing allowance or residence for personal use		
	[ ] Payments for business use of personal residence		
	[ ] Health or social club dues or initiation fees		
	[ ] Personal services (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	X	
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a? 2	X	
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.		
	[X] Compensation committee		
	[X] Independent compensation consultant		
	[ ] Form 990 of other organizations		
	[X] Written employment contract		
	[X] Compensation survey or study		
	[X] Approval by the board or compensation committee		
4	During the year, did any person listed in 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 from the organization or a related organization? 4a		X
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan? 4b	X	
c	Participate in, or receive payment from, an equity-based compensation arrangement? 4c		X
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.		
	Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.		
5	For persons listed in 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		X
b	Any related organization? 5b		X
	If "Yes" to line 5a or 5b, describe in Part III.		
6	For persons listed in 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		X
b	Any related organization? 6b		X
	If "Yes" to line 6a or 6b, describe in Part III.		
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III 7		X
8	Were any amounts reported in 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		X
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)? 9		

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

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

Note. The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a.

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 DENNIS VONDERFECHT	(i)	639,736.	141,752.	74,137.	19,600.	22,864.	898,089.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
2 WILLIAM WALKER, M.D.	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	512,691.	98,124.	1,189.	0.	1,615.	613,619.	0.
3 MARVIN EICHORN	(i)	422,229.	115,646.	59,178.	188,316.	20,917.	806,286.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
4 DALE CLAYTORE	(i)	171,000.	28,881.	17,116.	8,550.	2,856.	228,403.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
5 ANN FLEMING	(i)	328,461.	72,944.	41,390.	48,481.	17,108.	508,384.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
6 CANDACE JENNINGS	(i)	354,039.	91,919.	13,018.	51,539.	20,416.	530,931.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
7 LYNN KRUTAK	(i)	200,939.	39,904.	2,016.	13,403.	16,909.	273,171.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
8 MONTY MCLAURIN	(i)	253,584.	60,997.	9,877.	26,340.	27,784.	378,582.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
9 CINDY SALYER	(i)	179,548.	35,558.	17,076.	20,422.	21,042.	273,646.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
10 SHANE HILTON	(i)	179,001.	9,129.	5,457.	11,090.	20,332.	225,009.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
11 PAT NIDAY	(i)	143,084.	8,820.	4,212.	6,000.	21,602.	183,718.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
12 BRAD NURKIN	(i)	193,067.	0.	51,639.	9,808.	10,429.	264,943.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
13 STEVE KILGORE	(i)	270,098.	62,796.	6,417.	30,631.	22,168.	392,110.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
14 JAMIE PARSONS	(i)	198,788.	46,144.	9,055.	20,134.	10,308.	284,429.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
15 CHAO LEE, M.D.	(i)	308,922.	0.	438.	9,692.	15,963.	335,015.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
16 TONY BENTON, JR	(i)	179,605.	47,651.	11,728.	11,100.	17,692.	267,776.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.

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

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

Note. The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a.

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 MORRIS SELIGMAN	(i)	392,982.	53,556.	38,713.	40,385.	28,645.	554,281.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
2	(i)							
	(ii)							
3	(i)							
	(ii)							
4	(i)							
	(ii)							
5	(i)							
	(ii)							
6	(i)							
	(ii)							
7	(i)							
	(ii)							
8	(i)							
	(ii)							
9	(i)							
	(ii)							
10	(i)							
	(ii)							
11	(i)							
	(ii)							
12	(i)							
	(ii)							
13	(i)							
	(ii)							
14	(i)							
	(ii)							
15	(i)							
	(ii)							
16	(i)							
	(ii)							

Part III Supplemental Information

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

PART I, LINE 1A: BOARD MEMBERS AND TEAM MEMBERS OF MSHA ARE NOT PERMITTED TO TRAVEL FIRST-CLASS WITH THE EXCEPTION OF MSHA'S CEO. AS SANCTIONED BY MSHA'S BOARD OF DIRECTORS, MSHA'S CEO IS PERMITTED TO TRAVEL FIRST-CLASS WHEN THE FLIGHT'S DURATION IS GREATER THAN TWO HOURS. DUE TO THE LENGTH OF SUCH FLIGHTS, THE BOARD BELIEVES IT IS IN THE BEST INTEREST OF MSHA FOR THE CEO TO TRAVEL FIRST-CLASS. CHARTER TRAVEL IS LIMITED TO MSHA BUSINESS TRIPS THAT INCLUDE NUMEROUS TRAVELERS AND WHICH CAN BE JUSTIFIED BASED UPON FINANCIAL AND/OR ESSENTIAL TIME SAVINGS. CHARTER FLIGHTS MUST BE APPROVED BY THE CEO PRIOR TO BOOKING THE FLIGHT.

PART I, LINE 4B: THE FOLLOWING EXECUTIVES LISTED IN SCHEDULE J, PART II PARTICIPATED IN A 457(F) RETIREMENT PLAN PROVIDED BY MSHA: ANN FLEMING, CANDACE JENNINGS, MONTY MCLAURIN, CINDY SALYER, BRAD NURKIN, MORRIS SELIGMAN,STEVE KILGORE, AND JAMIE PARSONS. 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 PARTICIPANT'S EMPLOYMENT

Part III Supplemental Information

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

WITH MSHA 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. (ELIGIBLE SERVICE IS OFFICER SERVICE THAT PERMITTED THE EXECUTIVE TO PARTICIPATE IN THE PLAN.) 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.

ENTITY 1

SCHEDULE K (Form 990)
Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax-Exempt Bonds

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part V.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047
2010
Open to Public Inspection

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

Part I Bond Issues SEE PART V FOR COLUMNS (A) AND (F) CONTINUATIONS

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pooled financing	
							Yes	No	Yes	No	Yes	No
A	HEALTH AND EDUCATIONAL FACILITIES BOARD OF THE	62-1464028	NONE	05/27/10	16,000,000.	ACQUIRE HOSPITAL EQUIPMENT		X		X		X
B	HEALTH AND EDUCATIONAL FACILITIES BOARD OF THE	62-1464028	478271JH3	04/29/10	205,877,528.	PARTIAL REFUNDING OF BONDS ISSUED		X		X		X
C	INDUSTRIAL DEVELOPMENT AUTHORITY OF WASHINGTON	52-1324605	938740CF2	03/31/09	124,301,533.	CONSTRUCT & EQUIP HOSPITAL FACILIT		X		X		X
D	HEALTH AND EDUCATIONAL FACILITIES BOARD OF THE	62-1464028	478271HL6	02/20/08	127,000,000.	ACQUIRE, CONSTRUCT & EQUIP HOSP FAC		X		X		X

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired	1,989,299.			59,900,000.
2	Amount of bonds legally defeased				
3	Total proceeds of issue	7,121,143.	18,340,116.	18,570,379.	1,745,703.
4	Gross proceeds in reserve funds		18,340,116.	12,131,763.	
5	Capitalized interest from proceeds				2,719,265.
6	Proceeds in refunding escrows				
7	Issuance costs from proceeds	45,000.	3,476,394.	2,481,706.	1,953,563.
8	Credit enhancement from proceeds				324,975.
9	Working capital expenditures from proceeds				4,473,649.
10	Capital expenditures from proceeds	8,835,764.		94,192,104.	105,490,018.
11	Other spent proceeds				
12	Other unspent proceeds	7,121,143.	21,469,689.	6,438,617.	926,968.
13	Year of substantial completion				

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
14	Were the bonds issued as part of a current refunding issue?		X	X			X		X
15	Were the bonds issued as part of an advance refunding issue?		X		X		X		X
16	Has the final allocation of proceeds been made?		X		X		X		X
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X		X		X	

Part III Private Business Use

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

ENTITY 2

SCHEDULE K (Form 990)
Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax-Exempt Bonds

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part V.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047
2010
Open to Public Inspection

Name of the organization
MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number
62-0476282

Part I Bond Issues SEE PART V FOR COLUMNS (A) AND (F) CONTINUATIONS

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased Yes	(g) Defeased No	(h) On behalf of issuer Yes	(h) On behalf of issuer No	(i) Pooled financing Yes	(i) Pooled financing No
A	HEALTH AND EDUCATIONAL FACILITIES BOARD OF THE	62-1464028	478271GX1	02/14/06	178,614,171.	CONSTRUCT & EQUIP HOSPITAL FACILIT		X		X		X
B												
C												
D												

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired	3,395,000.			
2	Amount of bonds legally defeased				
3	Total proceeds of issue	17,303,000.			
4	Gross proceeds in reserve funds	17,463,000.			
5	Capitalized interest from proceeds				
6	Proceeds in refunding escrows				
7	Issuance costs from proceeds	2,383,533.			
8	Credit enhancement from proceeds				
9	Working capital expenditures from proceeds				
10	Capital expenditures from proceeds	127,559,187.			
11	Other spent proceeds				
12	Other unspent proceeds				
13	Year of substantial completion	2011			

		A Yes	A No	B Yes	B No	C Yes	C No	D Yes	D No
14	Were the bonds issued as part of a current refunding issue?	X							
15	Were the bonds issued as part of an advance refunding issue?	X							
16	Has the final allocation of proceeds been made?	X							
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X							

Part III Private Business Use

		A Yes	A No	B Yes	B No	C Yes	C No	D Yes	D 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	
3a Are there any management or service contracts that may result in private business use of bond-financed property?	Yes: X	No	Yes: X	No	Yes: X	No	Yes: X	No
b Are there any research agreements that may result in private business use of bond-financed property?	Yes	No: X	Yes	No: X	Yes	No: X	Yes	No: X
c Does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts or research agreements relating to the financed property?	Yes: X	No	Yes: X	No	Yes: X	No	Yes: X	No
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 ▶	.00 %		.00 %		.00 %		.00 %	
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 ▶	.00 %		.00 %		.00 %		.00 %	
6 Total of lines 4 and 5	.00 %		.00 %		.00 %		.00 %	
7 Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	Yes: X	No	Yes: X	No	Yes: X	No	Yes: X	No

Part IV Arbitrage

	A		B		C		D	
1 Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?	Yes	No: X	Yes	No: X	Yes	No: X	Yes	No: X
2 Is the bond issue a variable rate issue?	Yes	No: X	Yes	No: X	Yes	No: X	Yes: X	No
3a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?	Yes	No: X	Yes	No: X	Yes	No: X	Yes	No: X
b Name of provider								
c Term of hedge								
d Was the hedge superintergrated?	Yes	No	Yes	No	Yes	No	Yes	No
e Was the hedge terminated?	Yes	No	Yes	No	Yes	No	Yes	No
4a Were gross proceeds invested in a GIC?	Yes	No: X	Yes	No: X	Yes	No: X	Yes	No: 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?	Yes	No	Yes	No	Yes	No	Yes	No
5 Were any gross proceeds invested beyond an available temporary period?	Yes	No: X	Yes	No: X	Yes	No: X	Yes: X	No
6 Did the bond issue qualify for an exception to rebate?	Yes: X	No	Yes	No: X	Yes	No: X	Yes	No: X

Part V Supplemental Information. Complete this part to provide additional information for responses to questions on Schedule K.

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 Are there any research agreements that may result in private business use of bond-financed property?		X						
c Does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts or research agreements relating to the financed property?	X							
4 Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶	.00 %		%		%		%	
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 ▶	.00 %		%		%		%	
6 Total of lines 4 and 5	.00 %		%		%		%	
7 Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	X							

Part IV Arbitrage

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?		X						
2 Is the bond issue a variable rate issue?		X						
3a 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 superintergrated?								
e Was the hedge terminated?								
4a Were gross proceeds invested in a GIC?	X							
b Name of provider	JP MORGAN CHASE BANK							
c Term of GIC								
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?		X						
5 Were any gross proceeds invested beyond an available temporary period?	X							
6 Did the bond issue qualify for an exception to rebate?		X						

Part V Supplemental Information. Complete this part to provide additional information for responses to questions on Schedule K.

SCHEDULE K, PART I, BOND ISSUES:
(A) ISSUER NAME:
HEALTH AND EDUCATIONAL FACILITIES BOARD OF THE CITY OF JOHNSON CITY, TN
(F) DESCRIPTION OF PURPOSE: ACQUIRE HOSPITAL EQUIPMENT

Part V Supplemental Information. Complete this part to provide additional information for responses to questions on Schedule K.

(A) ISSUER NAME:

HEALTH AND EDUCATIONAL FACILITIES BOARD OF THE CITY OF JOHNSON CITY, TN

(F) DESCRIPTION OF PURPOSE:

PARTIAL REFUNDING OF BONDS ISSUED 12/14/07 AND 2/20/2008

(A) ISSUER NAME: INDUSTRIAL DEVELOPMENT AUTHORITY OF WASHINGTON COUNTY, VA

(F) DESCRIPTION OF PURPOSE:

CONSTRUCT & EQUIP HOSPITAL FACILITIES, INCLUD'G REFINANCING OF TAXABLE DEBT

(A) ISSUER NAME:

HEALTH AND EDUCATIONAL FACILITIES BOARD OF THE CITY OF JOHNSON CITY, TN

(F) DESCRIPTION OF PURPOSE:

ACQUIRE,CONSTRUCT & EQUIP HOSP FACILITIES,INCLUD'G REFINANCING TAXABLE DEBT

(A) ISSUER NAME:

HEALTH AND EDUCATIONAL FACILITIES BOARD OF THE CITY OF JOHNSON CITY, TN

(F) DESCRIPTION OF PURPOSE:

CONSTRUCT & EQUIP HOSPITAL FACILITIES, INCLUDING REFINANCING TAXABLE DEBT

SCHEDULE K, SUPPLEMENTAL INFORMATION: 1. COMMENT ON SCHEDULE K, PART I, LINES B, C, D, AND E. MOUNTAIN STATES HEALTH ALLIANCE OWNS AND/OR OPERATES HOSPITALS IN A NUMBER OF DIFFERENT LOCATIONS BOTH IN TENNESSEE AND IN VIRGINIA. AS A RESULT, MOUNTAIN STATES HEALTH ALLIANCE MUST UTILIZE CONDUIT GOVERNMENTAL BOND ISSUERS IN A NUMBER OF JURISDICTIONS IN ORDER TO FINANCE IMPROVEMENTS TO ITS HOSPITAL FACILITIES. IN 2007, 2008, 2009 AND 2010, MOUNTAIN STATES HEALTH ALLIANCE WAS THE CONDUIT BORROWER OF TAX-EXEMPT BONDS ISSUED BY MULTIPLE ISSUERS IN TENNESSEE AND VIRGINIA. FOR FEDERAL TAX PURPOSES, EVEN THOUGH DIFFERENT GOVERNMENT ISSUERS WERE

Part V Supplemental Information. Complete this part to provide additional information for responses to questions on Schedule K.

INVOLVED, THESE MULTIPLE ISSUES IN EACH YEAR WERE REQUIRED TO BE TREATED, AND WERE TREATED, AS A SINGLE "ISSUE" BECAUSE THEY MET THE SINGLE "ISSUE" TEST UNDER THE APPLICABLE FEDERAL TAX REGULATIONS. THEREFORE, MULTIPLE ISSUERS ARE LISTED UNDER LINES B, C, D AND E BECAUSE THE BONDS THAT WERE ISSUED WERE PART OF A SINGLE "ISSUE" FOR FEDERAL TAX PURPOSES.

2. COMMENT ON SCHEDULE K, PART II, LINE 3. THE INSTRUCTIONS REQUEST THE TOTAL AMOUNT OF BOND PROCEEDS "AS OF THE END OF THE 12-MONTH PERIOD". BECAUSE A SUBSTANTIAL AMOUNT OF THE PROCEEDS OF EACH ISSUE WAS SPENT AS OF THE END OF THE REPORTING PERIOD, THE TOTAL PROCEEDS AS OF THE END OF SUCH PERIOD WILL NECESSARILY BE LESS THAN THE ISSUE PRICE.

3. COMMENT ON SCHEDULE K, PART II, LINE 4. CERTAIN PROCEEDS OF THE BOND ISSUES LISTED IN LINES B, C, AND F ARE DEPOSITED IN REASONABLY REQUIRED RESERVE FUNDS, THE SIZE OF EACH OF WHICH COMPLIES WITH FEDERAL TAX REGULATIONS. THE AMOUNTS SHOWN ON LINE 2 OF PART II OF SCHEDULE K INCLUDE PROCEEDS HELD IN THOSE FUNDS. THESE LINES ALSO INCLUDE A SMALL AMOUNT OF INVESTMENT EARNINGS RELATIVE TO THESE FUNDS THAT HAD NOT YET BEEN MOVED AS OF THE END OF THE APPLICABLE REPORTING PERIOD TO ANOTHER FUND TO BE USED TO PAY DEBT SERVICE, AS IS PERMITTED UNDER THE APPLICABLE BOND DOCUMENTS. LINE 2 OF PART II OF SCHEDULE K FOR THE BOND ISSUE DESCRIBED IN LINE F ALSO INCLUDES CERTAIN MONIES HELD IN A BONA FIDE DEBT SERVICE FUND.

4. COMMENT ON SCHEDULE K, PART II, LINE 9. THE BOND ISSUE DESCRIBED IN LINE D OF PART I FINANCED A SMALL AMOUNT OF WORKING CAPITAL EXPENDITURES. THESE WORKING CAPITAL EXPENDITURES DIRECTLY RELATED TO THE CAPITAL EXPENDITURES THAT WERE FINANCED WITH THE PROCEEDS OF THE BONDS. THEREFORE THE PROCEEDS OF THESE BONDS COULD BE ALLOCATED TO SUCH WORKING CAPITAL

Part V Supplemental Information. Complete this part to provide additional information for responses to questions on Schedule K.

EXPENDITURES PURSUANT TO SECTION 1.148-6(D)(3)(V) OF THE TREASURY REGULATIONS.

5. COMMENTS ON SCHEDULE K, PART IV, LINE 1. AS OF THE REPORTING DATE OF THE 990, THE ONLY ARBITRAGE REBATE CALCULATION THAT WAS REQUIRED RELATED TO THE BONDS DESCRIBED IN LINE F OF PART I (THE SERIES 2006 BONDS). MOUNTAIN STATES HEALTH ALLIANCE RETAINED A REBATE CALCULATION AGENT TO CALCULATE WHETHER ANY ARBITRAGE REBATE WAS DUE WITH RESPECT TO THOSE BONDS, AND THERE WAS NEGATIVE ARBITRAGE REBATE LIABILITY IN A SIGNIFICANT AMOUNT. THEREFORE, NO FORM 8038-T WAS REQUIRED TO BE FILED WITH RESPECT TO THAT BOND ISSUE.

6. COMMENT ON SCHEDULE K, PART IV, LINE 4D. PART IV, LINE 4D RELATIVE TO THE BOND ISSUE DESCRIBED ON LINE F SHOWS THAT THE REGULATORY SAFE HARBOR FOR ESTABLISHING FAIR MARKET VALUE OF THE GIC DESCRIBED IN LINE 4A WAS NOT SATISFIED. DUE TO MARKET CONDITIONS AT THE TIME, MOUNTAIN STATES HEALTH ALLIANCE DID NOT RECEIVE THREE BIDS FOR THIS GIC. HOWEVER, THE YIELD ON THE GIC WAS SO SUBSTANTIALLY BELOW THE YIELD ON THE RELEVANT BONDS THAT THERE WAS NO DOUBT THAT THE YIELD ON THE GIC DID NOT EXCEED THE APPROPRIATE YIELD ON THE RELEVANT BONDS.

7. COMMENT ON SCHEDULE K, PART IV, LINE 5. THE BOND ISSUES DESCRIBED IN LINES C AND D OF PART I FINANCED SIGNIFICANT CAPITAL IMPROVEMENTS TO HOSPITAL FACILITIES. THERE HAVE BEEN UNEXPECTED DELAYS IN THE CONSTRUCTION AND EQUIPPING OF CERTAIN OF THESE HOSPITAL FACILITIES, AND THEREFORE NOT ALL OF THE BOND PROCEEDS WERE SPENT WITHIN THE THREE-YEAR TEMPORARY PERIOD RELATIVE TO CONSTRUCTION PROJECTS. HOWEVER, MOUNTAIN STATES HEALTH ALLIANCE HAS YIELD RESTRICTED THESE PROCEEDS AFTER THE END OF THE

Part V Supplemental Information. Complete this part to provide additional information for responses to questions on Schedule K.

APPLICABLE TEMPORARY PERIOD AND/OR WILL BE MAKING A YIELD REDUCTION PAYMENT WITH RESPECT TO THOSE PROCEEDS, IF REQUIRED. PORTIONS OF THE BOND ISSUES DESCRIBED IN LINE D AS WELL AS BOND ISSUES ISSUED IN 2007 WERE PARTIALLY REFUNDED BY THE BONDS DESCRIBED IN LINE B (THE SERIES 2010 BONDS), SO SOME OF THE PROCEEDS OF THE BONDS DESCRIBED IN LINE C HAVE BECOME TRANSFERRED PROCEEDS OF THE SERIES 2010 BONDS (AND ARE REPORTED UNDER THE APPROPRIATE LINES FOR THE SERIES 2010 BONDS).

8. COMMENT ON PART V. MOUNTAIN STATES HEALTH ALLIANCE HAS EXECUTED DETAILED TAX CERTIFICATES REQUIRING TAX COMPLIANCE THAT ARE INTENDED TO ENSURE THAT VIOLATIONS OF FEDERAL TAX REQUIREMENTS ARE TIMELY IDENTIFIED. MOUNTAIN STATES HEALTH ALLIANCE HAS ALSO RECENTLY ADOPTED SEPARATE PROCEDURES FOR SUCH PURPOSES.

SCHEDULE L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions With Interested Persons

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

OMB No. 1545-0047

2010

Open To Public Inspection

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

Part I Excess Benefit Transactions (section 501(c)(3) and section 501(c)(4) 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) Description of transaction	(c) Corrected? Yes	(c) Corrected? No

2 Enter the amount of tax imposed on 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, Part IV, line 26, or Form 990-EZ, Part V, line 38a.

(a) Name of interested person and purpose	(b) Loan to or from the organization? To	(b) Loan to or from the organization? From	(c) Original principal amount	(d) Balance due	(e) In default? Yes	(e) In default? No	(f) Approved by board or committee? Yes	(f) Approved by board or committee? No	(g) Written agreement? Yes	(g) Written agreement? No
DENNIS VONDERFECH		X	2,705,125.	2,705,125.		X	X		X	
DENNIS VONDERFECH		X	900,000.	938,520.		X	X		X	
DENNIS VONDERFECH		X	900,000.	936,090.		X	X		X	
DENNIS VONDERFECH		X	900,000.	937,530.		X	X		X	
Total ▶ $				5,517,265.						

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 and type of assistance

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ. Schedule L (Form 990 or 990-EZ) 2010

SEE PART V FOR CONTINUATIONS

032131 12-21-10

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
CLEM WILKES, III	FAMILY MEMBER OF CL	49,200.	CLEM WILKES		X
WATAUGA PATHOLOGY ASSOCIAT	PROVIDER OF MEDICAL	320,674.	DR. SANDRA		X
PAULA CLAYTORE	FAMILY MEMBER OF DA	245,953.	DALE CLAYTO		X
WORKSPACE INTERIORS, INC.	PROVIDER OF COMMERC	267,026.	ROBERT FEAT		X
REBEKAH HILTON	FAMILY MEMBER OF SH	33,447.	SHANE HILTO		X
JAMES TEIXEIRA	FAMILY MEMBER OF PA	49,611.	PAT NIDAY,		X
MITCHELL HATHAWAY	FAMILY MEMBER OF JO	94,743.	JOANNE GILM		X
SYCAMORE SHOALS ANESTHESIA	PROVIDER OF MEDICAL	845,445.	DR. DAVID M		X

Part V Supplemental Information

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

SCHEDULE L, PART II, LOANS TO AND FROM INTERESTED PERSONS:

(A) NAME OF PERSON: DENNIS VONDERFECHT

(A) PURPOSE OF LOAN: SPLIT DOLLAR LIFE INSUR. LOAN

(A) NAME OF PERSON: DENNIS VONDERFECHT

(A) PURPOSE OF LOAN: SPLIT DOLLAR LIFE INSUR. LOAN

(A) NAME OF PERSON: DENNIS VONDERFECHT

(A) PURPOSE OF LOAN: SPLIT DOLLAR LIFE INSUR. LOAN

(A) NAME OF PERSON: DENNIS VONDERFECHT

(A) PURPOSE OF LOAN: SPLIT DOLLAR LIFE INSUR. LOAN

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

(A) NAME OF PERSON: CLEM WILKES, III

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

FAMILY MEMBER OF CLEM WILKES, JR., MSHA BOARD TREASURER

(D) DESCRIPTION OF TRANSACTION: CLEM WILKES, JR., TREASURER OF THE MSHA BOARD OF DIRECTORS, IS A FAMILY MEMBER OF CLEM WILKES, III, AN EMPLOYEE OF MSHA.

Part V Supplemental Information

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

(A) NAME OF PERSON: WATAUGA PATHOLOGY ASSOCIATES, P.C.

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

PROVIDER OF MEDICAL SERVICES TO MSHA

(D) DESCRIPTION OF TRANSACTION: DR. SANDRA BROOKS, MEMBER OF THE MSHA BOARD OF DIRECTORS, SERVES AS VICE PRESIDENT OF WATAUGA PATHOLOGY ASSOCIATES, P.C. AND HAS AN OWNERSHIP IN THE PROFESSIONAL CORPORATION. WATAUGA PATHOLOGY ASSOCIATES, P.C. PROVIDES MEDICAL SERVICES TO MSHA.

(A) NAME OF PERSON: PAULA CLAYTORE

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

FAMILY MEMBER OF DALE CLAYTORE, MSHA KEY EMPLOYEE

(D) DESCRIPTION OF TRANSACTION: DALE CLAYTORE, A KEY EMPLOYEE OF MSHA, IS A FAMILY MEMBER OF PAULA CLAYTORE, AN EMPLOYEE OF MSHA.

(A) NAME OF PERSON: WORKSPACE INTERIORS, INC.

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

PROVIDER OF COMMERCIAL FURNISHINGS TO MSHA

(D) DESCRIPTION OF TRANSACTION: ROBERT FEATHERS, CHAIRMAN OF THE MSHA BOARD OF DIRECTORS, IS OWNER OF WORKSPACE INTERIORS, INC., WHICH PROVIDES COMMERCIAL FURNISHING PRODUCTS TO MSHA. TRANSACTIONS ARE CONDUCTED AT ARMS-LENGTH.

(A) NAME OF PERSON: REBEKAH HILTON

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

FAMILY MEMBER OF SHANE HILTON, MSHA KEY EMPLOYEE

(D) DESCRIPTION OF TRANSACTION: SHANE HILTON, A KEY EMPLOYEE OF MSHA, IS A FAMILY MEMBER OF REBEKAH HILTON, AN EMPLOYEE OF MSHA.

Part V Supplemental Information

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

(A) NAME OF PERSON: JAMES TEIXEIRA

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

FAMILY MEMBER OF PAT NIDAY, MSHA KEY EMPLOYEE

(D) DESCRIPTION OF TRANSACTION: PAT NIDAY, A KEY EMPLOYEE OF MSHA, IS A FAMILY MEMBER OF JAMES TEIXEIRA, AN EMPLOYEE OF MSHA.

(A) NAME OF PERSON: MITCHELL HATHAWAY

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

FAMILY MEMBER OF JOANNE GILMER, MSHA BOARD MEMBER

(D) DESCRIPTION OF TRANSACTION: JOANNE GILMER, MSHA BOARD SECRETARY, IS A FAMILY MEMBER OF MITCHELL HATHAWAY, AN EMPLOYEE OF MSHA.

(A) NAME OF PERSON: SYCAMORE SHOALS ANESTHESIA ASSOCIATES, P.C.

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

PROVIDER OF MEDICAL SERVICES TO MSHA

(D) DESCRIPTION OF TRANSACTION: DR. DAVID MAY, MSHA BOARD MEMBER, SERVES AS BOARD CHAIR OF SYCAMORE SHOALS ANESTHESIA ASSOCIATES, P.C. AND HAS AN OWNERSHIP IN THE PROFESSIONAL CORPORATION. SYCAMORE SHOALS ANESTHESIA ASSOCIATES, P.C. PROVIDES MEDICAL SERVICES TO MSHA.

SCHEDULE L, PART II, LOANS TO AND FROM INTERESTED PERSONS:

THE FIRST LINE ON PART II IS THE ORIGINAL LOAN AMOUNT FOR A SPLIT DOLLAR LIFE INSURANCE PLAN, WHILE THE ADDITIONAL LINES ARE ANNUAL PREMIUM FUNDINGS AND INTEREST.

SCHEDULE O (Form 990 or 990-EZ)
Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or 990-EZ or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.

OMB No. 1545-0047
2010
Open to Public Inspection

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

FORM 990, PART I, DOING BUSINESS AS:

SYCAMORE SHOALS HOSPITAL

INDIAN PATH MEDICAL CENTER

WOODRIDGE HOSPITAL FOR BEHAVIORAL HEALTH SERVICES

FRANKLIN WOODS COMMUNITY HOSPITAL

JOHNSON COUNTY COMMUNITY HOSPITAL

NISWONGER CHILDREN'S HOSPITAL

RUSSELL COUNTY MEDICAL CENTER

FORM 990, PART III, LINE 4A, PROGRAM SERVICE ACCOMPLISHMENTS:

HOSPICE AND PARISH NURSING.

FRANKLIN WOODS COMMUNITY HOSPITAL (FWCH) LICENSED FOR 80 BEDS, OPENED IN JULY 2010, REPLACING OPERATIONS AT NORTH SIDE HOSPITAL (NSH) AND JOHNSON CITY SPECIALTY HOSPITAL (JCSH). NSH AND JCSH WERE LICENSED FOR 91 BEDS AND 23 BEDS, RESPECTIVELY, PRIOR TO THE OPENING OF FWCH AND A TOTAL OF 64 BEDS WERE TRANSFERRED WITHIN THE ALLIANCE.

MSHA ENTITIES, IN CONCERT WITH THE MOUNTAIN STATES HEALTHCARE NETWORK

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE | Employer identification number: 62-0476282

OF 54 AFFILIATED HOSPITALS AND NURSING HOMES, PROVIDE AN INTEGRATED, COMPREHENSIVE CONTINUUM OF CARE TO RESIDENTS ACROSS A WIDESPREAD, PREDOMINANTLY RURAL 29-COUNTY AREA OF APPALACHIA. THE SERVICE AREA INCLUDES PARTS OF NORTHEAST TENNESSEE, SOUTHWEST VIRGINIA, SOUTHEAST KENTUCKY AND WESTERN NORTH CAROLINA. ALL 8 MSHA HOSPITALS ARE LOCATED IN NORTHEAST TENNESSEE AND SOUTHWEST VIRGINIA. JOHNSON CITY MEDICAL CENTER, THE COMPANY'S FLAGSHIP FACILITY, IS HOME TO MANY OF THE REGION'S CRITICALLY NEEDED PROGRAMS.

MSHA ALSO HAS A MAJORITY OWNERSHIP IN SMYTH COUNTY COMMUNITY HOSPITAL (SCCH) LOCATED IN MARION, VA, NORTON COMMUNITY HOSPITAL (NCH), LOCATED IN NORTON, VA, DICKENSON COMMUNITY HOSPITAL (DCH), LOCATED IN CLINTWOOD, VA, AND JOHNSTON MEMORIAL HOSPITAL (JMH), LOCATED IN ABINGDON, VA. BECAUSE SCCH, NCH, DCH AND JMH ARE PARTIALLY OWNED ENTITIES, THEIR DATA ARE EXCLUDED FROM THIS DOCUMENT AND EACH OF THESE HOSPITALS FILE A SEPARATE FORM 990.

WASHINGTON COUNTY, TN: JOHNSON CITY MEDICAL CENTER (JCMC) FLAGSHIP FACILITY:

- TEACHING HOSPITAL AFFILIATED WITH QUILLEN COLLEGE OF MEDICINE AT EAST TENNESSEE STATE UNIVERSITY (ETSU)
- LEVEL I TRAUMA CENTER - ONE OF ONLY SIX IN TENNESSEE
- HOME OF THE REGIONAL CANCER CENTER
- HOME OF THE REGION'S ONLY ORGAN TRANSPLANT PROGRAM - ONE OF ONLY SIX IN TENNESSEE
- HOME TO NISWONGER CHILDREN'S HOSPITAL, WHICH ALSO OFFERS THE ST. JUDE TRI-CITIES AFFILIATE CLINIC, ONE OF ONLY SIX SUCH CLINICS IN THE

COUNTRY, WORKING WITH THE MEMPHIS FACILITY TO TREAT PEDIATRIC PATIENTS IN OUR REGION. AND, THE REGION'S ONLY NACHRI-AFFILIATED CHILDREN'S HOSPITAL

- HOME OF THE REGION'S ONLY STATE-DESIGNATED PERINATAL CENTER - ONE OF ONLY FIVE IN TENNESSEE

- HOME OF THE REGION'S FIRST AND LARGEST AIR AMBULANCE FLEET, WINGS AIR RESCUE

- FIRST HOSPITAL IN TENNESSEE AWARDED MAGNET STATUS FOR NURSING EXCELLENCE BY AMERICAN NURSES CREDENTIALING CENTER

- 2001-2011 CONSUMER'S CHOICE AWARD FOR THE REGION THROUGH AN INDEPENDENT SURVEY CONDUCTED BY THE NATIONAL RESEARCH COUNCIL: BEST OVERALL QUALITY, BEST DOCTORS, BEST NURSES, MOST PERSONALIZED CARE AND HAVING THE BEST REPUTATION

OTHER JCMC HOSPITALS; JAMES H. & CECILE C. QUILLEN REHABILITATION HOSPITAL (CARF-ACCREDITED) AND WOODRIDGE HOSPITAL FOR BEHAVIORAL HEALTH SERVICES.

FRANKLIN WOODS COMMUNITY HOSPITAL (FWCH) OPENED ITS DOORS IN THE SUMMER OF 2010 AS A REPLACEMENT HOSPITAL FOR 2 AGING WASHINGTON COUNTY FACILITIES. FWCH WAS THE FIRST "LEED" CERTIFIED HOSPITAL IN TENNESSEE AND HAS SET THE PRECEDENT FOR ENVIRONMENTALLY FRIENDLY DESIGNS.

SULLIVAN COUNTY, TN: INDIAN PATH MEDICAL CENTER

CARTER COUNTY, TN: SYCAMORE SHOALS HOSPITAL

JOHNSON COUNTY, TN: JOHNSON COUNTY COMMUNITY HOSPITAL, A FEDERALLY

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

DESIGNATED CRITICAL ACCESS HOSPITAL LOCATED IN ONE OF TENNESSEE'S POOREST COUNTIES, A MEDICALLY UNDERSERVED AREA

RUSSELL COUNTY, VA: RUSSELL COUNTY MEDICAL CENTER

MSHA WAS AWARDED THE GOVERNOR'S EXCELLENCE AWARD BY THE TENNESSEE CENTER FOR PERFORMANCE EXCELLENCE (TNCPE) IN 2009. MSHA WAS ALSO THE RECIPIENT OF THIS ESTEEMED AWARD IN 2005 AND IS THE FIRST HEALTHCARE RECIPIENT TO BE RECOGNIZED TWICE, AND ONLY THE SECOND ORGANIZATION IN THE HISTORY OF TNCPE TO BE RECOGNIZED AT THIS TOP LEVEL MORE THAN ONCE.

THREE MSHA HOSPITALS WERE RECOGNIZED AS TOP PERFORMERS ON KEY QUALITY MEASURES AS DEFINED BY THE JOINT COMMISSION, THE LEADING ACCREDITOR OF HEALTH CARE ORGANIZATIONS IN THE UNITED STATES. FRANKLIN WOODS COMMUNITY HOSPITAL, INDIAN PATH MEDICAL CENTER AND RUSSELL COUNTY MEDICAL CENTER WERE RECOGNIZED BY THE JOINT COMMISION BASED ON DATA REPORTED ABOUT EVIDENCE-BASED CLINICAL PROCESSES THAT ARE SHOWN TO IMPROVE CARE FOR CERTAIN CONDITIONS, INCLUDING HEART ATTACK, HEART FAILURE, PNEUMONIA, SURGICAL CARE AND CHILDREN'S ASTHMA. THESE THREE HOSPITALS ARE AMONG ONLY 405 U.S. HOSPITALS EARNING THE DISTINCTION OF "TOP PERFORMER ON KEY QUALITY MEASURES".

JOHNSON CITY MEDICAL CENTER (JCMC) WAS RECOGNIZED BY THE U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES AND THE SOCIETY OF CRITICAL CARE MEDICINE WITH AN OUTSTANDING LEADERSHIP AWARD FOR THE HOSPITAL'S ACHIEVEMENT IN PREVENTING VENTILATOR-ASSOCIATED PNEUMONIA. JCMC WAS ONE OF ONLY SIX HOSPITALS IN THE NATION RECOGNIZED FOR OUTSTANDING LEADERSHIP IN PREVENTING VENTILATOR-ASSOCIATED PNEUMONIA (VAP). THE VAP

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

RATE AT JCMC IS NOW ONE-THIRD OF WHAT IS TYPICALLY FOUND IN HOSPITALS OF A SIMILAR SIZE AND PATIENT POPULATION. ICU TEAMS AT JCMC BEGAN A PROJECT IN 2006 DESIGNED TO TARGET VAP INFECTIONS. THE OUTSTANDING LEADERSHIP AWARD REQUIRES A HOSPITAL TO REACH THEIR INFECTION TARGETS FOR 25 MONTHS OR MORE.

FOR THE SECOND YEAR IN A ROW, JOHNSON CITY MEDICAL CENTER HAS BEEN AWARDED TWO GOLD MEDALS BY THE AMERICAN HEART ASSOCIATION, WHILE TWO OTHER MSHA FACILITIES EACH RECEIVED THEIR FIRST AHA GOLD AWARDS. THESE AHA AWARDS WERE SPOTLIGHTED IN THE JULY 2010 EDITION OF U.S. NEWS AND WORLD REPORT. JCMC RECEIVED ITS SECOND GOLD IN TREATMENT OF BOTH HEART FAILURE AND CORONARY ARTERY DISEARSE IN AS MANY YEARS. JCMC WAS THE ONLY HOSPITAL IN TENNESSEE TO ACHIEVE THE HONOR OF TWO GOLDS OVER A TWO-YEAR PERIOD IN THESE CATEGORIES. IPMC AND SSH EACH RECEIVED THEIR FIRST GOLD AWARDS IN THE TREATMENT OF HEART FAILURE. TO ACHIEVE A GOLD AWARD, A HOSPITAL MUST MEET OR EXCEED BEST PRACTICE GUIDELINES WITH A MINIMUM 85% COMPLIANCE FOR AT LEAST 24 MONTHS. MSHA FACILITIES HAVE STEADILY IMPROVED IN THE AHA'S RANKINGS OVER THE YEARS AND WERE THE ONLY HOSPITALS IN THE REGION TO RECEIVE THIS RECOGNITION.

A DOCUMENTARY ON THE HISTORY OF JOHNSON CITY MEDICAL CENTER WON GOLD IN THE MARCOM AWARDS, AN INTERNATIONAL COMPETITION FOR INDIVIDUALS AND COMPANIES INVOLVED IN THE CONCEPT, WRITING AND DESIGN OF PRINT, VISUAL, AUDIO AND WEB MATERIALS. THERE WERE MORE THAN 6,000 ENTRIES THROUGHOUT THE UNITED STATES, CANADA AND OTHER COUNTRIES IN THE 2011 COMPETITION. THE DOCUMENTARY FOCUSED ON 100 YEARS OF HEALTH CARE AT JCMC.

AUDIT AND COMPLIANCE PRACTICES: MSHA IS GOVERNED BY A BOARD OF

DIRECTORS, WHOSE MEMBERS ARE FROM THE COMMUNITIES MSHA SERVES. THE CORPORATE BOARD INCLUDES A LONGSTANDING AUDIT AND COMPLIANCE COMMITTEE. ALL AUDITORS AND COMPLIANCE SPECIALISTS, INTERNAL AND EXTERNAL, REPORT DIRECTLY TO THE AUDIT AND COMPLIANCE COMMITTEE AS A WAY TO ENSURE THE AUDIT AND COMPLIANCE PROCESS IS INDEPENDENT.

- MSHA'S COMPLIANCE PLAN ENSURES THE ORGANIZATION CONDUCTS BUSINESS IN AN APPROPRIATE MANNER AND IN ACCORDANCE WITH LOCAL, STATE AND FEDERAL LAWS AND REGULATIONS. THE PLAN ADDRESSES FISCAL ACCOUNTABILITY AND TRANSPARENCY OF OPERATIONS THROUGH THE REVIEW AND USE OF INDEPENDENT AUDITS BY EXTERNAL AUDITORS AND RATING AGENCIES.
- UPON EMPLOYMENT, MSHA TEAM MEMBERS RECEIVE A COPY OF THE BOOKLET "CODE OF ETHICS AND BUSINESS CONDUCT", DETAILING REQUIRED STANDARDS OF BEHAVIOR. YEARLY, TEAM MEMBERS RECEIVE REFRESHER EDUCATION ON THEIR OBLIGATIONS UNDER THE CODE OF ETHICS AND BUSINESS CONDUCT.
- ANNUALLY, DEPARTMENT DIRECTORS, EXECUTIVE OFFICERS AND BOARD MEMBERS ARE REQUIRED TO SIGN MSHA'S CONFLICT OF INTEREST POLICY. BY SIGNING THIS POLICY, THEY AFFIRM THEIR KNOWLEDGE AND UNDERSTANDING OF THE POLICY AND ALSO HAVE THE OPPORTUNITY TO DISCLOSE ANY CONFLICT OF INTEREST THEY MAY HAVE. ALL TEAM MEMBERS ARE REQUIRED BY POLICY TO IMMEDIATELY DISCLOSE SITUATIONS THAT MAY CONSTITUTE CONFLICTS OF INTEREST WHEN THEY ARISE.
- MSHA IS FULLY COMPLIANT WITH REGULATORY AND LEGAL REQUIREMENTS, AND ITS HOSPITALS ARE ACCREDITED BY THE JOINT COMMISSION.

FORM 990, PART VI, SECTION A, LINE 4: THE MEMBERSHIP OF THE MSHA CORPORATION VOTED TO AMEND THE CHARTER OF THE CORPORATION TO CREATE TWO CLASSES OF MEMBERS, A & B. THE CLASS A MEMBERS ARE WHAT IS TRADITIONALLY

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE
Employer identification number: 62-0476282

CONSIDERED MEMBERS, HAVING THE ABILITY TO ELECT OFFICERS AND VOTE ON CERTAIN ACTIONS OF THE CORPORATION. ALL EXISTING MEMBERS AUTOMATICALLY BECOME CLASS A MEMBERS, AND WILL REMAIN CLASS A MEMBERS SO LONG AS THEY PARTICIPATE IN TWO EDUCATIONAL SESSIONS ANNUALLY OFFERED BY THE CORPORATION. PERSONS DESIRING TO BECOME NEW CLASS A MEMBERS MUST CONTRIBUTE $500 UPON APPLICATION, CONTRIBUTE $100 ANNUALLY THEREAFTER, AND PARTICIPATE IN THE TWO ANNUAL EDUCATION SESSIONS. CLASS B MEMBERS ARE ANY FORMER CLASS A MEMBERS WHO FAILED TO MAINTAIN THE REQUIREMENTS OF CLASS A MEMBERSHIP, OR ANYONE APPLYING TO BECOME A CLASS B MEMBER AND CONTRIBUTING $100 AT APPLICATION. CLASS B MEMBERS HAVE NO VOTE, BUT CAN ATTEND AND PARTICIPATE IN THE MEETINGS AND EDUCATION SESSIONS OF THE CLASS A MEMBERSHIP, BUT ARE NOT REQUIRED TO.

FORM 990, PART VI, SECTION A, LINE 6: THE CORPORATION HAS MEMBERS AS FULLY DESCRIBED IN RESPONSE TO NUMBER 4 ABOVE.

FORM 990, PART VI, SECTION A, LINE 7A: THE CLASS A MEMBERS ANNUALLY ELECT MEMBERS TO THE BOARD OF DIRECTORS.

FORM 990, PART VI, SECTION A, LINE 7B: CERTAIN DECISIONS OF THE BOARD ARE, PURSUANT TO TENNESSEE STATUTE, SUBJECT TO APPROVAL BY THE CLASS A MEMBERS. THESE DECISIONS INCLUDE: DISSOLUTION OF THE CORPORATION; MERGER OF THE CORPORATION; NON-ORDINARY COURSE OF BUSINESS SALE OF ASSETS; ETC. NO ORDINARY DAY-TO-DAY DECISIONS ARE SUBJECT TO MEMBER APPROVAL.

FORM 990, PART VI, SECTION B, LINE 11: MSHA'S FORM 990 WAS REVIEWED BY MSHA'S BOARD OF DIRECTORS PRIOR TO SUBMITTING THE RETURN TO THE IRS. MSHA'S CFO AND SENIOR VICE-PRESIDENT PRESIDED OVER THE BOARD REVIEW. THE BOARD

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

MEMBERS WERE PROVIDED ELECTRONIC ACCESS TO THE FORM 990 AND SCHEDULES PRIOR TO THE IN-PERSON REVIEW TO ALLOW MEMBERS ADEQUATE TIME TO LOOK OVER THE RETURN.

FORM 990, PART VI, SECTION B, LINE 12C: ANNUALLY, THE AUDIT AND COMPLIANCE DEPARTMENT OF THE CORPORATION FORWARDS THE POLICY AND THE CONFLICT OF INTEREST DISCLOSURE FORMS TO ALL COVERED PERSONS. EACH PERSON IS REQUIRED TO PROVIDE A COMPLETED DISCLOSURE FORM, NOTING ANY CONFLICTS OR ATTESTING THEY HAVE "NONE", AND THEN FORWARD THOSE BACK TO THE AUDIT AND COMPLIANCE DEPARTMENT. ANY DISCLOSURES ARE FORWARDED TO THE APPROPRIATE MANAGEMENT OR BOARD PERSONNEL TO EVALUATE AND UTILIZE WHEN A TRANSACTION INVOLVING A CONFLICTED PERSON ARISES. ADDITIONALLY, PERSONNEL WHO HAVE A CONFLICT ARISE BETWEEN THE ANNUAL DISTRIBUTION OF THE POLICY AND FORMS ARE REQUIRED TO DISCLOSE THE CONFLICT, AND WOULD BE DISCIPLINED IN ANY INSTANCE WHERE THEY HAVE NOT DISCLOSED AND ENGAGED IN A CONFLICTED TRANSACTION.

FORM 990, PART VI, SECTION B, LINE 15: THE COMPENSATION COMMITTEE, WHICH IS THE EXECUTIVE COMMITTEE OF THE MSHA BOARD, OBTAINS THE SERVICES OF AN OUTSIDE AND INDEPENDENT COMPENSATION CONSULTANT TO PROVIDE THE COMMITTEE WITH RELEVANT MARKET DATA FROM COMPENSATION SURVEYS AND WITH ADVICE WHEN THE COMMITTEE MAKES RECOMMENDATIONS ON PAY AND BENEFITS FOR THE CEO OF MSHA.

THE BOARD ALSO APPROVES PAY AND BENEFITS FOR THE CFO. THE COMPENSATION COMMITTEE REVIEWS AND HAS FINAL APPROVAL OF CEO RECOMMENDATIONS FOR PAY AND BENEFITS FOR ALL OTHER EXECUTIVES.

FORM 990, PART VI, SECTION C, LINE 19: GOVERNING DOCUMENTS AND CONFLICT OF

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

INTEREST POLICY ARE MADE AVAILABLE UPON REQUEST TO 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 AND ANNUAL BASIS.

FORM 990, PART VII, SECTION A

OFFICER, KEY EMPLOYEE & HIGHEST PAID COMPENSATION:

LYNN KRUTAK, CFO AND MSHA KEY EMPLOYEE, IS PAID BY MSHA. BLUE RIDGE MEDICAL MANAGEMENT CORPORATION (BRMMC) REIMBURSES MSHA FOR 50% OF KRUTAK'S SALARY AND BENEFITS. MSHA IS THE SOLE MEMBER OF BRMMC. KRUTAK DEVOTES AN EQUAL AMOUNT OF TIME BETWEEN MSHA AND BRMMC.

STEVE KILGORE, REPORTABLE AS A HIGHEST COMPENSATED EMPLOYEE, IS PAID BY MSHA AND HIS SALARY AND BENEFITS ARE FULLY REIMBURSED TO MSHA BY BRMMC.

DR. WILLIAM WALKER, MSHA BOARD MEMBER, HAS REPORTABLE COMPENSATION AND BENEFITS PAID BY BRMMC. DR. WALKER IS A CARDIOVASCULAR THORACIC SURGEON IN A MEDICAL PRACTICE OWNED BY BRMMC. HE DOES NOT RECEIVE COMPENSATION FOR HIS MSHA BOARD SERVICE.

CERTAIN EXECUTIVES OF THE ORGANIZATION, SUCH AS THE CEO AND SR VP/CFO, PROVIDE SERVICES TO SOME OR ALL OF THE ORGANIZATIONS RELATED TO MSHA.

FORM 990, PART XI, LINE 5, CHANGES IN NET ASSETS:

PSHP CHARITABLE CONTRIBUTIONS NOT ON BOOKS	19,300.
PSHP PORTFOLIO EXPENSES NOT ON BOOKS	3.

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE
Employer identification number: 62-0476282

TEMPORARILY RESTRICTED GRANTS	59,978.
CHANGE IN FAIR VALUE OF DERIVATIVES	36,801,826.
PARTNERSHIP INCOME NOT ON BOOKS	-229,487.
PSHP INTEREST INCOME NOT ON BOOKS	-9,125.
PSHP CAPITAL LOSSES NOT ON BOOKS	17,102.
TOTAL TO FORM 990, PART XI, LINE 5	36,659,597.

FORM 990, PART I, LINE 1

MISSION & SIGNIFICANT ACTIVITIES:

MSHA IS COMMITTED TO OUR MISSION OF BRINGING LOVING CARE TO HEALTH CARE. WE EXIST TO IDENTIFY AND RESPOND TO THE HEALTHCARE NEEDS OF INDIVIDUALS AND COMMUNITIES IN THE 29-COUNTY AREA WE SERVE, HELPING THEM ATTAIN THEIR HIGHEST LEVEL OF HEALTH. MSHA DELIVERS THIS CARE THROUGH THE PHILOSOPHY OF PATIENT-CENTERED CARE, AND THE DEVELOPMENT OF COMPREHENSIVE STRATEGIC PLANNING AND IMPLEMENTATION. MSHA OPENED A NEW REPLACEMENT HOSPITAL IN EARLY FY11, FRANKLIN WOODS COMMUNITY HOSPITAL (FWCH), A CERTIFIED "GREEN" FACILITY AND THE FIRST "GREEN" HOSPITAL IN THE STATE OF TENNESSEE. FWCH REPLACED NORTH SIDE AND SPECIALTY HOSPITALS IN JOHNSON CITY. CONSTRUCTION ON A REPLACEMENT HOSPITAL FOR JOHNSTON MEMORIAL HOSPITAL (JMH) WAS COMPLETED DURING FY11 AND THE HOSPITAL OPENED DURING THE YEAR. CONSTRUCTION WAS STARTED ON A REPLACEMENT FACILITY FOR SMYTH COUNTY COMMUNITY HOSPITAL (SCCH) AS WELL, WHICH WILL OPEN DURING FY12. BOTH JMH AND SCCH ARE LOCATED IN VIRGINIA AND MAJORITY OWNED BY MSHA.

MSHA OFFERS UNIQUE SERVICES TO THE BROAD COMMUNITY WITH OUR NISWONGER CHILDREN'S HOSPITAL. THROUGH NISWONGER CHILDREN'S HOSPITAL, THE ST. JUDE CHILDREN'S HOSPITAL AFFILIATE CLINIC, WE PROVIDE THE REGION'S ONLY

CHILDREN'S EMERGENCY DEPARTMENT. NISWONGER CHILDREN'S ALSO PROVIDES AN N.I.C.U., WHICH IS THE STATE DESIGNATED PERINATAL CENTER FOR THIS REGION. MSHA OFFERS THE LARGEST AIR AMBULANCE SERVICE IN THE REGION WITH WINGS AIR RESCUE COVERING THE ENTIRE 29-COUNTY SERVICE AREA.

TO MEET ITS MISSION CLINICALLY, MSHA IS INVOLVED IN NUMEROUS QUALITY INITIATIVES AROUND THE UNITED STATES, BENCHMARKING AND IMPROVING PATIENT OUTCOMES AT OUR ACUTE CARE FACILITIES. THESE EFFORTS HAVE GENERATED NATIONAL, STATE AND REGIONAL RECOGNITIONS AS MSHA CONTINUES TO IMPROVE ITS PROCESSES AND OUTCOMES. MORE NARRATIVE INFORMATION IS PROVIDED ABOUT OUR HEALTH SYSTEM IN PART III AND SCHEDULE H.

OUR MISSION DIRECTS THE SYSTEM TO IDENTIFY AND RESPOND TO THE HEALTHCARE NEEDS OF INDIVIDUALS AND COMMUNITIES IN OUR REGION. AS A RESULT, MSHA FINANCIALLY SUPPORTS MANY NON-PROFIT ORGANIZATIONS COMMITTED TO MEDICAL ASSISTANCE TO THE UNINSURED/UNDERINSURED AS WELL AS PROGRAMS TO IMPROVE THE OVERALL HEALTH AND WELLNESS OF OUR REGION.

FORM 990, PART I, LINE 6

VOLUNTEERS:

MOUNTAIN STATES HEALTH ALLIANCE AUXILIARY (AUXILIARY) SUPPORTS THE NUMEROUS HOSPITALS WITHIN THE MSHA SYSTEM. THE AUXILIARY IS AN ACTIVE ORGANIZATION THAT CONSTANTLY LOOKS FOR AND SOLICITS RECOMMENDATIONS ON ACTIVITIES TO BENEFIT MSHA HOSPITALS, PATIENTS AND THEIR FAMILIES, AND THE COMMUNITY. SINCE MSHA HAS NUMEROUS HOSPITALS OF VARYING SIZE AND SERVICES, THE OPPORTUNITY TO PROVIDE ASSISTANCE IS TREMENDOUS AND THE AUXILIARY OFTEN TAILORS ITS ACTIVITIES TO THE UNIQUE NEEDS WITHIN A SPECIFIC HOSPITAL.

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

ALTHOUGH WE REPORT ACTIVE VOLUNTEERS OF 1,759 ON PAGE 1, LINE 6, THE ACTUAL NUMBER OF VOLUNTEERS IS MUCH HIGHER. WE KEEP PRECISE RECORDS ONLY FOR THOSE ACTIVE MEMBERS WHO WORK REGULARLY SCHEDULED HOURS. FOR EXAMPLE, OUR VOLUNTEERS WHO SEW AND DO NEEDLEWORK, ETC. INSIDE THEIR HOMES ARE NOT COUNTED. OUR ACTIVE VOLUNTEERS SERVED 145,423 HOURS DURING FISCAL YEAR 2011. ALL OF OUR ACTIVE VOLUNTEERS RECEIVE ORIENTATION AND ONGOING TRAINING; AND, ALL RECEIVE AN ANNUAL EVALUATION TO PROMOTE STAKEHOLDER SAFETY, ADHERENCE TO INTERNAL COMPLIANCE STANDARDS, AND TO ENSURE A CONSISTENT PROVISION OF QUALITY SERVICE TO PATIENTS, VISITORS, AND TEAM MEMBERS.

SOME OF THE ACTIVITIES PROVIDED BY THE AUXILIARY VOLUNTEERS DURING FISCAL YEAR 2011 ARE REPORTED BELOW:

MUSICAL ENTERTAINMENT, TAPED CONCERTS AND PERFORMANCES BY LOCAL STUDENTS, CHURCHES AND COMMUNITY GROUPS ARE PLAYED ON A VOLUNTEER MUSIC CHANNEL AT JOHNSON CITY MEDICAL CENTER (JCMC). A MUSICAL EVENTS CALENDAR IS MAINTAINED ON THE INTRANET FOR ALL HOSPITALS AND IN THE DAILY "MSHA MOMENT" - AN INFORMATIONAL COMMUNICATION TO ALL TEAM MEMBERS. SUNDAY AFTERNOON MUSICAL PERFORMANCES ARE GIVEN AT 5 MSHA HOSPITALS. A HARMONICA PLAYER WALKS THE HALLS AND PROVIDES HARMONICA MUSIC. HE WILL GO IN ANY PATIENT ROOM WHEN THE PATIENT/PATIENT FAMILY REQUESTS AND HE OFFERS FREE HARMONICAS WITH BEDSIDE LESSONS ESPECIALLY FOR CHILDREN AT OUR NISWONGER CHILDREN'S HOSPITAL. THESE HARMONICA LESSONS ARE ALSO HELPFUL TO HEART PATIENTS WHO ARE HAVING TROUBLE USING THEIR BREATHING DEVICE.

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

VISUAL ARTS. THE AUXILIARY PREPARES A ROTATING ART EXHIBIT AT JCMC AND INDIAN PATH MEDICAL CENTER (IPMC). WE HAVE CERTIFIED MASTER GARDNER VOLUNTEERS AT JCMC, WOODRIDGE HOSPITAL, AND QUILLEN REHAB HOSPITAL. DIRECTION CARDS WERE DEVELOPED FOR JCMC AND FRANKLIN WOODS COMMUNITY HOSPITAL DURING THE YEAR.

LITERARY ARTS. A READING PROGRAM IS PROVIDED FOR THE PATIENTS AT NISWONGER CHILDREN'S HOSPITAL.

CULINARY. VOLUNTEERS BAKE AND DELIVER COOKIES DAILY TO JCMC, FWCH, AND IPMC. VOLUNTEERS ARRIVE EARLY EACH MORNING TO BAKE THE COOKIES. THE COOKIES ARE WRAPPED AND DELIVERED TO SURGERY, ICU, HEART CATH, AND ER WAITING ROOMS. A VARIETY OF SNACKS AND MEALS ARE DELIVERED TO NORTON COMMUNITY HOSPITAL FAMILY KITCHENS. GOODY BASKET DELIVERIES ARE MADE TO JCMC'S ICU WAITING ROOM.

CREATIVE ARTS. VOLUNTEERS FROM AREA CHURCH GROUPS MAKE QUILTS AND PERSONAL CARE KITS FOR ER PATIENTS AT IPMC. VOLUNTEERS CREATE COLORING BOOKS FOR WAITING AREAS. ALL NEWBORNS RECEIVE HAND-KNITTED OR CROCHETED BABY HATS AND MANY RECEIVE BLANKETS AND/OR BOOTIES. ALL BABIES BORN DURING DECEMBER RECEIVE A HANDMADE, OVER-SIZED CHRISTMAS STOCKING. VOLUNTEERS BEGIN WORKING ON THE STOCKINGS IN THE SUMMER AND COMPLETE OVER 400 STOCKINGS. THE BABIES ARE OFTEN SENT HOME NESTLED IN THE STOCKINGS. VOLUNTEERS MAKE IV COVERS, SOFT CAPS FOR ONCOLOGY PATIENTS, AND HEATABLE BABY POSITIONING PADS. SPECIAL ENTERTAINMENT FOR CHILDREN INCLUDES VOLUNTEER CLOWNS AND SANTA. BOTH SANTA AND THE CLOWNS MAKE MONTHLY VISITS TO NISWONGER CHILDREN'S HOSPITAL. VOLUNTEERS ALSO MAKE PILLOWS FOR BARIATRIC PATIENTS.

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

COMMUNITY INVOLVEMENT. VOLUNTEERS ARE AVAILABLE 7 DAYS A WEEK, 24 HOURS A DAY FOR NISWONGER CHILDREN'S HOSPITAL NICU. THIS PROGRAM'S PURPOSE IS TO HOLD AND COMFORT BABIES IN THE NICU AND IS APTLY CALLED THE NICU CUDDLER PROGRAM. THE AUXILIARY MAINTAINS A PROGRAM FOR HEART PATIENTS CALLED MENDED HEARTS. MENDED HEARTS HAS 19 TRAINED VOLUNTEERS TO VISIT WITH CARDIAC PATIENTS BEFORE AND AFTER OPEN HEART SURGERY EVERY DAY. THEY ALSO HAVE MONTHLY SUPPORT MEETINGS WITH PROGRAMS ON HEART HEALTH AND OFFER ANOTHER CLASS EVERY SIX WEEKS TO THE CARDIAC REHAB PROGRAM. THIS PROGRAM SERVED 761 PATIENTS AND FAMILY MEMBERS DURING THE YEAR. COURTESY CARTS AND A VAN OPERATED BY VOLUNTEERS ARE PROVIDED TO TRANSPORT PATIENTS AND VISITORS TO ANY DOOR AT JCMC. JCMC IS A LARGE HOSPITAL WITH MULTIPLE ENTRY POINTS AND PARKING CAN BE A GOOD DISTANCE AWAY FROM THE FACILITY. THIS TRANSPORT PROGRAM HAS BEEN VERY WELL RECEIVED BY OUR PATIENTS AND THEIR VISITORS. THE CARTS AND VAN OPERATE THREE SHIFTS DAILY AND ONE TO TWO SHIFTS ON WEEKENDS.

FRANKLIN WOODS COMMUNITY HOSPITAL (FWCH). FWCH IS A BRAND-NEW MSHA HOSPITAL. WE ARE VERY PROUD OF THIS NEW FACILITY, WHICH IS A CERTIFIED "GREEN" HOSPITAL. SINCE OPENING IN THE SUMMER OF 2010, THE AUXILIARY VOLUNTEER TEAM EXPANDED ITS VOLUNTEER SERVICE OPERATIONS TO INCLUDE THIS NEW HOSPITAL.

FORM 990, PART III, LINE 4A

STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS (CONTINUED)

- MSHA HAS A NO-RETALIATION AND NO-RETRIBUTION POLICY FOR THE PROTECTION OF INDIVIDUALS WHO, IN GOOD FAITH, REPORT LEGAL OR ETHICAL CONCERNS. TEAM MEMBERS ARE REQUIRED TO REPORT CONCERNS TO APPROPRIATE

PERSONS FOR INVESTIGATION OR FOLLOW-UP. "ALERTLINE" IS A CONFIDENTIAL, RISK-FREE HOTLINE FOR REPORTING SUSPECTED ILLEGAL BEHAVIOR, ETHICAL VIOLATIONS OR SAFETY RISKS AND IS AVAILABLE TO ALL TEAM MEMBERS VIA A TOLL-FREE NUMBER.

MEDICAL EDUCATION AND RESEARCH

MSHA PROVIDES CLINICAL EXPERIENCE TO MEDICAL STUDENTS AND RESIDENTS OF THE JAMES H. QUILLEN COLLEGE OF MEDICINE AT ETSU. MSHA CONTRIBUTED AN UNREIMBURSED COST AMOUNT OF $3,877,766 TO THE RESIDENCY PROGRAM IN FY11.

MSHA FACILITIES SERVE AS CLINICAL TRAINING AREAS FOR HEALTH PROFESSIONAL EDUCATION STUDENTS. MSHA HAS DEDICATED STAFF TO WORK WITH REGIONAL COLLEGES AND UNIVERSITIES TO COORDINATE THE PLACEMENT OF HEALTH CARE PROFESSIONAL STUDENTS AS PART OF THEIR EDUCATIONAL CURRICULUM. MANY OF THE HEALTH CARE STUDENTS ENTERING OUR SYSTEM ARE REQUIRED TO HAVE ORIENTATION AND COMPUTER TRAINING.

ALSO RECEIVING CLINICAL EXPERIENCE AT MSHA WERE 1,298 NURSING STUDENTS FROM VARIOUS COLLEGES, UNIVERSITIES AND PROGRAMS. THIS NURSING CLINICAL EXPERIENCE REQUIRED EXTENSIVE MSHA NURSING STAFF INVOLVEMENT AT FIVE MSHA FACILITIES. THE CLINICAL SETTING AND HANDS-ON INSTRUCTION COST MSHA $2,307,917.

MSHA PROVIDED A CLINICAL SETTING FOR ANOTHER 1,162 STUDENTS TRAINING IN HEALTH-RELATED PROGRAMS SUCH AS RADIOLOGY, PHARMACY, LABORATORY, PHYSICAL THERAPY AND OTHER ALLIED-HEALTH DISCIPLINES. THESE ADDITIONAL

CLINICAL STUDENTS COST MSHA $1,022,679.

MSHA PROVIDED ASSISTANCE TO 383 HIGH SCHOOL AND COLLEGE STUDENTS WHO WERE CONSIDERING A HEALTHCARE CAREER PATH BY ALLOWING THEM TO OBSERVE LICENSED MSHA CLINICAL PROFESSIONALS. THE SHADOWING OF CLINICAL STAFF BY THESE STUDENTS COST MSHA $8,686.

MSHA'S LEARNING RESOURCE CENTER (LRC) IS A MEDICAL LIBRARY THAT PROVIDES ACCESS TO MEDICAL DATABASES, VARIOUS PAPER PUBLICATIONS AND FACILITATES INTER-LIBRARY JOURNAL LOANS TO INCREASE LIBRARY RESOURCES. THE LRC SUBSCRIBES TO SEVERAL ONLINE MEDICAL DATABASES AS WELL AS PRINTED MEDICAL EDUCATION MATERIALS. THE LRC IS PRIMARILY UTILIZED BY MEDICAL RESIDENTS, PHARMACY AND NURSING STUDENTS. THIS SERVICE IS ALSO USED BY OTHER HEALTH PROFESSION EDUCATION STUDENTS, PHYSICIANS AND STAFF, AND IS OPEN TO THE COMMUNITY. THE FY11 COST OF PROVIDING THIS SERVICE WAS $306,197.

MARKETING - MSHA PROVIDES ACCESS TO SEVERAL ONLINE HEALTH INFORMATION SERVICES. "MY HEALTH NEWS" ALLOWS ACCESS TO HEALTH INFORMATION TOPICS AND SERVICES THAT MATTER TO THE USER. THIS SERVICE SENDS UP-TO-DATE INFORMATION FROM NATIONAL HEALTH RESOURCES TAILORED TO THE INDIVIDUAL'S NEEDS. MSHA PROVIDES ACCESS TO "KIDSHEALTH", A SERVICE THAT PROVIDES PRACTICAL PARENTING INFORMATION AND NEWS. THIS SERVICE ALSO PROVIDES HOMEWORK HELP FOR KIDS AND STRAIGHT TALK ANSWERS FOR TEENS. NEW TO THE MSHA WEB SITE IS "ITRIAGE", A LINK THAT ALLOWS THE USER TO CHECK FOR A WIDE ARRAY OF SYMPTOMS AND CAUSES/TREATMENTS, DISEASES AND CONDITION INFORMATION, EXPLANATIONS OF VARIOUS MEDICAL PROCEDURES, AND AN APP IS AVAILABLE FOR DOWNLOADING. MSHA PROVIDES CME AND CEU OPPORTUNITIES WITH "MEDNEWSPLUS" FOR PHYSICIANS AND NURSES FREE OF CHARGE. THE SERVICE IS

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

OPEN TO ANY PHYSICIAN OR NURSE IN THE REGION AND OFFERS CME AND CEU CREDITS. MSHA ALSO PROVIDES LINKS TO HELPFUL HEALTH-RELATED SITES ON THE INTERNET.

PATIENT CARE SERVICES

DATA SHOWS THAT THE HEALTH STATUS OF MSHA'S SERVICE AREA IS GENERALLY POOR. MSHA'S SERVICE AREA CONSISTS OF COUNTIES IN TENNESSEE AND SOUTHWEST VIRGINIA. AMONG THE 50 STATES, TENNESSEE RANKED 42ND AND VIRGINIA RANKED 22ND IN TERMS OF HEALTH STATUS. SOME OF THE OVERWHELMING HEALTH ISSUES IN OUR SERVICE AREA INCLUDE:

1.HIGH PREVALENCE OF OBESITY

2.POOR CARDIOVASCULAR HEALTH

3.HIGH RATE OF CIGARETTE SMOKING

4.POOR AIR QUALITY

5.LOW RATE OF DIABETIC CARE

6.HIGH RATE OF UNINSURED

7.LOW LEVEL OF EDUCATION

8.HIGH RATE OF DEATHS DUE TO CARDIOVASCULAR CONDITIONS, CANCER AND DIABETES

GIVEN THIS HEALTH PROFILE, MSHA EXISTS TO IDENTIFY AND RESPOND TO THE HEALTHCARE NEEDS OF ALL INDIVIDUALS AND COMMUNITIES IN THE REGION AND TO ASSIST THEM IN ATTAINING THEIR HIGHEST POSSIBLE LEVEL OF HEALTH. MSHA LIVES ITS MISSION TO BRING LOVING CARE TO HEALTH CARE IN OUR REGION. MSHA OPERATES ON A NON-DISCRIMINATORY BASIS, PROVIDING QUALITY HEALTH CARE TO ALL PATIENTS REGARDLESS OF RACE, RELIGION, GENDER,

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

ETHNICITY, DISABILITY, AGE OR ABILITY TO PAY.

CHARITY AND UNREIMBURSED COSTS

CHARITY CARE: WHILE REIMBURSEMENT FOR HEALTHCARE SERVICES RENDERED IS CRITICAL TO THE OPERATION AND SUSTAINABILITY OF THE ORGANIZATION, MSHA RECOGNIZES ITS OBLIGATION TO PROVIDE CARE TO INDIVIDUALS WHO CANNOT AFFORD ESSENTIAL MEDICAL SERVICES, INCLUDING EMERGENCY CARE. A PATIENT IS CLASSIFIED AS A CHARITY PATIENT BY REFERENCE TO ESTABLISHED POLICIES OF MSHA AND GUIDELINES OUTLINED BY THE FEDERAL GOVERNMENT. HOWEVER, FINANCIAL ASSISTANCE DECISIONS ARE NOT SOLELY BASED ON INCOME. UNIQUE FINANCIAL CIRCUMSTANCES ARE WEIGHED WITH VERIFIED PATIENT ASSETS WHICH CAN DETERMINE FINANCIAL ASSISTANCE ELIGIBILITY. IT IS NOT UNTIL AFTER VERIFICATION OF INCOME AND ASSETS THAT A DECISION AS TO THE AMOUNT OF WRITE-OFF WILL BE MADE. IN FISCAL YEAR 2011, MSHA INCURRED A LOSS OF $13,141,846 ATTRIBUTABLE TO THE PROVISION OF FREE CARE TO INDIGENT PATIENTS.

GOVERNMENTAL PROGRAM ENROLLEES: MSHA PROVIDES CARE TO PERSONS COVERED BY GOVERNMENTAL PROGRAMS, INCLUDING MEDICARE AND MEDICAID AND STATE-FUNDED TENNCARE. IN FY11, THE UNREIMBURSED COST OF SERVICES PROVIDED TO THIS PATIENT POPULATION WAS $5,789,329 (MEDICARE, BASED ON MEDICARE ALLOWABLE COSTS), $3,388,560 (MEDICAID) AND $23,287,060 (TENNCARE).

BAD DEBT: MSHA PROVIDES AN INCREASING LEVEL OF SERVICE TO SELF-PAY PATIENTS FOR WHICH IT RECEIVES LITTLE OR NO PAYMENT. DURING FY11, BAD DEBTS RESULTED IN UNREIMBURSED COSTS OF $11,418,733.

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE
Employer identification number: 62-0476282

PROMOTE COMMUNITY HEALTH

MSHA OFFERS MANY REDUCED-PRICE OR FREE SERVICES AND PROGRAMS YEAR-ROUND IN CARE SETTINGS THAT IT ESTABLISHED TO ACCOMMODATE THE WIDELY SCATTERED, AGING AND SOCIOECONOMICALLY DISADVANTAGED POPULATION. SUCH PROGRAMS SERVE BONA FIDE COMMUNITY HEALTH NEEDS AND RESULT IN FINANCIAL LOSSES TO THE ORGANIZATION.

WINGS AIR RESCUE (WINGS), THE REGION'S ONLY EMERGENCY MEDICAL HELICOPTER SERVICE, IS CONSIDERED BY MSHA TO BE A REGIONAL ASSET. LICENSED IN THE STATE OF TENNESSEE AND THE COMMONWEALTHS OF KENTUCKY AND VIRGINIA, WINGS PROVIDED AIR TRANSPORT OF CRITICALLY ILL AND INJURED PATIENTS TO THE CLOSEST TERTIARY FACILITIES, INCLUDING NON-MSHA FACILITIES. 74% OF THEIR PATIENTS ARE FROM TRAUMA SCENES TO TERTIARY CARE CENTERS, WITH OTHERS BEING CARDIAC, OB, PEDIATRIC AND MEDICAL. DURING FY11, WINGS TRANSPORTED 1,591 PATIENTS AND MADE 11 SEARCH AND RESCUE FLIGHTS AT A NET OPERATING LOSS OF $740,905 TO MSHA.

NURSE LINK MEDICAL CALL CENTER IS A 24-HOUR TOLL-FREE MEDICAL INFORMATION LINE. EXPERIENCED REGISTERED NURSES ANSWER CALLS AND PROVIDE INVALUABLE CONFIDENTIAL HEALTH INFORMATION. THEY MANAGE PHYSICIAN-APPROVED PATIENT TRIAGE SERVICES; MAKE INDIVIDUAL CALLBACKS FOR PEDIATRIC AND ADULT PATIENTS WITH SERIOUS SYMPTOMS; AND COORDINATE PATIENT TRANSPORTS AND EMERGENCY DEPARTMENT ACCESS. IN FY11, NURSE LINK HANDLED 52,359 CALLS INCLUDING 3,410 PHYSICIAN REFERRALS. MSHA INCURRED AN EXPENSE OF $560,241 TO PROVIDE THIS SERVICE AT NO COST TO THE COMMUNITY.

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer Identification number: 62-0476282

DURING FY11, MSHA OPERATED A SATELLITE DISPENSARY OF HOPE. THE DISPENSARY OF HOPE PROVIDES PRESCRIPTION DRUGS TO THOSE WHO MAY NOT HAVE OTHERWISE BEEN ABLE TO AFFORD NEEDED MEDICATIONS. DURING FY11, THE DISPENSARY FILLED 12,358 PRESCRIPTIONS FOR 2,792 PEOPLE WHOM OTHERWISE COULD NOT HAVE AFFORDED THEM. THE SITE HAS ITS OWN PHARMACY, A FULL TIME PHARMACIST, A FULL-TIME PHARMACY TECH AND A SOCIAL WORKER/RECEPTIONIST. THE LOCAL DISPENSARY OF HOPE IS STAFFED, IN PART, BY VOLUNTEER PHARMACISTS FROM THE COMMUNITY AND WILL SERVE AS A TRAINING SITE FOR THE BILL GATTON COLLEGE OF PHARMACY AT EAST TENNESSEE STATE UNIVERSITY. DURING FY11, MSHA INCURRED UNREIMBURSED EXPENSES OF $194,980 FOR THIS PROGRAM.

THE HEALTH RESOURCES CENTER (HRC) IS A COMMUNITY OUTREACH SERVICE PROVIDED BY MSHA. THE HRC IS CONVENIENTLY LOCATED IN THE REGION'S LARGEST SHOPPING MALL. THE HRC OFFERS FREE CLASSES, BLOOD PRESSURE CHECKS, INFORMATIONAL MATERIALS AND RESOURCES AS WELL AS A NUMBER OF OTHER SERVICES IN AN EFFORT TO MEET COMMUNITY MEMBERS' BASIC HEALTH AND HEALTH EDUCATION NEEDS. THE HRC HAD 25,565 VISITS TO THEIR OFFICE AND PERFORMED 1,698 HEALTH SCREENINGS. THE HRC ALSO HOSTED MORE THAN 7,802 ATTENDEES WHO PARTICIPATED IN MONTHLY HEALTH EDUCATION PROGRAMS. THE HRC ALSO PROVIDES OUTREACH SERVICES WHERE THEY SCREENED AN ADDITIONAL 5,489 COMMUNITY MEMBERS. THE UNCOMPENSATED COST OF HRC WAS $388,247.

FORM 990, PART III, LINE 4A

PROGRAM SERVICE ACCOMPLISHMENTS (CONTINUED)

SOME OF THE FREE CLASSES AND SUPPORT GROUPS OFFERED TO THE PUBLIC BY MSHA INCLUDE: SMOKING SESSATION PROGRAMS; NURTITION AND COOKING

CLASSES; EDUCATIONAL SESSIONS ON THE DANGERS OF RECREATIONAL DRUGS SUCH AS BATH SALTS AND SYNTHETIC MARIJUANA; CPR CLASSES; RELAXATION TRAINING; SAFE BABYSITTING TRAINING; BALANCE AND FALLS PREVENTION; WEIGHT LOSS; EXERCISE PROGRAMS, ETC.

MSHA'S COMMUNITY HEALTH AND WELLNESS SCREENING CENTER (CHAWS) WORKS WITH LOCAL SCHOOLS AND BUSINESSES AS WELL AS INDIVIDUAL COMMUNITY MEMBERS TO PROVIDE ONSITE HEALTH EDUCATION PROGRAMS, PERFORM HEALTH ASSESSMENTS AND OFFER HEALTHY LIFESTYLE COUNSELING. IN FY11, CHAWS PROVIDED 983 SCREENINGS WITH AN UNREIMBURSED EXPENSE OF $351,985.

IN OCTOBER OF 2010, MSHA INTRODUCED THE HEART COACH. THE HEART COACH IS A MOBILE CARDIOVASCULAR SCREENING CENTER WHICH IS OFFERED IN EAST TENNESSEE AND SOUTHWEST VIRGINIA. DURING FY11, THE HEART COACH PROVIDED 2,721 CARDIOVASCULAR SCREENINGS. 183 OF THESE SCREENINGS HAD ABNORMAL RESULTS FOR CARDIOVASCULAR ISSUES AND 202 ABNORMAL RESULTS FOR OTHER ISSUES (GLUCOSE, BLOOD PRESSURE, ETC.). THE STAFF OF THE HEART COACH WAS ABLE TO PROVIDE REFERRALS FOR FOLLOW UP APPROPRIATE TO EACH MEDICAL CONDITION. IN FY11, THE HEART COACH HAD UNREIMBURSED EXPENSES OF $170,752.

BASED ON COMMUNITY NEEDS, MSHA INCURRED AN EXPENSE OF $150,215 TO RECRUIT PHYSICIANS INTO CLINICAL/GEOGRAPHICAL AREAS THAT WERE FEDERALLY DESIGNATED AS MEDICALLY UNDERSERVED. MSHA INCURRED AN ADDITIONAL EXPENSE OF $1,989,030 TO RECRUIT PHYSICIANS INTO OTHER AREAS SERVICED BY MSHA.

JOHNSON COUNTY COMMUNITY HOSPITAL (JCCH) IS A FEDERALLY DESIGNATED

CRITICAL ACCESS HOSPITAL. THIS FACILITY IS LOCATED IN ONE OF TENNESSEE'S POOREST COUNTIES AND PROVIDES EMERGENCY, INPATIENT AND OUTPATIENT CARE TO THE COUNTY'S RESIDENTS, MANY OF WHOM ARE OVER 65 YEARS OLD. JCCH CONTINUES TO BE DESIGNATED AS A PHYSICIAN SHORTAGE AREA FOR MANY SPECIALTIES. JCCH OPERATES A PHYSICIAN SPECIALTY CLINIC, WHICH INCURRED AN OPERATING LOSS OF $59,254 IN FY11. THE SPECIALTY CLINIC INCLUDES GENERAL SURGERY, PODIATRY, CARDIOLOGY AND OTHER SPECIALTY SERVICES. THIS CONTINUES TO BE A VALUABLE RESOURCE TO THE RESIDENTS OF THE AREA BY AIDING WITH TRANSPORTATION ISSUES (OTHER PHYSICIAN OFFICES ARE LOCATED MORE THAN AN HOUR AWAY), RESOLVING ACCESS LIMITATIONS FOR SPECIALTY SERVICES, AND PROVIDING RELIEF TO THE SPECIAL HEALTH PROBLEMS OF A LARGELY ELDERLY POPULATION. RURAL LIFE OFTEN INCLUDES HAZARDOUS OCCUPATIONS SUCH AS FARMING, WHICH INCREASES THE RISK FOR CHRONIC RESPIRATORY DISEASES AND CANCER- RELATED ILLNESSES CAUSED BY FERTILIZATION AND OTHER CHEMICALS. THIS RURAL POPULATION HAS A HIGHER INCIDENCE OF CARDIOVASCULAR DISEASE DUE TO DIET AND GENETIC PREDISPOSITION. GIVEN THESE FACTORS, RURAL HOSPITALS MUST REMAIN FLEXIBLE AND DIVERSE IN THEIR FACILITIES AND THE SERVICES THEY OFFER THE COMMUNITY. MSHA REMAINS FIRM IN THE BELIEF THAT FINANCIALLY SUPPORTING THE SERVICES OF JCCH AND THE SPECIALTY CLINIC TO ASSIST RESIDENTS IN ATTAINING A HIGH LEVEL OF HEALTH CONTINUES TO BE A CORE VALUE OF OUR BUSINESS AND COMMUNITY SUPPORT.

MSHA OPERATES A RURAL HEALTH CLINIC LOCATED IN ST PAUL, VA ON THE BORDER OF WISE AND RUSSELL COUNTIES. RIVERSIDE CLINIC FIRST OPENED IN 1991 TO PROVIDE PRIMARY CARE SERVICES TO THIS ELDERLY, UNDERSERVED POPULATION. THE CLINIC'S LARGEST PAYOR IS MEDICARE, WHICH ACCOUNTS FOR 36% OF THEIR PATIENTS. DURING FY11, THE CLINIC HAD 10,101 OUTPATIENT

VISITS. DURING FY11, RCMC PROVIDED A $399,460 SUBSIDY TO SUPPORT THE CLINIC'S OPERATIONS.

MSHA HAS PARTNERED WITH THE COMPANY FIRSTSOURCE SOLUTIONS TO WORK WITH SELF-PAYING PATIENTS WHO HAVE LIMITED FINANCIAL RESOURCES. DURING FY11, FIRSTSOURCE REPRESENTATIVES WERE AVAILABLE AT ALL MSHA FACILITIES FOR DAILY INTERACTION AND FINANCIAL SCREENING OF PATIENTS. FIRSTSOURCE REPRESENTATIVES WERE ABLE TO DETERMINE GOVERNMENTAL MEDICAL ASSISTANCE (TENNCARE OR MEDICAID) ELIGIBILITY, AND TO HELP WITH THE APPLICATION PROCESS AND FOLLOW-UP. DURING FY11, 4,339 POTENTIALLY ELIGIBLE PATIENTS TOOK ADVANTAGE OF FIRST SOURCE'S HELP, AND OF THOSE PATIENTS WHO APPLIED FOR TENNCARE OR VIRGINIA MEDICAID COVERAGE, 2,580 (60%) WERE APPROVED FOR COVERAGE. ONCE A PERSON IS APPROVED FOR TENNCARE OR MEDICAID THROUGH THE FIRSTSOURCE PROGRAM OFFERED THROUGH MSHA, THEY RETAIN COVERAGE FOR FUTURE MEDICAL CARE. FIRSTSOURCE IS COMPENSATED BY MSHA. DURING FY11, MSHA'S COST FOR THIS PROGRAM WAS $755,834.

MSHA ALSO GIFTS THE LAND LEASE TO THE RONALD MCDONALD HOUSE AT A FAIR MARKET VALUE OF $60,000. THE RONALD MCDONALD HOUSE IS LOCATED ON THE CAMPUS OF NISWONGER CHILDREN'S HOSPITAL AND JOHNSON CITY MEDICAL CENTER.

MSHA CONTRIBUTED $53,027 TO CARESPARK. CARESPARK WAS ESTABLISHED TO EXPLORE WAYS TO SHARE HEALTH INFORMATION SECURELY, EFFICIENTLY AND COST-EFFECTIVELY. CARESPARK WAS INITIATED BY VOLUNTEERS WITH THE COMMUNITY HEALTH IMPROVEMENT PARTNERSHIP, WHO HAD BEEN WORKING TOGETHER FOR MORE THAN A DECADE THROUGH THE LOCAL NON-PROFIT CITIZEN ORGANIZATION, KINGSPORT TOMORROW, TO DEVELOP COLLABORATIVE PROCESSES TO

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE | Employer identification number: 62-0476282

IMPROVE HEALTH WITHIN THE COMMUNITY.

MSHA CONTRIBUTED $30,000 TO THE ETSU FOUNDATION TO SUPPORT THE JOHNSON CITY DOWNTOWN CLINIC. THE JOHNSON CITY DOWNTOWN CLINIC WAS ORIGINALLY ESTABLISHED TO SERVE THE NEEDS OF THE LOCAL HOMELESS POPULATION IN JOHNSON CITY AND HAS EXPANDED OVER THE PAST NEARLY 15 YEARS TO INCLUDE THE UNINSURED, UNDERINSURED, TENNCARE ENROLLEES, A GROWING HISPANIC POPULATION, AND MEDICALLY INDIGENT INDIVIDUALS.

MSHA CONTRIBUTED $25,360 TO SUSAN G. KOMEN BREAST CARE FOUNDATION. SUSAN G. KOMEN IS THE GLOBAL LEADER OF THE BREAST CANCER MOVEMENT AND THE WORLD'S LARGEST GRASSROOTS NETWORK OF BREAST CANCER SURVIVORS AND ACTIVISTS.

COMMUNITY CONTRIBUTIONS

AS THE SECOND LARGEST EMPLOYER IN THE REGION, MSHA IS ONE OF THE AREA'S PRINCIPLE BENEFACTORS AND HAS MADE CORPORATE CITIZENSHIP AN INTEGRAL PART OF ITS CULTURE. FROM SYSTEM-WIDE INITIATIVES TO INDIVIDUAL EFFORTS OF CARING TEAM MEMBERS, ITS AIM IS TO ENRICH THE COMMUNITIES THAT THE ORGANIZATION SERVES. MSHA'S COMMITMENT INCLUDES FINANCIAL CONTRIBUTIONS, IN-KIND (NON-CASH) CONTRIBUTIONS AND LEADERSHIP RESOURCES WITHIN THREE BROAD CATEGORIES OF GIVING:

1) DIRECT CONTRIBUTIONS THAT SUPPORT COMMUNITY HEALTHCARE NEEDS AND THOSE NONPROFIT AGENCIES THAT ADVOCATE THE HEALTH AND WELL-BEING OF COMMUNITY MEMBERS;

2) MSHA-RUN AND MSHA-SUPPORTED PROGRAMS THAT CONTRIBUTE TO THE HEALTH

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE | Employer identification number: 62-0476282

AND WELL-BEING OF AREA RESIDENTS; AND

3) EDUCATION/TRAINING; BOTH AS A COMMUNITY CITIZEN AND AS AN EMPLOYER.

1.) DIRECT CONTRIBUTIONS - IN-KIND AND CASH

MSHA LEADERS SUPPORT AND ENCOURAGE ALL TEAM MEMBERS TO VOLUNTEER TIME, MONEY AND SKILLS TO COMMUNITY SERVICE PROJECTS AND CHARITABLE ORGANIZATIONS. SENIOR LEADERS AND BOARD MEMBERS SET A POSITIVE EXAMPLE FOR MSHA TEAM MEMBERS, SERVING VOLUNTARILY ON COMMITTEES AND MANAGING BOARDS OF LOCAL SERVICE AND NONPROFIT ORGANIZATIONS. MANY ALSO SERVE AS MEMBERS AND CONSULTANTS ON PROFESSIONAL COMMITTEES AND TASK FORCES THAT AFFECT REGIONAL DEVELOPMENT IN HEALTH CARE AND EDUCATION. TEAM MEMBERS SERVED THE BOYS & GIRLS CLUB, KIWANIS CLUBS, ROTARY CLUBS, SUSAN G. KOMEN BREAST CANCER FOUNDATION, ECONOMIC DEVELOPMENT STEERING COMMITTEE FOR WASHINGTON COUNTY, JUNIOR ACHIEVEMENT, SALVATION ARMY, AMERICAN HEART ASSOCIATION, HANDS ON! MUSEUM, APPALACHIAN MOUNTAIN PROJECT ACCESS, WASHINGTON COUNTY EMERGENCY MEDICAL SERVICES, WASHINGTON COUNTY VETERAN'S MEMORIAL COMMITTEE OF THE JOHNSON CITY PARKS AND RECREATION FOUNDATION, EATING DISORDERS COALITION OF TENNESSEE, JOHNSON CITY SYMPHONY ORCHESTRA, DAWN OF HOPE, UNITED WAY, CHAMBER OF COMMERCE BOARDS, AND MANY OTHERS. ALTHOUGH MSHA DID NOT FULLY MONITOR THESE ACTIVITIES DURING FY11 TO TABULATE THE TOTAL FINANCIAL COST, THE AMOUNT WOULD BE SIGNIFICANT SINCE SOME OF THESE TEAM MEMBERS DEVOTED TWO WEEKS OF NORMAL WORK TIME TO OUTSIDE CHARITABLE ACTIVITIES.

SUMMARY LIST OF CHARITABLE GIVING:

IN FY11, MSHA PROVIDED CASH AND IN-KIND SUPPORT TO NUMEROUS HEALTH AND

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

HUMAN SERVICE AGENCIES, INCLUDING, BUT NOT LIMITED TO, THE FOLLOWING RECIPIENTS. MAJOR PROGRAMS ARE DESCRIBED IN MORE DETAIL IN THE SECTIONS THAT FOLLOW.

- CARESPARK - $50,027
- ETSU FOUNDATION - $51,581
- SUSAN G. KOMEN BREAST CANCER FOUNDATION - $25,360
- EAST TENNESSEE STATE UNIVERSITY - $20,664
- BOYS AND GIRLS CLUB OF KINGSPORT - $20,000
- CROSSROADS MEDICAL MISSION - $12,500
- LINCOLN THEATRE - $12,500
- COALITION FOR KIDS - $8,560
- CITY OF JOHNSON CITY - $9,541
- RUSSELL COUNTY CAREER AND TECHNOLOGY CENTER - $17,474
- HANDS ON! REGIONAL MUSEUM - $7,500
- RUSSELL COUNTY AMBULANCE - $4,074
- RUSSELL COUNTY CAREER & TECHNOLOGY CENTER - $17,474
- SECOND HARVEST FOOD BANK - $4,583
- TENNESSEE CENTER FOR PERFORMANCE EXCELLENCE - $4,150
- THE SALVATION ARMY - $1,768
- UMOJA UNITY FESTIVAL - $2,237
- ECUMENICAL FAITH IN ACTION - $1,000
- FIRST TENNESSEE HUMAN RESOURCE AGENCY - $1,000
- GOD OF SECOND CHANCE MISSION - $1,000

FORM 990, PART III, LINE 4A

PROGRAM SERVICE ACCOMPLISHMENTS (CONTINUED)

- MOUNTAIN STATES FOUNDATION - $2,665

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

- GOOD SAMARITAN MISITRY - $1,759

MSHA, IN COLLABORATION WITH AREA HEALTH AGENCIES AND PROVIDERS, MAY OFFER ASSISTANCE WITH COORDINATION, ADVOCACY AND PUBLICITY; PROVIDE SPACE; OR CONTRIBUTE SUPPLIES TO SUPPORT GROUPS FOR THEIR PROGRAM ACTIVITIES.

MSHA VALUES SOCIAL RESPONSIBILITY AND IS COMMITTED TO COMMUNITY HEALTH AND HEALTH EDUCATION. ANNUALLY, MSHA MAKES GENEROUS MONETARY DONATIONS TO AREA HEALTH AND HUMAN SERVICE AGENCIES WHOSE PROGRAMS ARE SPECIFICALLY DESIGNED TO PROVIDE FOR THE HEALTHCARE NEEDS OF THE HOMELESS, INDIGENT AND UNDERSERVED POPULATIONS.

THROUGHOUT THE YEAR, MSHA MAKES CONTRIBUTIONS TO LOCAL SCHOOLS AND ORGANIZATIONS THAT PROVIDE EDUCATIONAL AND SOCIAL SUPPORT FOR YOUNG PEOPLE. SOME OF THE CONTRIBUTIONS TO YOUTH PROGRAMS INCLUDE:

- REGIONAL COUNTY AND CITY SCHOOLS - $19,340
- ETSU FIT KIDS PROGRAM - $30,750
- HANDS ON! REGIONAL MUSEUM - $7,500
- CARTER COUNTY IMAGINATION LIBRARY - $1,000
- COALITION FOR KIDS - $8,560
- BOYS AND GIRLS CLUB OF KINGSPORT - $20,000
- BOYS SCOUTS OF AMERICA - $1,000
- WARRIORS PARK BOUNDLESS PLAYGROUND - $1,050
- JASON WHITTON SCORE FOUNDATION - $2,300
- KERMIT TIPTON SCHOLARSHIP FOUNDATION - $2,500
- CASA FOR KIDS - $622

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE | Employer identification number: 62-0476282

- CITY YOUTH BALLET - $408

- ETSU SCHOLARSHIP PROGRAM - $1,000

MSHA CONTRIBUTES ANNUALLY TO LOCAL CHAPTERS OF SEVERAL NATIONAL NONPROFIT ORGANIZATIONS WHOSE RESEARCH FOCUSES ON THOSE DISEASES AND CONDITIONS MOST PREVALENT IN THE REGION.

FY11:

- SUSAN G. KOMEN BREAST CANCER FOUNDATION - $25,360

- AMERICAN CANCER SOCIETY - $2,401

- MARCH OF DIMES - $1,225

- UNITED WAY - $1,357

- VARIOUS ORGANIZATION FOCUSED ON CHILDHOOD OBESITY - $66,750

- JOHNSTON MEMORIAL HOSPTIAL - $1,000

- KEYSTONE DENTAL CARE, INC. - $651

- CROSSROADS MEDICAL MISSION - $12,000

2.) COMMUNITY PROGRAMS

DEMOGRAPHIC STUDIES AND A CUSTOMER MARKET NEEDS ANALYSIS, PERFORMED ANNUALLY DURING STRATEGIC PLANNING, INDICATE THE NECESSITY OF HAVING A WIDE ARRAY OF FREE AND PRICE-REDUCED SERVICES THAT ARE WELL-SITUATED FOR EASY ACCESS FROM RURAL, MOUNTAINOUS AREAS. MSHA HAS GIVEN HIGH PRIORITY TO INVESTMENTS IN COMMUNITY OUTREACH, AND AS A RESULT, HAS ESTABLISHED COUNCILS AND DEPARTMENTS WHOSE FOCUS IS TO TRANSLATE FINDINGS INTO VIABLE HEALTHCARE PROGRAMS BOTH FOR THE COMMUNITY AT LARGE AND FOR POPULATIONS WITH SPECIAL NEEDS.

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE | Employer identification number: 62-0476282

AMONG INITIATIVES AND ONGOING SERVICES THAT PROMOTE COMMUNITY HEALTH AND SOCIAL WELL-BEING ARE DISEASE MANAGEMENT, WELLNESS PROGRAMS, HEALTH-RELATED EDUCATION SESSIONS BY MSHA NURSES, STAFF PHYSICIANS, NUTRITIONISTS, AND OTHER SPECIALISTS; HEALTH SCREENINGS AND SUPPORT. MSHA ALSO OFFERS SPECIAL PROGRAMS FOR YOUTH, THE ELDERLY, THE DISABLED AND THE MEDICALLY UNDERSERVED.

DURING FY11, MSHA CONTINUED THE LARGEST COMMUNITY HEALTH NEEDS ASSESSMENT IN ITS HISTORY IN AN EFFORT TO PROFILE THE HEALTH OF THE RESIDENTS WITHIN THE LOCAL REGION. THIS ASSESSMENT SPECIFICALLY FOCUSED ON MSHA'S 13-COUNTY CORE SERVICE AREA, WHICH INCLUDES, BUT IS NOT LIMITED TO, ALL THE COUNTIES IN WHICH MSHA HAS A FACILITY. THE SEVEN TENNESSEE COUNTIES INCLUDED IN THIS NEEDS ASSESSMENT WERE: CARTER COUNTY, GREENE COUNTY, HAWKINS COUNTY, JOHNSON COUNTY, SULLIVAN COUNTY, UNICOI COUNTY AND WASHINGTON COUNTY. THE OTHER SIX VIRGINIA COUNTIES ARE LOCATED IN SOUTHWEST VIRGINIA. AFTER ANALYZING THE MANY HEALTH DISPARITIES IN THE REGION, MSHA CHOSE CHILDHOOD OBESITY AS ITS HEALTH PRIORITY.

MSHA COLLABORATED WITH EAST TENNESSEE STATE UNIVERSITY'S COLLEGE OF PUBLIC HEALTH TO DEVELOP THE MSHA-ETSU OBESITY COLLABORATIVE. THE FOCUS OF THIS COLLABORATIVE IS TO PULL TOGETHER MANY PARTNERS AND ORGANIZATIONS TO REDUCE THE LEVEL OF CHILDHOOD OBESITY THROUGHOUT NORTHEAST TENNESSEE AND SOUTHWEST VIRGINIA. MSHA PROVIDED THE FUNDING AND COORDINATION, WHILE ETSU WORKED ON RESEARCH EFFORTS. THIS INITIATIVE PROVIDED FUNDING FOR UP TO 25 MICRO-GRANTS OF $2,000 EACH TO LOCAL COMMUNITY ORGANIZATIONS SUCH AS CHURCHES, COMMUNITY GROUPS, SCHOOLS AND EMPLOYERS THAT WANT TO EXPLORE CHILDHOOD OBESITY REDUCTION

EFFORTS.

IN FY11, MSHA AND ETSU NAMED THE OBESITY COLLABORATIVE "HEAL APPALACHIA" - HEAL, STANDING FOR "HEALTHY EATING ACTIVE LIVING". MSHA RECEIVED OVER 100 APPLICATIONS FOR THE MICRO-GRANTS. THE APPLICANTS AWARDED THE GRANTS WERE ANNOUNCED AT A REGIONAL HEALTH SYMPOSIUM FOCUSING ON OBESITY. DURING FY11 MSHA SPENT $34,004 ON COORDINATING THE HEAL PROGRAM AND HOSTING THE SYMPOSIUM AND PAID 18 OF THE 25 GRANTS, OR $36,000. MSHA'S TOTAL FY11 COST: $70,004.

THE HEAL APPALACHIA COMMITTEE WILL EVALUATE LOCAL PROGRAM GRANT RECIPIENTS AS TO THEIR ABILITY TO MAKE A MEASURABLE IMPACT ON THE LEVEL OF CHILDHOOD OBESITY THROUGHOUT THE REGION. THIS COMMITTEE WILL THEN MAKE RECOMMENDATIONS TO EXECUTIVE LEADERSHIP AS TO HOW MSHA SHOULD CONTINUE TO DIRECT FINANCIAL SUPPORT FOR SUCCESSFUL PROGRAMS.

IN ADDITION TO THE HEAL APPALACHIA GRANTS AND SYMPOSIUM, MSHA DONATED $30,750 TO ETSU'S FIT KIDS PROGRAM, ANOTHER PROGRAM WITH A FOCUS ON REDUCING CHILDHOOD OBESITY AND IMPROVING THE HEALTH OF CHILDREN.

PROGRAMS FOR THE COMMUNITY AT LARGE

IN ADDITION TO THE HEALTH SCREENINGS AND SUPPORT GROUPS OFFERED THROUGH THE HEALTH RESOURCES CENTER, DESCRIBED ABOVE, A VARIETY OF SCREENINGS, SUPPORT GROUPS, HEALTH EDUCATION, AND HEALTH FAIRS WERE PROVIDED AT A COST OF MORE THAN $23,000. THESE ACTIVITIES INCLUDE PROVIDING COMMUNITY HEALTH EDUCATION ON SUCH TOPICS AS ORTHOPEDICS, PRE- AND POST- NATAL, NUTRITION, SLEEP DISORDERS, BEHAVIORAL HEALTH ISSUES, CARDIOVASCULAR

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE
Employer identification number: 62-0476282

HEALTH, AND MANY OTHERS. IN ADDITION TO HEALTH EDUCATION, MSHA PROVIDED FREE BLOOD PRESSURE SCREENINGS AND COLORECTAL SCREENINGS, FOR SPECIFIC POPULATIONS AS WELL AS PHYSICALS FOR PEE-WEE AND HIGH SCHOOL FOOTBALL PLAYERS IN JOHNSON COUNTY.

THE HOSPICE PROGRAM OFFERS EXTENDED 13-MONTH BEREAVEMENT SUPPORT RATHER THAN THE REQUIRED 12-MONTH PERIOD, THUS SUPPORTING FAMILIES DURING THE ANNIVERSARY MONTH OF THE PATIENT'S DEATH, WHICH CAN BE A CHALLENGING TIME. ALSO PROVIDED IS A CELEBRATION OF LIFE PROGRAM FOR FAMILIES OF FORMER HOSPICE PATIENTS AND THE COMMUNITY AT LARGE.

THE PARISH NURSE PROGRAM IS SPONSORED BY MSHA'S HOME HEALTH ORGANIZATION, WITH GOALS OF RECRUITING AREA CHURCHES AND REGISTERED NURSES TO THE PROGRAM AND PROVIDING PARTICIPANTS WITH EDUCATION ABOUT PARISH NURSING. PARISH NURSING IS AN AMALGAM OF SOCIAL WORK, GOOD NEIGHBORING AND NURSING. IT SUPPORTS, EDUCATES AND COUNSELS THOSE WITH HEALTHCARE NEEDS FROM WITHIN THEIR PLACES OF WORSHIP. A FEW OF THE SERVICES PROVIDED BY PARISH NURSES ARE BLOOD DRIVES, FLU SHOTS, HEALTH SCREENINGS, HEALTH FAIRS AND MONTHLY BLOOD PRESSURE CLINICS. SEVERAL OF THE NURSES ARE CERTIFIED TO TEACH CPR AND FIRST AID AT NO COST TO PARTICIPANTS. MSHA PROVIDES THE PARISH NURSE PROGRAM WITH COORDINATORS, SPONSORED ORIENTATION, MONTHLY EDUCATIONAL PROGRAMS AND OTHER SUPPORT FUNCTIONS. CURRENTLY, THERE ARE 26 CHURCHES PARTICIPATING IN TENNESSEE AND SIX IN SOUTHWEST VIRGINIA WITH PARISH NURSES ON STAFF. MSHA'S FY11 COST FOR THE PARISH NURSE PROGRAM WAS $60,211.

THE RESPOND DEPARTMENT AT WOODRIDGE HOSPITAL (WH) OFFER ASSESSMENTS AND REFERRALS FOR INDIVIDUALS DEALING WITH MENTAL HEALTH ISSUES AND

SUBSTANCE ABUSE. PROFESSIONAL STAFF INCLUDES BEHAVIORAL HEALTH COUNSELORS AND RN'S WHO ARE AVAILABLE 24 HOURS A DAY, SEVEN DAYS A WEEK TO ANSWER CALLS FROM THE COMMUNITY CONCERNING TREATMENT. THROUGHOUT THE ASSESSMENT PROCESS, RESPOND COLLABORATES WITH A PSYCHIATRIST TO DETERMINE THE MOST APPROPRIATE LEVEL OF CARE. THE RESPOND DEPARTMENT AT WH INCURRED UNREIMBURSED COSTS OF $708,633 DURING FY11.

MSHA PROVIDED STAFF TO LOCAL AGENCIES, COUNCILS AND OTHER CHARITABLE ORGANIZATIONS TO ASSIST WITH LEADERSHIP PROGRAMS, PLANNING, SERVICE ON STEERING COMMITTEES AND PARTICIPATION WITH SPECIAL EVENTS. EXAMPLES INCLUDE AMERICAN RED CROSS BLOOD DRIVES, HEALTHY BABIES DAY, THE AMERICAN CANCER SOCIETY LEADERSHIP COUNCIL AND OTHERS AT A COST TO MSHA OF $26,565. WE FEEL SURE THIS AMOUNT IS UNDERREPORTED DUE TO THE DIFFICULTY IN TRACKING TEAM MEMBERS' MANY ACTIVITIES.

PROGRAMS FOR SPECIAL POPULATIONS

DUE TO THE USE OF EMERGENCY DEPARTMENTS AS WALK-IN CLINICS BY THE POOR AND UNDERSERVED, MSHA HAS HELPED ESTABLISH AND FINANCE ALTERNATIVE CARE SETTINGS SUCH AS THE ETSU COLLEGE OF NURSING'S DOWNTOWN CLINIC IN JOHNSON CITY, TN. THE DOWNTOWN CLINIC IS DEDICATED TO SERVING THE PRIMARY NEEDS OF THE HOMELESS, INDIGENT AND UNINSURED POPULATIONS, PROVIDING THEM WITH FREE LABORATORY TESTING AND ASSISTANCE WITH THEIR DIAGNOSIS AND TREATMENTS. MSHA GIFTS THE CLINIC RENT, WHICH IS VALUED AT A DISCOUNTED $35,000 ANNUALLY. MSHA HAS AN AGREEMENT WITH THE DOWNTOWN CLINIC TO PROCESS THEIR LAB SPECIMENS AS WELL AS PROVIDE SOME DIAGNOSTIC IMAGING SERVICES TO CLINIC PATIENTS AT NO COST TO THE PATIENT OR THE CLINIC. IN FY11, THE COST ASSOCIATED WITH THE CLINIC'S

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

LAB TESTING WAS $63,860 AND THE COST OF DIAGNOSTIC IMAGING SERVICES WAS $10,428. THESE EXPENSES ARE INCLUDED IN MSHA'S CHARITY WRITE-OFFS.

FORM 990, PART III, LINE 4A

PROGRAM SERVICE ACCOMPLISHMENTS (CONTINUED)

DURING FY11, MSHA ALSO CONTRIBUTED AN ADDITIONAL $30,000 CONTRIBUTION TO ASSIST WITH THE CLINIC'S OPERATIONS.

MSHA'S SERVICE AREA COMPRISES A STABLE, AGING POPULATION, SO THE ORGANIZATION HAS ESTABLISHED A NUMBER OF PROGRAMS TO SERVE THE NEEDS OF SENIOR CITIZENS. AN EXAMPLE OF A SENIOR PROGRAM IS THE PINNACLE CLUB Ø A COMMUNITY OUTREACH PROGRAM FOR SERVICE-AREA SENIORS THAT OFFERS MONTHLY HEALTH-RELATED EVENTS AND FELLOWSHIP OPPORTUNITIES AT JOHNSON CITY MEDICAL CENTER, INDIAN PATH MEDICAL CENTER, RUSSELL COUNTY MEDICAL CENTER AND SYCAMORE SHOALS HOSPITAL. BENEFITS INCLUDE HEALTH SCREENINGS, FREE ANNUAL LAB SCREENINGS, AND DISCOUNTED FIRST-TIME ENROLLMENT FEES AT OUR WELLNESS CENTER AND FRANKLIN FITNESS CENTER. THE CLUB SPONSORS HEALTH FAIRS, THE SENIOR EXPO, AND MONTHLY EDUCATIONAL LUNCHEONS IN KINGSPORT, JOHNSON CITY, AND ELIZABETHTON, TN, AND IN LEBANON, VA. THE CLUB ALSO PROVIDES FREE NOTARY SERVICES, SOCIALS, TRAVEL OPPORTUNITIES AND DISCOUNTS THROUGH NUMEROUS VENDORS. DURING FY11, MSHA INCURRED A NET OPERATING LOSS OF $51,651 ATTRIBUTABLE TO ITS SUPPORT OF THE PROGRAM.

3) EDUCATION AND TRAINING

COMMUNITY HEALTH EDUCATIONAL PROGRAMS

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

MSHA PROVIDED A VARIETY OF WELLNESS AND HEALTH INFORMATION TO HELP EDUCATE AREA RESIDENTS ABOUT COMMUNITY-SPECIFIC HEALTH ISSUES. INFORMATION WAS PROVIDED THROUGH PRINTED MATERIALS, SPEAKING ENGAGEMENTS, RADIO AND TELEVISION INTERVIEWS, AND HEALTH FAIRS AND EXPOS.

MSHA ACCEPTED INVITATIONS TO SPEAK ON HEALTH-RELATED TOPICS AT VARIOUS COMMUNITY ORGANIZATIONS AND SCHOOLS. A VARIETY OF TOPICS WERE PRESENTED SUCH AS SKIN CARE, STRESS MANAGEMENT, NUTRITION, WEIGHT MANAGEMENT, PREVENTIVE CARE MEASURES, CARE OF AGING PARENTS AND OTHERS. YOUTH EDUCATION PROGRAMS WERE PRESENTED TO STUDENTS RANGING FROM KINDERGARTEN TO COLLEGE AND WERE DESIGNED TO PROMOTE SAFETY AT PLAY; AGE-APPROPRIATE HEALTH ISSUES; ILLNESS AND INJURY PREVENTION TECHNIQUES; NUTRITION; AND THE DANGERS OF TOBACCO, ALCOHOL AND DRUG USE. DIETITIANS GAVE TALKS, PROVIDED FOOD DEMONSTRATIONS TO VARIOUS GROUPS AND VISITED AREA SCHOOLS TO DISCUSS NUTRITION. HOME HEALTH, HOSPICE AND PARISH NURSING ALSO PROVIDED NUMEROUS SPEAKING ENGAGEMENTS. THE COST OF PROVIDING THESE SPEAKING ENGAGEMENTS WAS APPROXIMATELY $62,027.

MSHA'S AMERICAN HEART ASSOCIATION (AHA) TRAINING CENTER OFFERED SEVERAL COURSES TO HEALTHCARE PROVIDERS AND TO THE PUBLIC IN AN EFFORT TO EXPAND THE OUTREACH OF THE AMERICAN HEART ASSOCIATION AND MSHA IN PROMOTING WELLNESS AND SAVING LIVES. PROGRAMS INCLUDE: ADVANCED CARDIAC LIFE SUPPORT, BASIC CARDIAC LIFE SUPPORT, PEDIATRIC ADVANCED LIFE SUPPORT, FIRST AID AND LIFE SUPPORT INSTRUCTOR TRAINING. THE FY11 UNREIMBURSED COST TO PROVIDE THE EDUCATIONAL COURSES TO THE PUBLIC WAS $211,155.

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

IMPORTANT TO THE EFFICIENT AND SAFE OPERATION OF THE AIR AMBULANCE IS A CLEAR UNDERSTANDING OF HOW TO CLEAR AND PREPARE LANDING ZONES AND APPROPRIATE METHODS FOR COMMUNICATING WITH AIR HELICOPTER PILOTS AT ACCIDENT SCENES AND TRANSPORT SITES. WINGS AIR RESCUE MADE MORE THAN 100 TRAINING RUNS TO AREA EMERGENCY MEDICAL SERVICE FACILITIES TO PERFORM TRAINING OF EMS CREWS.

SCHEDULE R (Form 990)
Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

OMB No. 1545-0047
2010
Open to Public Inspection

Name of the organization
MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number
62-0476282

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

(a) Name, address, and EIN 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" to Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	(g) No
DICKENSON COMMUNITY HOSPITAL - 77-0599553 P.O. BOX 1440, HOSPITAL DRIVE CLINTWOOD, VA 24228	HOSPITAL	VIRGINIA	501(C)(3)	LINE 3	NORTON COMMUNITY HOSPITAL		X
MOUNTAIN STATES FOUNDATION - 58-1418862 2335 KNOB CREEK ROAD, STE. 101 JOHNSON CITY, TN 37604	FUNDRAISING FOR MSHA HOSPITALS	TENNESSEE	501(C)(3)	LINE 11A	N/A		X
MSHA AUXILIARY - 58-1418345 400 N. STATE OF FRANKLIN ROAD JOHNSON CITY, TN 37604	SUPPORTING ORGANIZATION TO MSHA HOSPITALS	TENNESSEE	501(C)(3)	LINE 11A	N/A		X
SMYTH COUNTY COMMUNITY HOSPITAL - 54-0794913 565 RADIO HILL ROAD MARION, VA 24354	HOSPITAL	VIRGINIA	501(C)(3)	LINE 3	N/A		X

Part II Continuation of 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 organization? Yes	(g) Section 512(b)(13) controlled organization? No
NORTON COMMUNITY HOSPITAL - 54-0565029 100 15TH STREET NW NORTON, VA 24273	HOSPITAL	VIRGINIA	501(C)(3)	LINE 3	N/A		X
JOHNSTON MEMORIAL HOSPITAL - 54-0544705 16000 JOHNSTON MEMORIAL DRIVE ABINGDON, VA 24211	HOSPITAL	VIRGINIA	501(C)(3)	LINE 3	N/A		X
ABINGDON PHYSICIAN PARTNERS - 20-5485346 16000 JOHNSTON MEMORIAL DRIVE ABINGDON, VA 24211	MEDICAL SERVICES	VIRGINIA	501(C)(3)	LINE 11A	JOHNSTON MEMORIAL HOSPITAL		X
JOHNSTON MEMORIAL HEALTHCARE FOUNDATION, INC. - 26-2870970, 16000 JOHNSTON MEMORIAL DRIVE, ABINGDON, VA 24211	SUPPORTING ORGANIZATION TO JMH	VIRGINIA	501(C)(3)	LINE 11A	N/A		X
COMMUNITY HEALTHCARE FOUNDATION - 54-2002314 100 15TH STREET NW NORTON, VA 24273	SUPPORTING ORGANIZATION TO NCH	VIRGINIA	501(C)(3)	LINE 11A	N/A		X

Part III **Identification of Related Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" to 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? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
INTEGRATED SOLUTIONS HEALTH NETWORK LLC - 62-1711997, 400 N. STATE OF FRANKLIN RD, JOHNSON CITY, TN 37604	INVESTMENT COMPANY	TN	N/A	(D)	-1,770,396.	875,222.		X	N/A		X	96.58%
EMMAUS COMMUNITY HEALTHCARE, PLLC - 20-0577483, 6070 HWY 11E, PINEY FLATS, TN 37686	MEDICAL SERVICES	TN	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
MEDICAL SPECIALISTS OF JOHNSON CITY, LLC - 27-2199037, 2528 WESLEY STREET, STE. 2, JOHNSON CITY,	MEDICAL SERVICES	TN	N/A	(D)	-95,716.	40,295.		X	N/A		X	51.00%

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
BLUE RIDGE MEDICAL MANAGEMENT CORPORATION - 62-1490616, 1021 W. OAKLAND AVE., STE. 207, JOHNSON CITY, TN 37604	PHYSICIAN OFFICES	TN	N/A	C CORP	64,405,292.	187,714,709.	100.00%
MEDISERVE MEDICAL EQUIPMENT OF KINGSPORT - 62-1212286 1021 W. OAKLAND AVE., STE. 207 JOHNSON CITY, TN 37604	DURABLE MEDICAL EQUIPMENT CO.	TN	BLUE RIDGE MEDICAL MGMT CORP	C CORP	4,307,855.	3,872,099.	100.00%
MOUNTAIN STATES PROPERTIES - 62-1845895 1021 W. OAKLAND AVE., STE. 207 JOHNSON CITY, TN 37604	PROPERTY MANAGEMENT	TN	BLUE RIDGE MEDICAL MGMT CORP	C CORP	12,693,987.	146,200,242.	100.00%
MOUNTAIN STATES MEDICAL GROUP - 62-1700412 1021 W. OAKLAND AVE., STE. 207 JOHNSON CITY, TN 37604	HEALTHCARE SERVICES	TN	BLUE RIDGE MEDICAL MGMT CORP	C CORP	34,535,196.	6,178,154.	100.00%
COMMUNITY HOME CARE, INC. - 54-1453810 1460 PARK AVENUE NORTON, VA 24273	MEDICAL EQUIP. SALES & RENTAL	VA	NORTON COMMUNITY HOSPITAL	C CORP	338,141.	414,859.	50.10%

Part IV Continuation of 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
COMMUNITY PHYSICIANS SERV. CORP. - 54-1641446 100 15TH STREET, NW NORTON, VA 24273	MEDICAL SERVICES	VA	NORTON COMMUNITY HOSPITAL	C CORP	2,311.	93.	50.10%
SOUTHWEST COMMUNITY HEALTH SERV. - 54-1460695 565 RADIO HILL RD, PO BOX 880 MARION, VA 24354	MEDICAL SERVICES	VA	SMYTH CO. COMMUNITY HOSPITAL	C CORP	381,781.	1,035,717.	80.00%

Part V **Transactions With Related Organizations** (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35, 35a, or 36.)

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

		Yes	No
1	During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?		
a	Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity		X
b	Gift, grant, or capital contribution to other organization(s)	X	
c	Gift, grant, or capital contribution from other organization(s)	X	
d	Loans or loan guarantees to or for other organization(s)		X
e	Loans or loan guarantees by other organization(s)		X
f	Sale of assets to other organization(s)		X
g	Purchase of assets from other organization(s)	X	
h	Exchange of assets		X
i	Lease of facilities, equipment, or other assets to other organization(s)		X
j	Lease of facilities, equipment, or other assets from other organization(s)	X	
k	Performance of services or membership or fundraising solicitations for other organization(s)	X	
l	Performance of services or membership or fundraising solicitations by other organization(s)	X	
m	Sharing of facilities, equipment, mailing lists, or other assets	X	
n	Sharing of paid employees	X	
o	Reimbursement paid to other organization for expenses	X	
p	Reimbursement paid by other organization for expenses	X	
q	Other transfer of cash or property to other organization(s)	X	
r	Other transfer of cash or property from other organization(s)		X

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

(a) Name of other organization	(b) Transaction type (a-r)	(c) Amount involved	(d) Method of determining amount involved
(1) MOUNTAIN STATES PROPERTIES	G	451,575.	
(2) MOUNTAIN STATES PROPERTIES	J	1,573,432.	
(3) MOUNTAIN STATES PROPERTIES	K	334,926.	
(4) MOUNTAIN STATES PROPERTIES	Q	455,555.	
(5) MOUNTAIN STATES PROPERTIES	P	852,014.	
(6) MEDISERVE	J	84,541.	

Part V Continuation of Transactions With Related Organizations (Schedule R (Form 990), Part V, line 2)

(a) Name of other organization	(b) Transaction type (a-r)	(c) Amount involved	(d) Method of determining amount involved
(7)MEDISERVE	P	787,254.	
(8)SMYTH COUNTY COMMUNITY HOSPITAL	P	102,777.	
(9)SMYTH COUNTY COMMUNITY HOSPITAL	K	3,785,651.	
(10)SMYTH COUNTY COMMUNITY HOSPITAL	Q	1,248,529.	
(11)DICKENSON COMMUNITY HOSPITAL	K	747,170.	
(12)JOHNSTON MEMORIAL HOSPITAL	B	4,571,429.	
(13)JOHNSTON MEMORIAL HOSPITAL	K	10,087,256.	
(14)JOHNSTON MEMORIAL HOSPITAL	N	168,444.	
(15)JOHNSTON MEMORIAL HOSPITAL	Q	480,290.	
(16)MOUNTAIN STATES FOUNDATION	K	826,639.	
(17)MOUNTAIN STATES FOUNDATION	C	1,923,710.	
(18)BLUE RIDGE MEDICAL MGMT CORP	K	6,625,179.	
(19)BLUE RIDGE MEDICAL MGMT CORP	L	25,887,666.	
(20)BLUE RIDGE MEDICAL MGMT CORP	N	862,919.	
(21)BLUE RIDGE MEDICAL MGMT CORP	P	6,470,120.	
(22)MOUNTAIN STATES HEALTH ALLIANCE AUXILIARY	O	138,662.	
(23)MOUNTAIN STATES HEALTH ALLIANCE AUXILIARY	P	183,010.	
(24)NORTON COMMUNITY HOSPITAL	K	2,647,824.	

Part V **Continuation of Transactions With Related Organizations** (Schedule R (Form 990), Part V, line 2)

(a) Name of other organization	(b) Transaction type (a-r)	(c) Amount involved	(d) Method of determining amount involved
(7) INTEGRATED SOLUTIONS HEALTH NETWORK, LLC	L	160,858.	
(8) INTEGRATED SOLUTIONS HEALTH NETWORK, LLC	P	568,740.	
(9) MOUNTAIN STATES PROPERTIES	L	119,790.	
(10)			
(11)			
(12)			
(13)			
(14)			
(15)			
(16)			
(17)			
(18)			
(19)			
(20)			
(21)			
(22)			
(23)			
(24)			

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

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

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Are all partners section 501(c)(3) organizations? Yes	(d) No	(e) Share of end-of-year assets	(f) Disproportionate allocations? Yes	(f) No	(g) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(h) General or managing partner? Yes	(h) No

Schedule R (Form 990) 2010

Part VII Supplemental Information

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

19340MSHA

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No. 1545-0047

2011

Open to Public Inspection

A For the 2011 calendar year, or tax year beginning 07/01/11 , and ending 06/30/12

B Check if applicable:
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Terminated
- ☐ Amended return
- ☐ Application pending

C Name of organization: MOUNTAIN STATES HEALTH ALLIANCE
Doing Business As: JOHNSON CITY MEDICAL CENTER)

Number and street (or P.O. box if mail is not delivered to street address): 400 N. STATE OF FRANKLIN ROAD
Room/suite:

City or town, state or country, and ZIP + 4: JOHNSON CITY TN 37604

D Employer identification number: 62-0476282

E Telephone number: 423-302-3372

G Gross receipts $: 735,073,921

F Name and address of principal officer:
DENNIS VONDERFECHT
303 MED TECH PARKWAY, STE. 300
JOHNSON CITY TN 37604

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

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

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

J Website: ▶ WWW.MSHA.COM

H(c) Group exemption number ▶

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

L Year of formation: 1945

M State of legal domicile: TN

Part I Summary

1 Briefly describe the organization's mission or most significant activities:
See Schedule O

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

3	Number of voting members of the governing body (Part VI, line 1a)	3	13
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	6
5	Total number of individuals employed in calendar year 2011 (Part V, line 2a)	5	0
6	Total number of volunteers (estimate if necessary)	6	2409
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	3,141,566
b	Net unrelated business taxable income from Form 990-T, line 34	7b	221,368

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	3,143,661	2,745,426
9	Program service revenue (Part VIII, line 2g)	703,882,320	697,705,296
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	15,682,301	24,259,649
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	6,648,445	10,171,526
12	Total revenue – add lines 8 through 11 (must equal Part VIII, column (A), line 12)	729,356,727	734,881,897
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	357,333	990,095
14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	301,399,812	309,796,341
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 1,619,946		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	377,644,976	372,114,544
18	Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	679,402,121	682,900,980
19	Revenue less expenses. Subtract line 18 from line 12	49,954,606	51,980,917

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	1573869411	1517954041
21	Total liabilities (Part X, line 26)	1268238796	1169345060
22	Net assets or fund balances. Subtract line 21 from line 20	305,630,615	348,608,981

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

▶ Signature of officer — Date: 4/29/2013

▶ MARVIN EICHORN SENIOR VP & CFO
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Firm's name ▶ This tax return prepared by a non-paid preparer.			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.

DAA

Form 990 (2011)

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III ... X

Briefly describe the organization's mission:

See Schedule O

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 and section 4947(a)(1) trusts 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 $ 576,044,872 including grants of $ 990,095) (Revenue $ 699,506,098)

SEE ATTACHED DOCUMENT: MSHA - PROGRAM SERVICE ACCOMPLISHMENTS

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

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 ▶ 576,044,872

Part IV Checklist of Required Schedules

			Yes	No
	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	1	X	
2	Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	2	X	
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		X
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	X	
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		X
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		X
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		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8		X
9	Did the organization report an amount in Part X, line 21; 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		X
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		X
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	X	
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		X
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	X	
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	X	
e	Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	11e	X	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X	11f	X	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII	12a		X
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, XII, and XIII is optional	12b	X	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13		X
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		X
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		X
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Parts II and IV	15		X
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Parts III and IV	16		X
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		X
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		X
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		X
20a	Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H	20a	X	
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	X	

Part IV Checklist of Required Schedules (continued)

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V ☐

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a	666		
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		X	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	9147		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b		X	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)				
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?	3a		X	
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	3b		X	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a			X
b	If "Yes," enter the name of the foreign country: ▶ See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a			X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b			X
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c			
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible?	6a			X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b			
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?	7a			X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b			
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c			X
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e			X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f			X
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g			X
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h			X
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8			
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?	9a			
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b			
10	**Section 501(c)(7) organizations.** Enter:				
a	Initiation fees and capital contributions included on Part VIII, line 12	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter:				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?	12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**				
a	Is the organization licensed to issue qualified health plans in more than one state?	13a			
	Note. See the instructions for additional information the organization must report on Schedule O.				
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b			
c	Enter the amount of reserves on hand	13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a			X
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14b			

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

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	1a	13		
	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	6		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2			X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?	3			X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4			X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5			X
6	Did the organization have members or stockholders?	6		X	
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a		X	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b		X	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:				
a	The governing body?	8a		X	
b	Each committee with authority to act on behalf of the governing body?	8b		X	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9			X

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

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

Section C. Disclosure

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

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

[X] Own website [ ] Another's website [X] Upon request

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, physical address, and telephone number of the person who possesses the books and records of the organization: ▶ MARVIN EICHORN 303 MED TECH PARKWAY; SUITE 300 JOHNSON CITY TN 37604 423-302-3372

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

Check if Schedule O contains a response to any question in this Part VII ☒

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) DENNIS VONDERFECHT CEO	60.00	X		X				1,099,588	0	167,285
(2) JEFF FARROW, M.D. DIRECTOR	3.00	X						39,813	0	0
(3) CLEM WILKES, JR. TREASURER	4.10	X						0	0	0
(4) GARY PEACOCK DIRECTOR	3.60	X						0	0	0
(5) SANDRA BROOKS, M.D. DIRECTOR	3.40	X						0	0	0
(6) RICK STOREY DIRECTOR	2.90	X						0	0	0
(7) THOMAS FOWLKES DIRECTOR	3.00	X						0	0	0
(8) LINDA GARCEAU DIRECTOR	3.50	X						0	0	0
(9) DONALD JEANES PAST CHAIR	4.10	X						0	0	0
(10) JOANNE GILMER VICE CHAIR	4.50	X						0	0	0
(11) DAVID MAY, M.D. DIRECTOR	3.30	X						0	0	0
(12) ROBERT FEATHERS CHAIR	3.70	X						0	0	0
(13) MICHAEL CHRISTIAN SECRETARY	4.10	X						0	0	0
MARVIN EICHORN SENIOR VP/CFO	60.00			X				672,484	0	35,543

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

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(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			
(15) CANDACE JENNINGS SR. VP TN OPERATIONS	60.00				X			553,717	0	73,519
(16) ANN FLEMING SR. VP	60.00				X			501,320	0	66,728
(17) BRAD NURKIN VP/CEO JCMC	55.00				X			394,647	0	21,243
(18) MONTY MCLAURIN VP/IPMC CEO	55.00				X			348,701	0	55,842
(19) LYNN KRUTAK VP/CORP. CFO	55.00				X			271,648	0	30,747
(20) DAVID NICELY VP/CEO WASHINGTON CO	55.00				X			262,306	0	26,990
(21) SHANE HILTON VP/TN CFO	55.00				X			253,872	0	35,521
(22) CYNTHIA SALYER VP/CARDIO-PULMONARY	55.00				X			241,894	0	42,953
(23) DALE CLAYTORE VP	55.00				X			227,871	0	12,784
PAT NIDAY O WASHINGTON CO.	55.00				X			193,264	0	30,352
(25) MORRIS SELIGMAN, M.D. SR. VP/CMO	50.00					X		597,687	0	79,845
1b Sub-total ▶								5,658,812		679,352
c Total from continuation sheets to Part VII, Section A ▶								1,667,835		155,743
d Total (add lines 1b and 1c) ▶								7,326,647		835,095

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 in reportable compensation from the organization ▶ 196

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
MORRISON MANAGEMENT SPECIALISTS P.O. BOX 102289 ATLANTA GA 30368	DIETARY SVC.	8,951,589
ETSU COLLEGE OF MEDICINE BOX 70415 JOHNSON CITY TN 37614	PHYSICIAN SVC.	6,388,241
ANESTHESIA & PAIN CONSULTANTS STE. 4, 1113 SUNSET DRIVE JOHNSON CITY TN 37605	PHYSICIAN SVC.	4,401,130
HOSPITAL HOUSEKEEPING SYSTEMS LTD P .O. BOX 826 AN ANTONIO TX 78293	HOUSEKPNG SVC.	3,719,557
ROTHALL LAUNDRY SERVICES INC 13028 COLLECTIONS CENTER DR. CHICAGO IL 60693	LAUNDRY SVC.	3,293,657

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 ▶ 125

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

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(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			
(15) FRANK LAURO, M.D. BRMMC CMO	50.00					X		450,006	0	29,327
(16) JAMES PASKERT, M.D. CMO WASHINGTON CO.	60.00					X		426,742	0	37,947
(17) DOUGLAS EDEMA PRESIDENT/CEO MSPG	50.00					X		397,868	0	37,897
(18) CARL KILGORE PRESIDENT BRMMC	50.00					X		393,219	0	50,572
(19)										
(20)										
(21)										
(22)										
(23)										
(25)										
1b Sub-total ▶								1,667,835		155,743
c Total from continuation sheets to Part VII, Section A ▶										
d Total (add lines 1b and 1c) ▶										

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

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

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

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 ▶

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, Gifts, Grants and Other Similar Amounts	1a Federated campaigns	1a				
	b Membership dues	1b				
	c Fundraising events	1c				
	d Related organizations	1d	1,692,349			
	e Government grants (contributions)	1e	893,978			
	f All other contributions, gifts, grants, and similar amounts not included above	1f	159,099			
	g Noncash contributions included in lines 1a-1f: $					
	h Total. Add lines 1a–1f		2,745,426			
Program Service Revenue		Busn. Code				
	2a PATIENT REVENUE-OTHER		683,614,493	683,614,493		
	b WELLNESS PROGRAMS		15,921,471	15,921,471		
	c LAB UBI REVENUE	621500	1,524,216		1,524,216	
	d PREMIER PURCHASING K-1 (UBI)	541610	28,428		28,428	
	e P/S PROG. SERV. INCOME		-1,417,217	-1,417,217		
	f All other program service revenue		-1,966,095	-1,966,095		
	g Total. Add lines 2a–2f		697,705,296			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		17,200,885			17,200,885
	4 Income from investment of tax-exempt bond proceeds		6,669			6,669
	5 Royalties					
		(i) Real	(ii) Personal			
	6a Gross rents	299,873				
	b Less: rental exps.	169,391				
	c Rental inc. or (loss)	130,482				
	d Net rental income or (loss)		130,482		69,979	60,503
	7a Gross amount from sales of assets other than inventory	(i) Securities 6,840,192	(ii) Other 234,536			
	b Less: cost or other basis & sales exps.		22,633			
	c Gain or (loss)	6,840,192	211,903			
	d Net gain or (loss)		7,052,095	211,880		6,840,215
	8a Gross income from fundraising events (not including $ ... of contributions reported on line 1c). See Part IV, line 18 a					
	b Less: direct expenses b					
	c Net income or (loss) from fundraising events					
	9a Gross income from gaming activities. See Part IV, line 19 a					
	b Less: direct expenses b					
	c Net income or (loss) from gaming activities					
	10a Gross sales of inventory, less returns and allowances a					
	b Less: cost of goods sold b					
	c Net income or (loss) from sales of inventory					
	Miscellaneous Revenue	Busn. Code				
	11a CAFE' SALES		4,006,850			4,006,850
	b DIETARY,SECURITY,ENGIN., ETC.		3,462,020			3,462,020
	c DAY CARE		1,002,231			1,002,231
	d All other revenue		1,569,943		1,518,943	51,000
	e Total. Add lines 11a–11d		10,041,044			
	12 Total revenue. See instructions.		734,881,897	696,364,532	3,141,566	32,630,373

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) but are not required to complete columns (B), (C), and (D).

Check if Schedule O contains a response to any question 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 governments and organizations in the U.S. See Part IV, line 21	990,095	990,095		
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	5,468,957		5,468,957	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	241,272,312	231,707,399	8,724,394	840,519
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	10,089,414	9,725,390	328,745	35,279
9 Other employee benefits	34,130,913	30,429,032	3,636,805	65,076
10 Payroll taxes	18,834,745	16,813,372	1,978,810	42,563
11 Fees for services (non-employees):				
a Management				
b Legal	1,977,334	7,764	1,969,570	
c Accounting	282,707	5,100	256,771	20,836
d Lobbying	43,468	43,468		
e Professional fundraising services. See Part IV, line 17				
f Investment management fees	1,391,642		1,391,642	
g Other	86,176,772	79,284,416	6,726,297	166,059
12 Advertising and promotion	2,951,800	2,317,069	613,471	21,260
13 Office expenses	9,686,133	9,407,004	44,685	234,444
14 Information technology	14,644,324	12,718,745	1,925,579	
15 Royalties				
16 Occupancy	14,759,554	11,571,695	3,123,421	64,438
17 Travel	2,448,538	1,772,022	644,172	32,344
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	276,813	229,790	46,335	688
20 Interest	42,918,548	-816	42,919,364	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	46,483,192	26,942,801	19,534,953	5,438
23 Insurance	2,364,804	5,727	2,359,077	
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 MEDICAL SUPPLIES & DRUGS	124,004,766	123,838,671	165,092	1,003
b REPAIRS & MAINTENANCE	14,349,584	13,702,930	603,502	43,152
c DUES & SUBSCRIPTIONS	3,768,837	1,068,939	2,696,271	3,627
d ALL OTHER EXPENSES	3,519,503	3,464,259	12,024	43,220
e All other expenses	66,225		66,225	
25 Total functional expenses. Add lines 1 through 24e	682,900,980	576,044,872	105,236,162	1,619,946
Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

				(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest bearing			1	
	2	Savings and temporary cash investments		94,236,272	2	39,216,743
	3	Pledges and grants receivable, net		196,903	3	248,258
	4	Accounts receivable, net		96,082,434	4	103,299,284
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5,517,265	5	6,806,393
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)			6	
	7	Notes and loans receivable, net		94,585,775	7	15,373,693
	8	Inventories for sale or use		15,564,585	8	15,480,550
	9	Prepaid expenses and deferred charges		3,217,335	9	3,139,089
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 926,605,812			
	b	Less: accumulated depreciation	10b 432,580,246	469,613,025	10c	494,025,566
	11	Investments—publicly traded securities		257,416,902	11	271,118,030
	12	Investments—other securities. See Part IV, line 11			12	
	13	Investments—program-related. See Part IV, line 11		282,266,093	13	307,033,212
	14	Intangible assets		143,276,118	14	143,276,118
	15	Other assets. See Part IV, line 11		111,896,704	15	118,937,105
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		1573869411	16	1517954041
Liabilities	17	Accounts payable and accrued expenses		66,520,793	17	85,554,685
	18	Grants payable			18	
	19	Deferred revenue		19,167,490	19	2,928,666
	20	Tax-exempt bond liabilities		620,629,456	20	813,947,753
	21	Escrow or custodial account liability. Complete Part IV of Schedule D			21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L			22	
	23	Secured mortgages and notes payable to unrelated third parties		382,866,923	23	177,320,621
	24	Unsecured notes and loans payable to unrelated third parties			24	4,437,945
	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		179,054,134	25	85,155,390
	26	**Total liabilities.** Add lines 17 through 25		1268238796	26	1169345060
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ [X] and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		305,570,637	27	348,411,488
	28	Temporarily restricted net assets		59,978	28	197,493
	29	Permanently restricted net assets			29	
		Organizations that do not follow SFAS 117, check here ▶ [ ] and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building, or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		305,630,615	33	348,608,981
	34	Total liabilities and net assets/fund balances		1573869411	34	1517954041

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI X

1	Total revenue (must equal Part VIII, column (A), line 12)	1	734,881,897
2	Total expenses (must equal Part IX, column (A), line 25)	2	682,900,980
3	Revenue less expenses. Subtract line 2 from line 1	3	51,980,917
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	305,630,615
5	Other changes in net assets or fund balances (explain in Schedule O)	5	-9,002,551
6	Net assets or fund balances at end of year. Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	348,608,981

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII X

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

MOUNTAIN STATES HEALTH ALLIANCE 62-0476282
JUNE 30, 2012

FORM 990, PART III, LINE 1: **STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS**

MOUNTAIN STATES HEALTH ALLIANCE (MSHA) WAS CREATED IN SEPTEMBER 1998 AS A PRIVATE, LOCALLY OWNED, TAX-EXEMPT, REGIONAL HEALTHCARE SYSTEM. MSHA IS A 1,200 BED TERTIARY-CARE AND REFERRAL HOSPITAL SYSTEM, THE REGION'S LARGEST BY BED COUNT AND VOLUMES. FOR THE YEAR ENDING JUNE 30, 2012, MSHA RECORDED 47,958 INPATIENT ADMISSIONS, AND PROVIDED FOR 733,059 OUTPATIENT VISITS. THERE WERE 160,564 EMERGENCY VISITS AND 128,905 HOME HEALTH VISITS.

THE ALLIANCE IS COMPOSED OF 9 HOSPITALS, AN OUTPATIENT SURGERY CENTER, AN OUTPATIENT RADIATION ONCOLOGY CENTER, AN OUTPATIENT DIAGNOSTIC CENTER AND TWO OUTPATIENT REHABILITATION THERAPY CENTERS. IT ALSO HAS SERVICES FOR HOME HEALTH, DURABLE MEDICAL EQUIPMENT, INFUSION THERAPY, HOSPICE AND PARISH NURSING.

MSHA ENTITIES, IN CONCERT WITH THE MOUNTAIN STATES HEALTHCARE NETWORK OF **54** AFFILIATED HOSPITALS AND NURSING HOMES, PROVIDE AN INTEGRATED, COMPREHENSIVE CONTINUUM OF CARE TO RESIDENTS ACROSS A WIDESPREAD, PREDOMINANTLY RURAL **29**-COUNTY AREA OF APPALACHIA. THE SERVICE AREA INCLUDES PARTS OF NORTHEAST TENNESSEE, SOUTHWEST VIRGINIA, SOUTHEAST KENTUCKY AND WESTERN NORTH CAROLINA. ALL **9** MSHA HOSPITALS ARE LOCATED IN NORTHEAST TENNESSEE AND SOUTHWEST VIRGINIA. JOHNSON CITY MEDICAL CENTER, THE COMPANY'S FLAGSHIP FACILITY, IS HOME TO MANY OF THE REGION'S CRITICALLY NEEDED PROGRAMS.

MSHA ALSO HAS A MAJORITY OWNERSHIP IN SMYTH COUNTY COMMUNITY HOSPITAL (SCCH) LOCATED IN MARION, VA,

NORTON COMMUNITY HOSPITAL, LOCATED IN NORTON, VA, DICKENSON COMMUNITY HOSPITAL (DCH), LOCATED IN CLINTWOOD, VA, AND JOHNSTON MEMORIAL HOSPITAL (JMH), LOCATED IN ABINGDON, VA. BECAUSE JMH, NCH, DCH AND SCCH ARE PARTIALLY OWNED ENTITIES, THEIR DATA ARE EXCLUDED FROM THIS DOCUMENT AND EACH OF THESE HOSPITALS FILE A SEPARATE FORM 990.

WASHINGTON COUNTY, TN JOHNSON CITY MEDICAL CENTER (JCMC) FLAGSHIP FACILITY:

- TEACHING HOSPITAL AFFILIATED WITH QUILLEN COLLEGE OF MEDICINE AT EAST TENNESSEE STATE UNIVERSITY (ETSU)
- THE SECOND HOSPITAL BUILT IN TENNESSEE
- LEVEL I TRAUMA CENTER – ONE OF ONLY SIX IN TENNESSEE
- HOME OF THE REGIONAL CANCER CENTER
- HOME TO NISWONGER CHILDREN'S HOSPITAL (NSCH), WHICH ALSO OFFERS THE ST. JUDE TRI-CITIES AFFILIATE CLINIC, ONE OF ONLY FIVE SUCH CLINICS IN THE COUNTRY, WORKING WITH THE MEMPHIS FACILITY TO TREAT PEDIATRIC PATIENTS IN OUR REGION; AND, THE REGION'S ONLY NACHRI-AFFILIATED CHILDREN'S HOSPITAL. NSCH PROVIDES COMPREHENSIVE PEDIATRIC SERVICES WITH ACCESS TO MORE THAN 20 PEDIATRIC SPECIALTIES.
- THE CHILDREN'S EMERGENCY DEPARTMENT AT JCMC IS THE ONLY PEDIATRIC-SPECIFIC EMERGENCY DEPARTMENT IN THE REGION OFFERING 24-HOUR EMERGENCY CARE BY SPECIALLY TRAINED PERSONNEL FOCUSED ON PROVIDING CARE TO PATIENTS FROM BIRTH TO 18 YEARS OF AGE.
- THE NE TN REGIONAL PERINATAL CENTER LOCATED AT JCMC IS ONE OF FIVE STATE DESIGNATED TERTIARY CENTERS FOR HIGH-RISK MATERNAL FETAL CARE. STATE DESIGNATION IS BASED ON GUIDELINES FOR THE SERVICE PROVISIONS AND

DESIGNATIONS OF LEVELS OF CARE GOVERNED AND REVIEWED BY A STATE APPOINTED COMMITTEE THROUGH TN DEPARTMENT OF HEALTH.

- HOME OF THE REGION'S LARGEST AIR AMBULANCE FLEET, WINGS AIR RESCUE
- FIRST HOSPITAL IN TENNESSEE AWARDED MAGNET STATUS FOR NURSING EXCELLENCE BY AMERICAN NURSES CREDENTIALING CENTER. ONE OF 6 MAGNET HOSPITALS IN TENNESSEE AND THE ONLY MAGNET HOSPITAL IN OUR GEOGRAPHIC AREA.
- 2001-2012 CONSUMER'S CHOICE AWARD FOR THE REGION THROUGH AN INDEPENDENT SURVEY CONDUCTED BY THE NATIONAL RESEARCH COUNCIL: BEST OVERALL QUALITY, BEST DOCTORS, BEST NURSES, MOST PERSONALIZED CARE AND HAVING THE BEST REPUTATION

OTHER JCMC HOSPITALS; **JAMES H. & CECILE C. QUILLEN REHABILITATION HOSPITAL** (CARF-ACCREDITED) AND **WOODRIDGE HOSPITAL FOR BEHAVIORAL HEALTH SERVICES.**

FRANKLIN WOODS COMMUNITY HOSPITAL (FWCH) OPENED ITS DOORS IN THE SUMMER OF 2010 AS A REPLACEMENT HOSPITAL FOR 2 AGING WASHINGTON COUNTY FACILITIES. FWCH WAS THE FIRST "LEADERSHIP IN ENERGY AND ENVIRONMENTAL DESIGN" (LEED) CERTIFIED HOSPITAL IN TENNESSEE AND HAS SET THE PRECEDENT FOR ENVIRONMENTALLY FRIENDLY DESIGNS.

SULLIVAN COUNTY, TN **INDIAN PATH MEDICAL CENTER**

CARTER COUNTY, TN **SYCAMORE SHOALS HOSPITAL**

JOHNSON COUNTY, TN **JOHNSON COUNTY COMMUNITY HOSPITAL**, A FEDERALLY DESIGNATED CRITICAL ACCESS HOSPITAL LOCATED IN ONE OF TENNESSEE'S POOREST COUNTIES, A MEDICALLY UNDERSERVED AREA

RUSSELL COUNTY, VA RUSSELL COUNTY MEDICAL CENTER

MSHAWAS NAMED THE WINNER OF THE NATIONAL QUALITY FORUM'S 2012 NATIONAL QUALITY HEALTHCARE AWARD. NATIONAL QUALITY FORUM (NQF) PRESENTS THE AWARD ANNUALLY TO AN EXEMPLARY HEALTHCARE ORGANIZATION THAT HAS ACHIEVED A NUMBER OF QUALITY FOCUSED GOALS AND ACHIEVEMENTS. MSHA IS THE FIRST HEALTHCARE ORGANIZATION IN TENNESSEE TO RECEIVE THE AWARD. THE AWARD RECIPIENT IS SELECTED THROUGH A BLINDED REVIEW BY A PANEL OF JURORS COMPOSED OF NATIONAL HEALTHCARE EXPERTS WHO REPRESENT PURCHASERS, GOVERNMENT, HEALTH SYSTEMS, CLINICIANS, AND CONSUMERS. ACCORDING TO NQF, THE 2012 AWARD FOCUS WAS THE EXTENT TO WHICH AN ORGANIZATION IS PROVIDING PATIENT-CENTERED CARE AND ACHIEVING BETTER HEALTH OUTCOMES AT LOWER PER-CAPITA COSTS.

MSHA WAS THE RECIPIENT OF THE 2012 U.S. SENATE PRODUCTIVITY AND QUALITY AWARD FOR VIRGINIA (VA SPQA). MSHA RECEIVED THE MEDALLION PERFORMANCE EXCELLENCE AWARD, VA SPQA'S HIGHEST AWARD. RECEIVING THE SPQA MEDALLION IS RECOGNITION OF BEING AMONG THE BEST PERFORMING ORGANIZATIONS IN THE COMMONWEALTH OF VIRGINIA AND THE DISTRICT OF COLUMBIA. THE AWARD RECIPIENT OF THE COVETED MEDALLION AWARD IS BELIEVED TO BE THE BEST IN THEIR CLASS WHEN COMPARED TO THE NATION'S STANDARD FOR EXCELLENCE – THE BALDRIGE CRITERIA FOR PERFORMANCE EXCELLENCE.

THE AMERICAN HOSPITAL ASSOCIATION RECOGNIZED MSHA AS A 2012 MOST WIRED HEALTH SYSTEM. THE HONOR ACKNOWLEDGES A HIGH LEVEL OF SOPHISTICATION THROUGHOUT THE SYSTEM IN CREATING AND USING ELECTRONIC MEDICAL RECORDS. IN ORDER TO QUALIFY AS ONE OF THE AHA'S MOST WIRED HOSPITALS AND HEALTH SYSTEMS, AN ORGANIZATION MUST MEET EVERY ITEM ON A LIST OF CRITERIA IN FOUR KEY AREAS: INFRASTRUCTURE, BUSINESS AND ADMINISTRATIVE MANAGEMENT, CLINICAL

QUALITY AND SAFETY, AND CLINICAL INTEGRATION. A TOTAL OF 215 HOSPITALS AND HEALTH SYSTEMS ACROSS THE NATION MET THE CRITERIA THIS YEAR. MSHA WAS ONE OF THREE ORGANIZATIONS IN TENNESSEE TO BE RECOGNIZED; THE TWO OTHERS WERE LOCATED IN NASHVILLE.

FOUR MSHA HOSPTIALS WERE RECOGNIZED BY U.S. NEWS AND WORLD REPORT IN THE BEST HOSPITALS 2011 RANKING, WHICH FALLS WITHIN OUR FY12 REPORTING PERIOD. THE RECOGNITION IS BROKEN DOWN BY SPECIALTIES AND RECOGNIZES HIGH PERFORMERS IN EACH CATEGORY. AMONG OTHER SPECIALTIES, JCMC WAS RECOGNIZED AS A HIGH PERFORMER IN CARDIOLOGY AND HEART SURGERY. JCMC HAS BEEN THE AREA'S VOLUME LEADER FOR HEART SERVICES FOR THE PAST 10 YEARS. JCMC WAS RECOGNIZED BY U.S. NEWS AS A HIGH PERFORMER IN THE FOLLOWING SPECIALTIES: CARDIOLOGY & SURGERY; EAR, NOSE & THROAT; GASTROENTEROLOGY; GERIATRICS; CANCER; NEPHROLOGY; PULMONOLOGY; NEUROLOGY AND NEUROSURGERY; ORTHOPEDICS; DIABETES AND ENDOCRINOLOGY; AND, UROLOGY.

IPMC WAS RECOGNIZED AS A HIGH PERFORMER IN THE FOLLOWING SPECIALTIES: GASTROENTEROLOGY; GYNECOLOGY; NEPHROLOGY; NEUROLOGY & NEUROSURGERY; ORTHOPEDICS; PULMONOLOGY; AND UROLOGY.

NORTON COMMUNITY HOSPITAL AND JOHNSTON MEMORIAL HOSPITAL, MAJORITY OWNED BY MSHA, BUT NOT REPORTED IN THIS FORM 990, WERE ALSO RECOGNIZED BY U.S. NEWS & WORLD REPORT AS HIGH PERFORMERS.

A STUDY CONDUCTED BY NATIONAL RESEARCH CORPORATION COMPARED MSHA TO ITS NEAREST COMPETITOR IN THE REGION, WELLMONT HEALTH SYSTEM. THE SURVEY RESULT SHOWS THAT MSHA IS RANKED NO. 1 IN ALL CATEGORIES SURVEYED. THE FY12 SURVEY COVERED A 16-COUNTY AREA AND ASKED PEOPLE WHICH OF THE TWO HEALTH SYSTEMS THEY PREFERRED AND WHICH ONE THEY MOST RECENTLY USED. AMONG THE CATEGORIES SURVEYED WERE: BEST

OVERALL QUALITY, BEST DOCTORS, BEST NURSES, MOST PREFERRED FOR ALL HEALTH NEEDS, MOST PERSONALIZED CARE, CANCER TREATMENT PREFERENCE, HEART CARE PREFERENCE, HOME HEALTH CARE PREFERENCE, HOSPITAL INPATIENT STAY PREFERENCE, MATERNITY/OB PREFERENCE, AND MANY MORE CLINICAL QUALITY OF CARE AREAS. THE NATIONAL RESEARCH CORPORATION'S TICKER SERVICE IS THE LARGEST ONLINE HEALTHCARE SURVEY IN THE U.S. EACH MONTH, TICKER TRACKS THE HEALTHCARE OPINIONS AND BEHAVIORS OF CONSUMERS TO ASSIST HOSPITAL LEADERS IN BETTER UNDERSTANDING CONSUMER PREFERENCE.

QUEST, THE MOST COMPREHENSIVE HOSPITAL COLLABORATIVE IN THE NATION, NAMED FOUR OF MSHA'S HOSPITALS AS TOP PERFORMERS. QUEST CONDUCTS A BROAD-BASED MULTI-DIMENSIONAL EXAMINATION OF HOSPITAL QUALITY DESIGNED TO DELIVER THE MOST EFFICIENT, EFFECTIVE AND CARING HOSPITAL EXPERIENCE TO EVERY PATIENT, EVERY TIME. MHSA'S FRANKLIN WOODS COMMUNITY HOSPITAL, SYCAMORE SHOALS HOSPITAL, JOHNSON CITY MEDICAL CENTER, AND SMYTH COUNTY COMMUNITY HOSPITAL WERE ALL NAMED TOP PERFORMERS DURING THE YEAR.

MSHA ESTABLISHED "MOUNTAIN STATES EARTH CARE" TO INCREASE TEAM MEMBER AWARENESS AND INVOLVEMENT ACROSS THE ORGANIZATION OF INITIATIVES DEVELOPED TO PROTECT THE ENVIRONMENT. CONSISTENT WITH THE MSHA PATIENT CENTERED CARE PRINCIPLE THAT CARE IS PROVIDED IN A HEALING ENVIRONMENT OF COMFORT, PEACE AND SUPPORT, OUR GREEN PRINCIPLES DEMONSTRATE OUR COMMITMENT TO PROTECT AND PRESERVE THE ENVIRONMENT. MSHA PROTECTS THE ENVIRONMENT BY PROMOTING COST-EFFECTIVE BUSINESS PRACTICES CONSISTENT WITH MSHA'S 11 "GREEN GUIDING PRINCIPLES".

INDIAN PATH MEDICAL CENTER (IPMC) WAS HONORED FOR ITS EFFORTS TO REMANUFACTURE AND REPROCESS MEDICAL DEVICES – A PRACTICE THAT REDUCED SUPPLY COSTS BY $775,387 AND AVOIDED SENDING 23,155 POUNDS OF WASTE TO

LANDFILLS IN FY12. IPMC WAS PRESENTED THE HEALTHY HOSPITAL SILVER AWARD BY STRYKER SUSTAINABILITY SOLUTIONS, THE COMPANY MSHA EMPLOYS TO HANDLE REPROCESSING.

FRANKLIN WOODS COMMUNITY HOSPITAL REVITALIZED A PORTION OF A WALKING TRAIL NEAR THE HOSPITAL AND WILL CONTINUE TO ADOPT A PORTION OF THE TRAIL EACH YEAR TO CREATE A HEALING, "GREEN" ENVIRONMENT FOR AREA RESIDENTS TO ENJOY. JOHNSON CITY MEDICAL CENTER AND JOHNSTON MEMORIAL HOSPITAL BEGAN A PARTNERSHIP WITH STERICYCLE DURING THE YEAR TO EXPAND THE RECYCLING PROGRAM AT EACH FACILITY. IN ONE MONTH, THE HOSPITALS WERE ABLE TO RECYCLE 55,580 POUNDS OF MATERIAL. IN FACT, THE TWO FACILITIES HAVE INCREASED RECYCLING BY MORE THAN 80%. IN ADDITION, THE REUSABLE SHARPS PROGRAM HAS DIVERTED 72, 450 POUNDS OF MATERIALS FROM AREA LANDFILLS.

THE AMERICAN HEART ASSOCIATION AND AMERICAN STROKE ASSOCIATION RECOGNIZED IPMC, SSH AND JCMC AS GOLD PLUS ACHIEVEMENT AWARD HOSPITALS. THIS AWARD IS GIVEN TO HOSPITALS FOR ACHIEVING 85% OR HIGHER ADHERENCE TO ALL "GET WITH THE GUIDELINES®" HEART FAILURE ACHIEVEMENT INDICATORS FOR TWO OR MORE CONSECUTIVE 12-MONTH INTERVALS AND AT LEAST 12 CONSECUTIVE MONTHS OF 75% OR HIGHER COMPLIANCE WITH 4 OF 10 "GET WITH THE GUIDELINES®" HEART FAILURE QUALITY MEASURES TO IMPROVE QUALITY OF PATIENT CARE AND OUTCOMES. IN ADDITION TO THE GOLD AWARD, JCMC RECEIVED THE BRONZE AWARD FROM THE AMERICAN HEART ASSOCIATION FOR ACHIEVING ADHERENCE TO "MISSION: LIFELINE STEMI RECEIVING CENTER PERFORMANCE ACHIEVEMENT INDICATORS".

A DOCUMENTARY ON THE HISTORY OF JOHNSON CITY MEDICAL CENTER WON GOLD IN THE MARCOM AWARDS, AN INTERNATIONAL COMPETITION FOR INDIVIDUALS AND COMPANIES INVOLVED IN THE CONCEPT, WRITING AND DESIGN OF PRINT, VISUAL, AUDIO AND WEB MATERIALS THROUGHOUT

THE UNITED STATES, CANADA AND OTHER COUNTRIES IN THE 2011 COMPETITION. THE DOCUMENTARY FOCUSED ON 100 YEARS OF HEALTH CARE AT JCMC.

THE TENNESSEE CENTER FOR PERFORMANCE EXCELLENCE (TNCPE) ANNOUNCED THAT MSHA'S PRESIDENT AND CEO, DENNIS VONDERFECHT, WAS NAMED THE 2012 NED R. MCWHERTER LEADERSHIP AWARD WINNER. THE NED R. MCWHERTER LEADERSHIP AWARD ANNUALLY RECOGNIZES AN INDIVIDUAL WHO EXEMPLIFIES OUTSTANDING LEADERSHIP IN THE PURSUIT OF PERFORMANCE EXCELLENCE AND HAS FURTHERED PERFORMANCE IMPROVEMENT BEYOND THE BOUNDARIES OF HIS OR HER ORGANIZATION. MCWHERTER LEADERSHIP AWARD WINNERS CAN COME FROM ANY INDUSTRY SECTOR. THE AWARD IS NAMED AFTER FORMER TENNESSEE GOVERNOR NED R. MCWHERTER, WHO WAS GOVERNOR WHEN TNCPE WAS FOUNDED IN 1993.

DURING FY12, MSHA DEVELOPED A LEADERSHIP SYSTEM CALLED THE VALUE OPTIMIZATION SYSTEM (VOS) TO TRAIN AND PROVIDE TOOLS TO REDUCE WASTE, PROVIDE A "WOW" CUSTOMER EXPERIENCE WHILE ACHIEVING WORLD CLASS OUTCOMES. THIS SYSTEM WILL ALSO ALLOW MSHA TO CONTINUOUSLY IMPROVE AND PROVIDE MORE VALUE TO TEAM MEMBERS, PHYSICIANS, AND COMMUNITIES. VOS IDENTIFIES WHICH PARTS OF THE SYSTEM DELIVER VALUE AND WHICH PARTS ARE WASTE SO THAT THE SYSTEM MAY BE REDESIGNED TO REDUCE WASTE AND TO DELIVER THE BEST VALUE TO MEET CUSTOMER DEMAND.

AUDIT AND COMPLIANCE PRACTICES: MSHA IS GOVERNED BY A BOARD OF DIRECTORS, WHOSE MEMBERS ARE FROM THE COMMUNITIES MSHA SERVES. THE CORPORATE BOARD INCLUDES A LONGSTANDING AUDIT AND COMPLIANCE COMMITTEE. ALL AUDITORS AND COMPLIANCE SPECIALISTS, INTERNAL AND EXTERNAL, REPORT DIRECTLY TO THE AUDIT AND COMPLIANCE COMMITTEE AS A WAY TO ENSURE THE AUDIT AND COMPLIANCE PROCESS IS INDEPENDENT.

- MSHA'S COMPLIANCE PLAN ENSURES THE ORGANIZATION CONDUCTS BUSINESS IN AN APPROPRIATE MANNER AND IN ACCORDANCE WITH LOCAL, STATE AND FEDERAL LAWS AND REGULATIONS. THE PLAN ADDRESSES FISCAL ACCOUNTABILITY AND TRANSPARENCY OF OPERATIONS THROUGH THE REVIEW AND USE OF INDEPENDENT AUDITS BY EXTERNAL AUDITORS AND RATING AGENCIES.
- UPON EMPLOYMENT, MSHA TEAM MEMBERS RECEIVE A COPY OF THE BOOKLET *CODE OF ETHICS AND BUSINESS CONDUCT*, DETAILING REQUIRED STANDARDS OF BEHAVIOR. YEARLY, TEAM MEMBERS RECEIVE REFRESHER EDUCATION ON THEIR OBLIGATIONS UNDER THE CODE OF ETHICS AND BUSINESS CONDUCT.
- ANNUALLY, DEPARTMENT DIRECTORS, EXECUTIVE OFFICERS AND BOARD MEMBERS ARE REQUIRED TO SIGN MSHA'S **CONFLICT OF INTEREST** POLICY. BY SIGNING THIS POLICY, THEY AFFIRM THEIR KNOWLEDGE AND UNDERSTANDING OF THE POLICY AND ALSO HAVE THE OPPORTUNITY TO DISCLOSE ANY CONFLICT OF INTEREST THEY MAY HAVE. ALL TEAM MEMBERS ARE REQUIRED BY POLICY TO IMMEDIATELY DISCLOSE SITUATIONS THAT MAY CONSTITUTE CONFLICTS OF INTEREST WHEN THEY ARISE.
- MSHA IS FULLY COMPLIANT WITH REGULATORY AND LEGAL REQUIREMENTS, AND ITS HOSPITALS ARE ACCREDITED BY THE JOINT COMMISSION.
- MSHA HAS A NO-RETALIATION AND NO-RETRIBUTION POLICY FOR THE PROTECTION OF INDIVIDUALS WHO, IN GOOD FAITH, REPORT LEGAL OR ETHICAL CONCERNS. TEAM MEMBERS ARE REQUIRED TO REPORT CONCERNS TO APPROPRIATE PERSONS FOR INVESTIGATION OR FOLLOW-UP. ***ALERTLINE*** IS A CONFIDENTIAL, RISK-FREE HOTLINE FOR REPORTING SUSPECTED ILLEGAL BEHAVIOR, ETHICAL VIOLATIONS OR SAFETY RISKS AND IS AVAILABLE TO ALL TEAM MEMBERS VIA A TOLL-FREE NUMBER.

MEDICAL EDUCATION AND RESEARCH

MSHA PROVIDES CLINICAL EXPERIENCE TO MEDICAL STUDENTS AND RESIDENTS OF THE JAMES H. QUILLEN COLLEGE OF MEDICINE AT ETSU. MSHA CONTRIBUTED AN UNREIMBURSED COST AMOUNT OF $2,430,043 TO THE RESIDENCY PROGRAM IN FY12.

MSHA FACILITIES SERVE AS CLINICAL TRAINING AREAS FOR HEALTH PROFESSIONAL EDUCATION STUDENTS. MSHA HAS DEDICATED STAFF TO WORK WITH REGIONAL COLLEGES AND UNIVERSITIES TO COORDINATE THE PLACEMENT OF HEALTHCARE PROFESSIONAL STUDENTS AS PART OF THEIR EDUCATIONAL CURRICULUM. MANY OF THE HEALTH CARE STUDENTS ENTERING OUR SYSTEM ARE REQUIRED TO HAVE ORIENTATION AND COMPUTER TRAINING.

PARTICIPANTS RECEIVING CLINICAL EXPERIENCE AT MSHA WERE 1,583 NURSING STUDENTS FROM VARIOUS COLLEGES, UNIVERSITIES AND PROGRAMS. THIS NURSING CLINICAL EXPERIENCE REQUIRED EXTENSIVE MSHA NURSING STAFF INVOLVEMENT AT FIVE MSHA FACILITIES. THE CLINICAL SETTING AND HANDS-ON INSTRUCTION COST MSHA $3,266,790.

MSHA PROVIDED A CLINICAL SETTING FOR ANOTHER 917 STUDENTS TRAINING IN HEALTH-RELATED PROGRAMS SUCH AS RADIOLOGY, PHARMACY, LABORATORY, PHYSICAL THERAPY AND OTHER ALLIED-HEALTH DISCIPLINES. THESE ADDITIONAL CLINICAL STUDENTS COST MSHA $825,705.

MSHA PROVIDED ASSISTANCE TO 188 HIGH SCHOOL AND COLLEGE STUDENTS WHO WERE CONSIDERING A HEALTHCARE CAREER PATH BY ALLOWING THEM TO OBSERVE LICENSED MSHA CLINICAL PROFESSIONALS. THE SHADOWING OF CLINICAL STAFF BY THESE STUDENTS COST MSHA $4,264.

MSHA'S LEARNING RESOURCE CENTER (LRC) IS A MEDICAL LIBRARY THAT PROVIDES ACCESS TO MEDICAL DATABASES, VARIOUS PAPER PUBLICATIONS AND FACILITATES INTER-LIBRARY JOURNAL LOANS TO INCREASE LIBRARY RESOURCES. THE LRC SUBSCRIBES TO SEVERAL ONLINE MEDICAL DATABASES AS WELL AS PRINTED MEDICAL EDUCATION

MATERIALS. THE LRC IS PRIMARILY UTILIZED BY MEDICAL RESIDENTS, PHARMACY AND NURSING STUDENTS. THIS SERVICE IS ALSO USED BY OTHER HEALTH PROFESSION EDUCATION STUDENTS, PHYSICIANS AND STAFF, AND IS OPEN TO THE COMMUNITY. THE FY12 COST OF PROVIDING THIS SERVICE WAS $291,136.

CLINICAL RESEARCH IS A VITAL COMPONENT OF MODERN MEDICINE. THE DEVELOPMENT OF SAFE AND EFFECTIVE PHARMACEUTICALS, BIOLOGICS AND MEDICAL DEVICES EMERGES FROM CONTROLLED CLINICAL TRIALS. MSHA SUPPORTS MSHA PHYSCIANS AND NURSES, AS WELL AS ETSU FACULTY, RESIDENTS AND FELLOWS IN CONDUCTING RESEARCH TRIALS AND BRINGING INNOVATIVE CARE TO OUR PATIENTS. ON AVERAGE, MSHA'S RESEARCH DEPARTMENT PROVIDES DIFFERENT LEVELS OF SUPPORT TO 100 TRIALS ANNUALLY, INCLUDING, BUT NOT LIMITED TO, ADMINISTRATIVE, LEGAL, AND EDUCATIONAL SUPPORT, BUDGETARY EVALUATION, AND OBTAINING AND MAINTAINING IRB APPROVALS. MSHA REPORTED $490,139 IN RESEARCH EXPENSE (NET OF FUNDING RECEIVED BY CORPORATE SPONSORS).

MSHA ALSO PROVIDES ACCESS TO SEVERAL ONLINE HEALTH INFORMATION SERVICES. "MY HEALTH NEWS" ALLOWS ACCESS TO HEALTH INFORMATION TOPICS AND SERVICES THAT MATTER TO THE USER. THIS SERVICE SENDS UP-TO-DATE INFORMATION FROM NATIONAL HEALTH RESOURCES TAILORED TO THE INDIVIDUAL'S NEEDS AND IS FREE OF CHARGE. MSHA PAYS $24,000 YEARLY FOR MY HEALTH NEWS. MSHA PROVIDES ACCESS TO "KIDSHEALTH", A SERVICE THAT PROVIDES PRACTICAL PARENTING INFORMATION AND NEWS. THIS SERVICE ALSO PROVIDES HOMEWORK HELP FOR KIDS AND STRAIGHT TALK ANSWERS FOR TEENS. MSHA PAYS $15,750 ANNUALLY TO PROVIDE KIDSHEALTH. OTHER HEALTH INFORMATION LINKS ARE PROVIDED TO THE PUBLIC ON OUR WEBSITE, INCLUDING "VIRTUAL WOMEN'S CENTER" AND MANY OTHERS.

IN ADDITION, WE PROVIDE "YOUR HEALTH MATTERS" TELEVISION HEALTH NEWS FOR A COST OF APPROXIMATELY $18,000.

PATIENT CARE SERVICES

DATA SHOWS THAT THE HEALTH STATUS OF MSHA'S SERVICE AREA IS GENERALLY POOR. MSHA'S SERVICE AREA CONSISTS OF COUNTIES IN TENNESSEE AND SOUTHWEST VIRGINIA. AMONG THE 50 STATES, TENNESSEE RANKED 39TH AND VIRGINIA RANKED 20TH IN TERMS OF HEALTH STATUS. SOME OF THE OVERWHELMING HEALTH ISSUES IN OUR SERVICE AREA INCLUDE:

1. HIGH PREVALENCE OF OBESITY
2. POOR CARDIOVASCULAR HEALTH
3. HIGH RATE OF CIGARETTE SMOKING
4. POOR AIR QUALITY
5. LOW RATE OF DIABETIC CARE
6. HIGH RATE OF UNINSURED
7. LOW LEVEL OF EDUCATION
8. HIGH RATE OF DEATHS DUE TO CARDIOVASCULAR CONDITIONS, CANCER AND DIABETES

GIVEN THIS HEALTH PROFILE, MSHA EXISTS TO IDENTIFY AND RESPOND TO THE HEALTHCARE NEEDS OF ALL INDIVIDUALS AND COMMUNITIES IN THE REGION AND TO ASSIST THEM IN ATTAINING THEIR HIGHEST POSSIBLE LEVEL OF HEALTH. MSHA LIVES ITS MISSION TO BRING LOVING CARE TO HEALTH CARE IN OUR REGION. MSHA OPERATES ON A NON-DISCRIMINATORY BASIS, PROVIDING QUALITY HEALTH CARE TO ALL PATIENTS REGARDLESS OF RACE, RELIGION, GENDER, ETHNICITY, DISABILITY, AGE OR ABILITY TO PAY.

DURING THE YEAR, MSHA ADDED A HOSPITAL-BASED PHARMACY PROGRAM TO DISPENSE MEDICATIONS TO OUR PATIENTS FOR USE AT HOME AFTER HOSPITAL DISCHARGE. THE MAIN REASON FOR ADDING THIS SERVICE IS TO PROVIDE SAFER AND MORE EFFICIENT PATIENT CARE AS PATIENTS TRANSITION FROM HOSPITAL TO HOME. ONE OF THE PRIMARY

REASONS FOR HOSPITAL READMISSION IS MEDICATION MISMANAGEMENT ONCE A PATIENT GOES HOME. PATIENTS CAN NOW LEAVE THE HOSPITAL WITH MEDICATIONS IN HAND AND AFTER RECEIVING CLEAR INSTRUCTION FROM A TRANSITION SPECIALIST THROUGHOUT THEIR HOSPITAL STAY. OF COURSE, PATIENTS MAY CHOOSE TO USE ANOTHER PHARMACY. THE MSHA PHARMACY OFFERS AN OPTION FOR PATIENTS LEAVING LATE IN THE DAY, PATIENTS THAT ARE TIRED AND WANT TO GO STRAIGHT HOME; OR, THE PATIENT'S PHARMACY DOESN'T HAVE A NEEDED MEDICATION IN STOCK CAUSING A DELAY IN STARTING THE DRUG.

TOWARD THE END OF FY12, JCMC OPENED A CONGESTIVE HEART FAILURE CLINIC TO HELP PATIENTS MANAGE THEIR DISEASE. THE CLINIC IS STAFFED BY A NURSE PRACTITIONER AND IS PROVIDED FREE OF CHARGE. THE CLINIC'S PRIMARY FOCUS IS ON EVALUATION AND EDUCATION, TO PREVENT THE LIKELIHOOD OF ACUTE EPISODES OF HEART FAILURE AND TO HELP PEOPLE MANAGE HEART FAILURE AND IMPROVE THEIR CARDIAC FUNCTION. PATIENTS DISCHARGED FROM A MSHA HOSPITAL WILL HAVE A SCHEDULED APPOINTMENT WITH THE CLINIC AND CONTINUED FOLLOW-UP CARE WILL CONTINUE AS LONG AS THE INDIVIDUAL NEEDS IT.

CHARITY AND UNREIMBURSED COSTS

CHARITY CARE: WHILE REIMBURSEMENT FOR HEALTHCARE SERVICES RENDERED IS CRITICAL TO THE OPERATION AND SUSTAINABILITY OF THE ORGANIZATION, MSHA RECOGNIZES ITS OBLIGATION TO PROVIDE CARE TO INDIVIDUALS WHO CANNOT AFFORD ESSENTIAL MEDICAL SERVICES, INCLUDING EMERGENCY CARE. A PATIENT IS CLASSIFIED AS A CHARITY PATIENT BY REFERENCE TO ESTABLISHED POLICIES OF MSHA AND GUIDELINES OUTLINED BY THE FEDERAL GOVERNMENT. HOWEVER, FINANCIAL ASSISTANCE DECISIONS ARE NOT SOLELY BASED ON INCOME. UNIQUE FINANCIAL CIRCUMSTANCES ARE WEIGHED WITH VERIFIED PATIENT ASSETS WHICH CAN DETERMINE FINANCIAL ASSISTANCE ELIGIBILITY. IT IS NOT UNTIL AFTER VERIFICATION OF INCOME AND ASSETS THAT A DECISION AS TO THE AMOUNT OF WRITE-OFF WILL BE MADE. IN FISCAL YEAR 2012, MSHA INCURRED A

LOSS OF $17,797,660 ATTRIBUTABLE TO THE PROVISION OF FREE CARE TO INDIGENT PATIENTS.

GOVERNMENTAL PROGRAM ENROLLEES: MSHA PROVIDES INCLUDING MEDICARE AND MEDICAID AND STATE-FUNDED TENNCARE. IN FY12, THE UNREIMBURSED COST OF SERVICES PROVIDED TO THIS PATIENT POPULATION WAS $19,543,727 (MEDICARE, BASED ON MEDICARE ALLOWABLE COSTS), $5,506,687 (MEDICAID) AND $23,227,648 (TENNCARE).

BAD DEBT: MSHA PROVIDES AN INCREASING LEVEL OF SERVICE TO SELF-PAY PATIENTS FOR WHICH IT RECEIVES LITTLE OR NO PAYMENT. DURING FY12, BAD DEBTS RESULTED IN UNREIMBURSED COSTS OF $18,684,338.

PROMOTE COMMUNITY HEALTH

MSHA OFFERS MANY REDUCED PRICE OR FREE SERVICES AND PROGRAMS YEAR-ROUND IN CARE SETTINGS THAT IT ESTABLISHED TO ACCOMMODATE THE WIDELY SCATTERED, AGING AND SOCIOECONOMICALLY DISADVANTAGED POPULATION. SUCH PROGRAMS SERVE BONA FIDE COMMUNITY HEALTH NEEDS AND RESULT IN FINANCIAL LOSSES TO THE ORGANIZATION.

WINGS AIR RESCUE (WINGS), THE REGION'S ONLY EMERGENCY MEDICAL HELICOPTER SERVICE, IS CONSIDERED BY MSHA TO BE A REGIONAL ASSET. LICENSED IN THE STATE OF TENNESSEE AND THE COMMONWEALTHS OF KENTUCKY AND VIRGINIA, WINGS PROVIDED AIR TRANSPORT OF CRITICALLY ILL AND INJURED PATIENTS TO THE CLOSEST TERTIARY FACILITIES, INCLUDING NON-MSHA FACILITIES. 44% OF THEIR PATIENTS ARE TRAUMA PATIENTS FROM SCENES OR EMERGENCY DEPARTMENTS TO TERTIARY CARE CENTERS, WITH OTHERS BEING CARDIAC, OB, PEDIATRIC AND MEDICAL. DURING FY12, WINGS TRANSPORTED 1,651 PATIENTS AND MADE 7 SEARCH AND RESCUE FLIGHTS AT A NET OPERATING LOSS OF $1,070,067. IN ADDITION TO AIR TRANSPORT SERVICE, WINGS DISPATCH SERVES AS THE STATE DESIGNATED REGIONAL MEDICAL COMMUNIATIONS CENTER FOR TENNESSEE REGION 1. THE

COMMUNICATION CENTER IS OPERATIONAL 24 HOURS DAILY AND PROVIDES COMMUNICATION SERVICES TO BOTH AIR AND GROUND EMERGENCY TRANSPORT SYSTEMS IN THE REGION.

OUTLYING FACILITIES CALL MSHA FOR NEONATAL/PEDIATRIC PATIENT TRANSFERS. MSHA RESPONDS WITH NO-CHARGE GROUND AMBULANCE SERVICE TO PICK UP THE BABY/CHILD. IN ADDITION TO THE EMT DRIVER, MSHA PROVIDES A REGISTERED NURSE AND RESPIRATORY THERAPIST FOR EACH TRANSPORT. THERE WERE 158 FREE NEONATAL/PEDIATRIC TRANSPORTS PROVIDED BY MSHA DURING FY12. THE COST FOR THIS SERVICE TO MSHA WAS $72,019.

NURSE LINK MEDICAL CALL CENTER IS A 24-HOUR TOLL-FREE MEDICAL INFORMATION LINE. EXPERIENCED REGISTERED NURSES ANSWER CALLS AND PROVIDE INVALUABLE CONFIDENTIAL HEALTH INFORMATION. THEY MANAGE PHYSICIAN-APPROVED PATIENT TRIAGE SERVICES; MAKE INDIVIDUAL CALLBACKS FOR PEDIATRIC AND ADULT PATIENTS WITH SERIOUS SYMPTOMS; AND COORDINATE PATIENT TRANSPORTS AND EMERGENCY DEPARTMENT ACCESS. IN FY12, NURSE LINK HANDLED 50,923 CALLS. MSHA INCURRED AN EXPENSE OF $519,415 TO PROVIDE THIS SERVICE AT NO COST TO THE COMMUNITY.

THE HEALTH RESOURCES CENTER (HRC) IS A COMMUNITY OUTREACH SERVICE PROVIDED BY MSHA. THE HRC LOCATED IN JOHNSON CITY IS CONVENIENTLY LOCATED IN THE REGION'S LARGEST SHOPPING MALL AND THE NEW HRC IN KINGSPORT IS LOCATED IN THE KINGSPORT TOWN CENTER. THE HRC OFFERS FREE CLASSES, BLOOD PRESSURE CHECKS, INFORMATIONAL MATERIALS AND RESOURCES AS WELL AS A NUMBER OF OTHER SERVICES IN AN EFFORT TO MEET COMMUNITY MEMBERS' HEALTH AND HEALTH EDUCATION NEEDS. THE JOHNSON CITY HRC HAD 27,552 VISITS TO THEIR OFFICE AND PERFORMED 1,710 HEALTH SCREENINGS. THIS HRC ALSO HOSTED MORE THAN 8,250 ATTENDEES WHO PARTICIPATED IN MONTHLY HEALTH EDUCATION PROGRAMS. THE HRC ALSO PROVIDES OUTREACH SERVICES WHERE THEY REACHED AN ADDITIONAL 5,489 COMMUNITY MEMBERS. THE

UNCOMPENSATED COST OF THE JOHNSON CITY HRC WAS $384,752. THE HRC IN KINGSPORT OPENED IN NOVEMBER 2011. THIS LOCATION HAD 8,629 VISITS TO THE OFFICE AND PERFORMED 348 HEALTH SCREENINGS.THIS HRC HOSTED 1,892 ATTENDEES AT MONTHLY HEALTH EDUCATION PROGRAMS AND PROVIDED OUTREACH SERVICES TO ANOTHER 1,293 COMMUNITY MEMBERS. THE KINGSPORT HRC UNCOMPENSATED COST FOR FY12 WAS $206,153.

MSHA HEART COACH IS A MOBILE CARDIOVASCULAR SCREENING CENTER WHICH IS OFFERED IN EAST TENNESSEE AND SOUTHWEST VIRGINIA. DURING FY12, THE HEART COACH PROVIDED 2,539 CARDIOVASCULAR SCREENINGS. 248 OF THESE SCREENINGS HAD ABNORMAL RESULTS FOR CARDIOVASCULAR ISSUES. ABNORMAL RESULTS FOR OTHER ISSUES (SUCH AS GLUCOSE AND BLOOD PRESSURE) WERE ALSO DETECTED. THE STAFF OF THE HEART COACH WAS ABLE TO PROVIDE REFERRALS FOR APPROPRIATE FOLLOW UP REGARDING PARTICIPANTS' CONDITIONS. IN FY12, THE HEART COACH HAD UNREIMBURSED EXPENSES OF $372,464. THE HEART COACH PROVIDED OVER 200 FREE SCREENINGS AT A REMOTE AREA MEDICAL (RAM) CLINIC IN WISE COUNTY VIRGINIA. RAM, A KNOXVILLE, TN BASED CHARITABLE ORGANIZATION, PROVIDES FREE MEDICAL CARE TO PEOPLE IN REMOTE AREAS AND MSHA WAS PLEASED TO OFFER THE SERVICES OF OUR HEART COACH TO THE RAM CLINIC.

BASED ON COMMUNITY NEEDS, MSHA INCURRED AN EXPENSE OF $127,777 TO RECRUIT PHYSICIANS INTO CLINICAL/GEOGRAPHICAL AREAS THAT WERE FEDERALLY DESIGNATED AS MEDICALLY UNDERSERVED. MSHA INCURRED AN ADDITIONAL EXPENSE OF $1,842,185 TO RECRUIT PHYSICIANS INTO OTHER AREAS SERVICED BY MSHA.

JOHNSON COUNTY COMMUNITY HOSPITAL (JCCH) IS A FEDERALLY DESIGNATED CRITICAL ACCESS HOSPITAL. THIS FACILITY IS LOCATED IN ONE OF TENNESSEE'S POOREST COUNTIES AND PROVIDES EMERGENCY, INPATIENT AND OUTPATIENT CARE TO THE COUNTY'S RESIDENTS, MANY OF WHOM ARE OVER 65 YEARS OLD. JCCH CONTINUES TO BE

DESIGNATED AS A PHYSICIAN SHORTAGE AREA FOR MANY SPECIALTIES. JCCH OPERATES A PHYSICIAN SPECIALTY CLINIC, WHICH INCURRED AN OPERATING LOSS OF $50,869 IN FY12. THE SPECIALTY CLINIC INCLUDES GENERAL SURGERY, PODIATRY, CARDIOLOGY AND OTHER SPECIALTY SERVICES. THIS CONTINUES TO BE A VALUABLE RESOURCE TO THE RESIDENTS OF THE AREA BY AIDING WITH TRANSPORTATION ISSUES (OTHER PHYSICIAN OFFICES ARE LOCATED MORE THAN AN HOUR AWAY), RESOLVING ACCESS LIMITATIONS FOR SPECIALTY SERVICES, AND PROVIDING RELIEF TO THE SPECIAL HEALTH PROBLEMS OF A LARGELY ELDERLY POPULATION. RURAL LIFE OFTEN INCLUDES HAZARDOUS OCCUPATIONS SUCH AS FARMING, WHICH INCREASES THE RISK FOR CHRONIC RESPIRATORY DISEASES AND CANCER-RELATED ILLNESSES CAUSED BY FERTILIZATION AND OTHER CHEMICALS. THIS RURAL POPULATION HAS A HIGHER INCIDENCE OF CARDIOVASCULAR DISEASE DUE TO DIET AND GENETIC PREDISPOSITION. GIVEN THESE FACTORS, RURAL HOSPITALS MUST REMAIN FLEXIBLE AND DIVERSE IN THEIR FACILITIES AND THE SERVICES THEY OFFER THE COMMUNITY. MSHA REMAINS FIRM IN THE BELIEF THAT FINANCIALLY SUPPORTING THE SERVICES OF JCCH AND THE SPECIALTY CLINIC TO ASSIST RESIDENTS IN ATTAINING A HIGH LEVEL OF HEALTH CONTINUES TO BE A CORE VALUE OF OUR BUSINESS AND COMMUNITY SUPPORT.

MSHA OPERATES A RURAL HEALTH CLINIC LOCATED IN ST. PAUL, VA ON THE BORDER OF WISE AND RUSSELL COUNTIES. RIVERSIDE CLINIC FIRST OPENED IN 1991 TO PROVIDE PRIMARY CARE SERVICES TO THIS ELDERLY, UNDERSERVED POPULATION. THE CLINIC HAD 5,463 OUTPATIENT VISITS DURING THE YEAR. THE LARGEST PAYOR IS MEDICARE, WHICH ACCOUNTS FOR 45% OF THE CLINIC'S REVENUE. RCMC PROVIDED A $492,682 SUBSIDY TO SUPPORT THE CLINIC'S OPERATIONS.

MSHA ALSO GIFTS THE LAND LEASE TO THE RONALD MCDONALD HOUSE AT A FAIR MARKET VALUE OF $60,000. THE RONALD MCDONALD HOUSE IS LOCATED ON THE CAMPUS OF

NISWONGER CHILDREN'S HOSPITAL AND JOHNSON CITY MEDICAL CENTER.

COMMUNITY CONTRIBUTIONS

AS THE SECOND LARGEST EMPLOYER IN THE REGION, MSHA IS ONE OF THE AREA'S PRINCIPAL BENEFACTORS AND HAS MADE CORPORATE CITIZENSHIP AN INTEGRAL PART OF ITS CULTURE. FROM SYSTEM-WIDE INITIATIVES TO INDIVIDUAL EFFORTS OF CARING TEAM MEMBERS, ITS AIM IS TO ENRICH THE COMMUNITIES THAT THE ORGANIZATION SERVES. MSHA'S COMMITMENT INCLUDES FINANCIAL CONTRIBUTIONS, IN-KIND (NON-CASH) CONTRIBUTIONS AND LEADERSHIP RESOURCES WITHIN THREE BROAD CATEGORIES OF GIVING:

1) DIRECT CONTRIBUTIONS THAT SUPPORT COMMUNITY HEALTHCARE NEEDS AND THOSE NONPROFIT AGENCIES THAT ADVOCATE THE HEALTH AND WELL-BEING OF COMMUNITY MEMBERS;
2) MSHA-RUN AND MSHA-SUPPORTED PROGRAMS THAT CONTRIBUTE TO THE HEALTH AND WELL-BEING OF AREA RESIDENTS; AND
3) EDUCATION/TRAINING; BOTH AS A COMMUNITY CITIZEN AND AS AN EMPLOYER.

1.) <u>DIRECT CONTRIBUTIONS – IN-KIND AND CASH</u>

MSHA LEADERS SUPPORT AND ENCOURAGE ALL TEAM MEMBERS TO VOLUNTEER TIME, MONEY AND SKILLS TO COMMUNITY SERVICE PROJECTS AND CHARITABLE ORGANIZATIONS. SENIOR LEADERS AND BOARD MEMBERS SET A POSITIVE EXAMPLE FOR MSHA TEAM MEMBERS, SERVING VOLUNTARILY ON COMMITTEES AND MANAGING BOARDS OF LOCAL SERVICE AND NONPROFIT ORGANIZATIONS. MANY ALSO SERVE AS MEMBERS AND CONSULTANTS ON PROFESSIONAL COMMITTEES AND TASK FORCES THAT AFFECT REGIONAL DEVELOPMENT IN HEALTH CARE AND EDUCATION. SOME OF THESE TEAM MEMBERS DEVOTED TWO WEEKS OF NORMAL WORK TIME TO OUTSIDE CHARITABLE ACTIVITIES.

SUMMARY LIST OF CHARITABLE GIVING:

IN FY12, MSHA PROVIDED CASH AND IN-KIND SUPPORT TO NUMEROUS HEALTH AND HUMAN SERVICE ORGANIZATIONS, SOCIAL AND WELL-BEING NON-PROFITS, AND OTHERS.

- ETSU FOUNDATION – $10,000
- JOHNSON CITY PARKS & RECREATION FOUNDATION - $15,000
- VARIOUS COLLEGE/UNIVERSITY SCHOLARSHIP FUNDS - $8,300
- CITY OF JOHNSON CITY - $1,053
- JONESBOROUGH REPERTORY THEATRE - $3,729
- LOCAL CHURCHES - $1,300
- EAST TENNESSEE STATE UNIVERSITY - $5,000
- VARIOUS ORGANIZATIONS FOR THE POOR - $6,732
- SECOND HARVEST FOOD BANK - $1,265
- BRISTOL FAMILY YMCA - $5,000
- TENNESSEE CENTER FOR PERFORMANCE EXCELLENCE - $4,150
- UMOJA UNITY FESTIVAL - $2,000
- DONATIONS TO ARTS PROGRAMS - $2,142

MSHA, IN COLLABORATION WITH AREA HEALTH AGENCIES AND PROVIDERS, MAY OFFER ASSISTANCE WITH COORDINATION, ADVOCACY AND PUBLICITY; PROVIDE SPACE; OR CONTRIBUTE SUPPLIES TO SUPPORT GROUPS FOR THEIR PROGRAM ACTIVITIES.

MSHA VALUES SOCIAL RESPONSIBILITY AND IS COMMITTED TO COMMUNITY HEALTH AND HEALTH EDUCATION. ANNUALLY, MSHA MAKES GENEROUS MONETARY DONATIONS TO AREA HEALTH AND HUMAN SERVICE AGENCIES WHOSE PROGRAMS ARE SPECIFICALLY DESIGNED TO PROVIDE FOR THE HEALTHCARE NEEDS OF THE HOMELESS, INDIGENT AND UNDERSERVED POPULATIONS.

THROUGHOUT THE YEAR, MSHA MAKES CONTRIBUTIONS TO LOCAL SCHOOLS AND ORGANIZATIONS THAT PROVIDE

EDUCATIONAL, HEALTH, AND SOCIAL SUPPORT FOR YOUNG PEOPLE. SOME OF THE CONTRIBUTIONS TO YOUTH PROGRAMS INCLUDE:

- ETSU FIT KIDS PROGRAM - $20,500
- ORGANIZATIONS FOCUSED ON CHILDHOOD OBESITY - $33,000
- CARTER COUNTY IMAGINATION LIBRARY - $1,000
- COALITION FOR KIDS - $10,795
- BOYS AND GIRLS CLUB OF KINGSPORT - $10,000
- KINGSPORT CITY SCHOOLS - $2,000
- ROGERSVILLE CITY SCHOOLS - $2,000
- UNAKA ELEMENTARY SCHOOL - $2,000
- WASHINGTON COUNTY BOARD OF EDUCATION - $4,000
- GIRLS ON THE RUN OF NE TN - $2,000
- BELFAST – ELK GARDEN ELEMENTARY SCHOOL - $2,500
- ELIZABETHTON CITY SCHOOLS - $2,000
- BLUFF CITY MIDDLE SCHOOL - $2,000
- VARIOUS OTHER CITY SCHOOLS - $2,500
- JASON WITTEN SCORE FOUNDATION - $3,750
- BRISTOL, VA PUBLIC SCHOOLS - $2,000
- DICKENSON COUNTY PUBLIC SCHOOLS - $2,000
- CASTLEWOOD HIGH SCHOOL - $1,000
- LEBANON HIGH SCHOOL - $1,000
- HONAKER HIGH SCHOOL - $1,000
- RUSSELL COUNTY PUBLIC SCHOOLS - $1,250
- KERMIT TIPTON SCHOLARSHIP FOUNDATION - $2,200
- VARIOUS OTHER YOUTH PROGRAMS - $3,279
- BOYS & GIRLS CLUB OF GREENEVILLE - $2,000

MSHA CONTRIBUTES ANNUALLY TO LOCAL CHAPTERS OF SEVERAL NATIONAL NONPROFIT ORGANIZATIONS WHOSE RESEARCH FOCUSES ON THOSE DISEASES AND CONDITIONS MOST PREVALENT IN THE REGION.

FY12:

- SUSAN G. KOMEN BREAST CANCER FOUNDATION - $6,122
- AMERICAN DIABETES ASSOCIATION - $10,000

- UNITED WAY - $12,039
- JOHNSTON MEMORIAL HOSPITAL CANCER CENTER- $1,000
- ALZHEIMER'S ASSOCIATION - $3,000
- DONATIONS TO RESCUE SQUADS - $28,776
- VARIOUS OTHERS – $9,152

2.) COMMUNITY PROGRAMS

DEMOGRAPHIC STUDIES AND A CUSTOMER MARKET NEEDS ANALYSIS, PERFORMED ANNUALLY DURING STRATEGIC PLANNING, INDICATE THE NECESSITY OF HAVING A WIDE ARRAY OF FREE AND PRICE-REDUCED SERVICES THAT ARE WELL-SITUATED FOR EASY ACCESS FROM RURAL, MOUNTAINOUS AREAS. MSHA HAS GIVEN HIGH PRIORITY TO INVESTMENTS IN COMMUNITY OUTREACH, AND AS A RESULT, HAS ESTABLISHED COUNCILS AND DEPARTMENTS WHOSE FOCUS IS TO TRANSLATE FINDINGS INTO VIABLE HEALTHCARE PROGRAMS BOTH FOR THE COMMUNITY AT LARGE AND FOR POPULATIONS WITH SPECIAL NEEDS.

AMONG INITIATIVES AND ONGOING SERVICES THAT PROMOTE COMMUNITY HEALTH AND SOCIAL WELLBEING ARE DISEASE MANAGEMENT, WELLNESS PROGRAMS, HEALTH-RELATED EDUCATION SESSIONS BY MSHA NURSES, STAFF PHYSICIANS, NUTRITIONISTS, AND OTHER SPECIALISTS, HEALTH SCREENINGS AND SUPPORT. MSHA ALSO OFFERS SPECIAL PROGRAMS FOR YOUTH, THE ELDERLY, THE DISABLED AND THE MEDICALLY UNDERSERVED.

MSHA CONTINUED THE LARGEST COMMUNITY HEALTH NEEDS ASSESSMENT IN ITS HISTORY IN AN EFFORT TO PROFILE THE HEALTH OF THE RESIDENTS WITHIN THE LOCAL REGION. THIS ASSESSMENT SPECIFICALLY FOCUSED ON MSHA'S 13-COUNTY CORE SERVICE AREA, WHICH INCLUDES, BUT IS NOT LIMITED TO, ALL THE COUNTIES IN WHICH MSHA HAS A FACILITY. THE SEVEN TENNESSEE COUNTIES INCLUDED IN THIS NEEDS ASSESSMENT WERE: CARTER COUNTY; GREENE COUNTY; HAWKINS COUNTY; JOHNSON COUNTY; SULLIVAN COUNTY; UNICOI COUNTY; AND, WASHINGTON COUNTY. THE SIX

VIRGINIA COUNTIES ARE LOCATED IN SOUTHWEST VIRGINIA AND INCLUDE DICKENSON COUNTY; RUSSELL COUNTY; SMYTH COUNTY; BRISTOL CITY/WASHINGTON COUNTY; SCOTT COUNTY; AND, NORTON/WISE COUNTY. AFTER ANALYZING THE MANY HEALTH DISPARITIES IN THE REGION, MSHA CHOSE CHILDHOOD OBESITY AS ITS HEALTH PRIORITY.

MSHA COLLABORATED WITH EAST TENNESSEE STATE UNIVERSITY'S COLLEGE OF PUBLIC HEALTH TO DEVELOP THE MSHA-ETSU OBESITY COLLABORATIVE. THE FOCUS OF THIS COLLABORATIVE IS TO PULL TOGETHER MANY PARTNERS AND ORGANIZATIONS TO REDUCE THE LEVEL OF CHILDHOOD OBESITY THROUGHOUT NORTHEAST TENNESSEE AND SOUTHWEST VIRGINIA. MSHA AND ETSU NAMED THE OBESITY COLLABORATIVE "HEAL APPALACHIA" - HEAL, STANDING FOR "HEALTHY EATING ACTIVE LIVING".

MSHA PROVIDED THE FUNDING AND COORDINATION, WHILE ETSU WORKED ON RESEARCH EFFORTS. DURING THE YEAR, MSHA PROVIDED FUNDING FOR 19 MICRO-GRANTS OF $2,000 AND $5,000 EACH TO LOCAL COMMUNITY ORGANIZATIONS SUCH AS CHURCHES, COMMUNITY GROUPS, SCHOOLS AND EMPLOYERS THAT WANT TO EXPLORE CHILDHOOD OBESITY REDUCTION EFFORTS.

IN FY12, MSHA RECEIVED OVER 100 APPLICATIONS FOR THE MICRO-GRANTS. THE APPLICANTS AWARDED THE GRANTS WERE ANNOUNCED AT A REGIONAL HEALTH SYMPOSIUM FOCUSING ON OBESITY. THE HEAL APPALACHIA OBESITY SYMPOSIUM HELD DURING FY12 BROUGHT TOGETHER NEARLY 300 PEOPLE FROM NORTHEAST TENNESSEE AND SOUTHWEST VIRGINIA TO HEAR NATIONAL EXPERTS SPEAK AND TO EXCHANGE IDEAS ABOUT HOW TO BATTLE CHILDHOOD OBESITY. MSHA'S COST TO ORGANIZE AND PRODUCE THE SYMPOSIUM AND TO COORDINATE THE HEAL PROGRAM WAS $36,032.

THE HEAL APPALACHIA COMMITTEE EVALUATES LOCAL PROGRAM GRANT RECIPIENTS AS TO THEIR ABILITY TO MAKE A MEASURABLE IMPACT ON THE LEVEL OF CHILDHOOD

OBESITY THROUGHOUT THE REGION. THIS COMMITTEE THEN MAKES RECOMMENDATIONS TO EXECUTIVE LEADERSHIP AS TO HOW MSHA SHOULD DIRECT FINANCIAL SUPPORT FOR SUCCESSFUL PROGRAMS.

IN ADDITION TO THE HEAL APPALACHIA GRANTS AND SYMPOSIUM, MSHA DONATED $20,500 TO ETSU'S FIT KIDS PROGRAM, ANOTHER PROGRAM WITH A FOCUS ON REDUCING CHILDHOOD OBESITY AND IMPROVING THE HEALTH OF CHILDREN.

PROGRAMS FOR THE COMMUNITY AT LARGE

IN ADDITION TO THE HEALTH SCREENINGS AND SUPPORT GROUPS OFFERED THROUGH THE HEALTH RESOURCES CENTER, DESCRIBED ABOVE, A VARIETY OF SCREENINGS, SUPPORT GROUPS, HEALTH EDUCATION, AND HEALTH FAIRS WERE PROVIDED ON AN ONGOING BASIS THROUGHOUT THE YEAR. MOST OF THESE WERE FREE OF CHARGE. THE FEW THAT IMPOSED A CHARGE SET A LOW FEE OF $5 - $10. SOME OF THE FREE CLASSES AND SUPPORT GROUPS OFFERED TO THE PUBLIC BY MSHA INCLUDE: SMOKING CESSATION PROGRAMS; A VARIETY OF CLASSES FOR DIABETES EDUCATION AND MANAGEMENT; NUTRITION AND COOKING CLASSES; CPR CLASSES; CANCER EDUCATION CLASSES AND SUPPORT GROUPS; HEART HEALTH CLASSES; RELAXATION TRAINING; SAFE BABYSITTING TRAINING; BREASTFEEDING; BALANCE AND FALLS PREVENTION; MANY PROGRAMS AND CLASSES FOR CHILD ILLNESSES AND SPECIAL NEEDS; WEIGHT LOSS AND SUPPORT GROUPS; CLASSES TO EXPLAIN MEDICARE FOR SENIORS TURNING 65; SENIOR CAREGIVER SUPPORT GROUP; MANY OTHER DISEASE SPECIFIC CLASSES AND SUPPORT GROUPS; AND, MANY GENERAL HEALTH CLASSES.

THE HOSPICE PROGRAM OFFERS EXTENDED 13-MONTH BEREAVEMENT SUPPORT RATHER THAN THE REQUIRED 12-MONTH PERIOD, THUS SUPPORTING FAMILIES DURING THE ANNIVERSARY MONTH OF THE PATIENT'S DEATH, WHICH CAN BE A CHALLENGING TIME. ALSO PROVIDED IS A CELEBRATION

OF LIFE PROGRAM FOR FAMILIES OF FORMER HOSPICE PATIENTS AND THE COMMUNITY AT LARGE.

THE PARISH NURSE PROGRAM IS SPONSORED BY MSHA'S HOME HEALTH ORGANIZATION, WITH GOALS OF RECRUITING AREA CHURCHES AND REGISTERED NURSES TO THE PROGRAM AND PROVIDING PARTICIPANTS WITH EDUCATION ABOUT PARISH NURSING. PARISH NURSING IS AN AMALGAM OF SOCIAL WORK, GOOD NEIGHBORING AND NURSING. THE PARISH NURSE PROVIDES SUPPORT, HEALTH EDUCATION AND COUNSELING TO THOSE WITH HEALTHCARE NEEDS WITHIN THEIR PLACE OF WORSHIP. OTHER SERVICES PROVIDED BY THE PARISH NURSE INCLUDE BLOOD DRIVES, HEALTH SCREENINGS, HEALTH FAIRS AND MONTHLY BLOOD PRESSURE CLINICS. THE NURSE ALSO MAINTAINS AN ACTIVE VISITATION TO PARISHIONERS WHO ARE HOMEBOUND, HOSPITALIZED, OR IN LONG TERM CARE FACILITIES. SEVERAL OF THE NURSES ARE CERTIFIED TO TEACH CPR AND FIRST AID AT NO COST TO PARISHIONERS. MSHA PROVIDES THE PARISH NURSE PROGRAM WITH A COORDINATOR, SPONSORED ORIENTATION, MONTHLY EDUCATIONAL PROGRAMS AND OTHER SUPPORT FUNCTIONS. CURRENTLY, THERE ARE 24 CHURCHES IN TENNESSEE AND FIVE IN SOUTHWEST VIRGINIA WITH PARISH NURSES ON STAFF. MSHA'S FY12 COST FOR THE PARISH NURSE PROGRAM WAS $58,514.

THE RESPOND DEPARTMENT AT WOODRIDGE HOSPITAL OFFERS ASSESSMENTS AND REFERRALS FOR INDIVIDUALS DEALING WITH MENTAL HEALTH ISSUES AND SUBSTANCE ABUSE. PROFESSIONAL STAFF INCLUDES BEHAVIORAL HEALTH COUNSELORS AND RNS WHO ARE AVAILABLE 24 HOURS A DAY, SEVEN DAYS A WEEK TO ANSWER CALLS FROM THE COMMUNITY CONCERNING TREATMENT. THROUGHOUT THE ASSESSMENT PROCESS, RESPOND COLLABORATES WITH A PSYCHIATRIST TO DETERMINE THE MOST APPROPRIATE LEVEL OF CARE. THE RESPOND DEPARTMENT INCURRED UNREIMBURSED COSTS OF **$667,514** DURING FY12.

PROGRAMS FOR SPECIAL POPULATIONS

DUE TO THE USE OF EMERGENCY DEPARTMENTS AS WALK-IN CLINICS BY THE POOR AND UNDERSERVED, MSHA HAS HELPED ESTABLISH AND FINANCE ALTERNATIVE CARE SETTINGS SUCH AS THE ETSU COLLEGE OF NURSING'S DOWNTOWN CLINIC IN JOHNSON CITY, TN. THE DOWNTOWN CLINIC IS DEDICATED TO SERVING THE PRIMARY NEEDS OF THE HOMELESS, INDIGENT AND UNINSURED POPULATIONS, PROVIDING THEM WITH FREE LABORATORY TESTING AND ASSISTANCE WITH THEIR DIAGNOSIS AND TREATMENTS. MSHA GIFTS THE CLINIC RENT, WHICH IS VALUED AT A DISCOUNTED $35,000 ANNUALLY. MSHA PROCESSED THE CLINIC'S LAB SPECIMENS AS WELL AS PROVIDED SOME DIAGNOSTIC IMAGING SERVICES WITH AN UNREIMBURSED COST TO MSHA OF $47,237.

IN ADDITION TO CLINICAL WORK FOR THE DOWNTOWN CLINIC, JCMC PROVIDED LAB SERVICES TO OTHER ORGANIZATIONS THAT PROVIDE HEALTH SERVICES TO THE POOR. MSHA INCURRED UNREIMBURSED COSTS OF $2,847 FOR THESE LAB TESTS.

DURING FY12, MSHA OPERATED A SATELLITE DISPENSARY OF HOPE. THE DISPENSARY OF HOPE PROVIDES PRESCRIPTION DRUGS TO THOSE WHO MAY NOT HAVE OTHERWISE BEEN ABLE TO AFFORD NEEDED MEDICATIONS. DURING FY12, THE DISPENSARY FILLED 15,354 PRESCRIPTIONS FOR 4,319 PATIENT ENCOUNTERS FOR INDIVIDUALS WHO OTHERWISE COULD NOT HAVE AFFORDED THEIR MEDICATIONS. THE SITE HAS ITS OWN PHARMACY, A FULL-TIME PHARMACIST AND A FULL-TIME PHARMACY TECH. THE LOCAL DISPENSARY OF HOPE IS STAFFED, IN PART, BY VOLUNTEER PHARMACISTS FROM THE COMMUNITY AND SERVES AS A TRAINING SITE FOR THE BILL GATTON COLLEGE OF PHARMACY AT EAST TENNESSEE STATE UNIVERSITY. DURING FY12, MSHA INCURRED UNREIMBURSED EXPENSES OF $206,005 FOR THIS PROGRAM.

MSHA HAS PARTNERED WITH THE COMPANY, FIRSTSOURCE SOLUTIONS USA, TO WORK WITH SELF-PAYING PATIENTS WHO HAVE LIMITED FINANCIAL RESOURCES. DURING FY12, FIRSTSOURCE REPRESENTATIVES WERE AVAILABLE AT ALL MSHA FACILITIES. FIRST SOURCE REPRESENTATIVES WERE

ABLE TO DETERMINE GOVERNMENTAL MEDICAL ASSISTANCE (TENNCARE OR MEDICAID) ELIGIBILITY, AND TO HELP WITH THE APPLICATION PROCESS AND FOLLOW-UP. DURING FY12, 2,843 PATIENTS WERE APPROVED FOR COVERAGE. ONCE A PERSON IS APPROVED FOR TENNCARE OR MEDICAID THROUGH THIS PROGRAM OFFERED THROUGH MSHA, THEY RETAIN COVERAGE FOR FUTURE MEDICAL CARE. FIRSTSOURCE IS COMPENSATED BY MSHA. DURING FY12, MSHA'S COST FOR THIS PROGRAM WAS $1,059,753.

MSHA'S SERVICE AREA COMPRISES A STABLE, AGING POPULATION, SO THE ORGANIZATION HAS ESTABLISHED A NUMBER OF PROGRAMS TO SERVE THE NEEDS OF SENIOR CITIZENS. AN EXAMPLE OF A SENIOR PROGRAM IS THE PINNACLE CLUB – A COMMUNITY OUTREACH PROGRAM FOR SERVICE-AREA SENIORS THAT OFFERS MONTHLY HEALTH-RELATED EVENTS AND FELLOWSHIP OPPORTUNITIES AT JOHNSON CITY MEDICAL CENTER, INDIAN PATH MEDICAL CENTER, RUSSELL COUNTY MEDICAL CENTER AND SYCAMORE SHOALS HOSPITAL. BENEFITS INCLUDE HEALTH SCREENINGS, FREE ANNUAL LAB SCREENINGS, AND DISCOUNTED FIRST-TIME ENROLLMENT FEES AT OUR WELLNESS CENTER AND FRANKLIN FITNESS CENTER. THE CLUB SPONSORS HEALTH FAIRS, THE SENIOR EXPO, AND MONTHLY EDUCATIONAL LUNCHEONS IN KINGSPORT, JOHNSON CITY, AND ELIZABETHTON, TN AND IN LEBANON, VA. THE CLUB ALSO PROVIDES FREE NOTARY SERVICES, SOCIALS, TRAVEL OPPORTUNITIES AND DISCOUNTS THROUGH NUMEROUS VENDORS. DURING FY12, MSHA INCURRED A NET OPERATING LOSS OF $57,946 ATTRIBUTABLE TO ITS SUPPORT OF THE PROGRAM.

3) EDUCATION AND TRAINING

COMMUNITY HEALTH EDUCATIONAL PROGRAMS

MSHA PROVIDED A VARIETY OF WELLNESS AND HEALTH INFORMATION TO HELP EDUCATE AREA RESIDENTS ABOUT COMMUNITY-SPECIFIC HEALTH ISSUES. INFORMATION WAS PROVIDED THROUGH PRINTED MATERIALS, SPEAKING

ENGAGEMENTS, RADIO AND TELEVISION INTERVIEWS, AND HEALTH FAIRS AND EXPOS.

MSHA PRESENTED A WOUND CARE SYMPOSIUM TITLED "MANAGING ACUTE AND CHRONIC WOUNDS" FOR PHYSICIANS, MID LEVEL PROVIDERS, NURSES, PHYSICAL AND OCCUPATIONAL THERAPISTS, AND OTHER CLINICAL HEALTHCARE PROVIDERS. ATTENDEES WERE INVITED FROM AREA HOSPITALS, NURSING HOMES AND CLINICS. SPEAKERS FROM ACROSS THE COUNTRY COVERED A VARIETY OF TOPICS RELATIVE TO WOUND CARE. MSHA DID NOT CHARGE A FEE FOR THIS CONFERENCE AND INCURRED EXPENSES OF $23,211 TO PRESENT THE CONFERENCE TO 86 ATTENDEES.

MSHA PRESENTED THE 18TH ANNUAL PULMONARY CRITICAL CARE HEALTH SYMPOSIUM WITH A NET UNREIMBURSED COST OF $20,390. THIS TWO DAY SYMPOSIUM IS DESIGNED TO ENHANCE THE EDUCATION OF PHYSICIANS, RESPIRATORY THERAPISTS, NURSES, SLEEP TECHNOLOGISTS AND OTHER ALLIED HEALTH CARE PROFESSIONALS IN THE MOST RECENT SCIENTIFIC ADVANCEMENTS INVOLVING MANAGEMENT OF PULMONARY PATIENTS AND FUTURISTIC TRENDS.

OUR NISWONGER CHILDREN'S HOSPITAL PRESENTED A SCHOOL HEALTH CONFERENCE CALLED "WHEN BEHAVIORS ARE A BARRIER TO LEARNING; UNDERSTANDING WHEN HEALTH & PSHYCHOSOCIAL ISSUES AFFECT A STUDENT'S ABILITY TO LEARN". AN ESTIMATED ONE-THIRD OF STUDENTS FAIL TO LEARN BECAUSE OF PSYCHOSOCIAL PROBLEMS THAT PREVENT THEM FROM ATTENDING AND ENGAGING INLEARNING ACTIVITIES. SINCE CHILDREN SPEND MORE AWAKE HOURS WITH SCHOOL STAFF THAN WITH THEIR OWN PARENTS, IT HAS BECOME INCREASINGLY IMPORTANT FOR SCHOOLS TO CREATE AND MAINTAIN AN ENVIRNONMENT THAT NOT ONLY PROMOTES LEARNING, BUT THAT ALSO PROMOTES GOOD HEALTH. NISWONGER CHILDREN'S HOSPITAL AND THE ETSU COLEGE OF NURSING PRODUCED THIS CONFERENCE FOR ALL PROFESSIONALS WHO WORK WITH CHILDREN IN A LEARNING CAPACITY. THE CONFERENCE WAS HELD AT NISWONGER CHILDREN'S HOSPITAL.

MSHA PRESENTED THE 3RD ANNUAL TRAUMA CONFERENCE, WHICH IS OPEN TO ANYONE IN THE PUBLIC INVOLVED IN TREATING TRAUMA, FROM EMERGENCY PERSONNEL ALL THE WAY THROUGH HOSPITAL STAFF TO REHAB SPECIALISTS AND OTHERS. THE CONFERENCE PRESENTED BEST PRACTICES AND NATIONAL GUIDELINES FOR TREATING TRAUMATIC INJURIES, WITH A FOCUS ON DEALING WITH TRAUMA IN RURAL AREAS. MSHA SERVES PATIENTS IN A PREDOMINANTLY RURAL AREA, WHICH OFTEN INVOLVES EXTENDED TIME FOR RESCUE, PLUS PHYSICAL AND GEOGRAPHICAL CHALLENGES. THE GOAL OF THE ANNUAL CONFERENCE IS TO IMPROVE THE OUTCOMES FOR TRAUMA PATIENTS IN THE REGION. MSHA INCURRED EXPENSES OF $28,748 TO HOST THE FY12 CONFERENCE.

MSHA'S AMERICAN HEART ASSOCIATION (AHA) TRAINING CENTER OFFERED SEVERAL COURSES TO HEALTHCARE PROVIDERS AND TO THE PUBLIC IN AN EFFORT TO EXPAND THE OUTREACH OF THE AMERICAN HEART ASSOCIATION AND MSHA IN PROMOTING WELLNESS AND SAVING LIVES. PROGRAMS INCLUDE: ADVANCED CARDIAC LIFE SUPPORT, BASIC CARDIAC LIFE SUPPORT, PEDIATRIC ADVANCED LIFE SUPPORT, FIRST AID AND LIFE SUPPORT INSTRUCTOR TRAINING. THE FY12 UNREIMBURSED COST TO PROVIDE THE EDUCATIONAL COURSES TO THE PUBLIC WAS $354,174.

IMPORTANT TO THE EFFICIENT AND SAFE OPERATION OF THE AIR AMBULANCE IS A CLEAR UNDERSTANDING OF HOW TO CLEAR AND PREPARE LANDING ZONES AND APPROPRIATE METHODS FOR COMMUNICATING WITH AIR HELICOPTER PILOTS AT ACCIDENT SCENES AND TRANSPORT SITES. DURING FY12, WINGS AIR RESCUE MADE 194 TRAINING RUNS TO AREA EMERGENCY MEDICAL SERVICE FACILITIES AND EMERGENCY DEPARTMENTS TO PERFORM TRAINING OF EMS AND EMERGENCY DEPARTMENT PERSONNEL.

HAND WASHING HAS ALWAS BEEN A FOCUS AT MSHA, AS IT IS THROUGHOUT THE HEALTH CARE INDUSTRY. IT'S THE NO. 1 WAY TO PREVENT THE SPREAD OF INFECTION. NOW MSHA HAS PUT A NEW EMPHASIS ON HAND HYGIENE WITH THE "BUMMER"

CAMPAIGN, WHICH STARTED LATE FY12. BUMMER REQUIRES TEAM MEMBERS TO DO TWO KEY THINGS: TAKE AN EDUCATION PROGRAM AND THEN BE DILIGENT ABOUT WASHING THEIR HANDS. MSHA TAKES HAND WASHING VERY SERIOUSLY AND NON-COMPLIANCE CAN LEAD TO DISCIPLINARY ACTION. BUMMER STANDS FOR BUGS UNDER MEDICAL MANAGEMENT TO ELIMINATE RESISTANCE. IT'S A CAMPAIGN TO PROMOTE PROPER HAND HYGIENE AND USE OF PERSONAL PROTECTIVE EQUIPMENT. IN THE EARLY STAGES, MSHA HAS SEEN A SIGNIFICANT INCREASE IN HAND HYGIENE COMPLIANCE RATES WITH TEAM MEMBERS RESPONDING VERY WELL TO THE BUMMER CAMPAIGN.

19340MSHA

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047

2011

Open to Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

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 11, 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.)

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 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.)

10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**

11 ☐ 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 that describes the type of supporting organization and complete lines 11e through 11h.

a ☐ Type I b ☐ Type II c ☐ Type III–Functionally integrated d ☐ Type III–Other

☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).

f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box ☐

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

		Yes	No
(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?	11g(i)		
(ii) A family member of a person described in (i) above?	11g(ii)		
(iii) A 35% controlled entity of a person described in (i) or (ii) above?	11g(iii)		

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

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1–9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document?		(v) Did you notify the organization in col. (i) of your support?		(vi) Is the organization in col. (i) organized in the U.S.?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
(A)									
(B)									
(C)									
(D)									
(E)									
Total									

Part II **Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**
(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 **Public support.** Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(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 IV.)						
11 **Total support.** Add lines 7 through 10						

12 Gross receipts from related activities, etc. (see instructions) ... 12

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

Section C. Computation of Public Support Percentage

14	Public support percentage for 2011 (line 6, column (f) divided by line 11, column (f)) ...	14	%
15	Public support percentage from 2010 Schedule A, Part II, line 14 ...	15	%

16a **33 1/3% support test—2011.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ... ▶ ☐

b **33 1/3% support test—2010.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ... ▶ ☐

17a **10%-facts-and-circumstances test—2011.** 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 IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ... ▶ ☐

b **10%-facts-and-circumstances test—2010.** 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 IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ... ▶ ☐

18 **Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ... ▶ ☐

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

(Complete only if you checked the box on line 9 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) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(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

ndar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(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 IV.)						
13 **Total support.** (Add lines 9, 10c, 11, and 12.)						

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

Section C. Computation of Public Support Percentage

15	Public support percentage for 2011 (line 8, column (f) divided by line 13, column (f))	15	%
16	Public support percentage from 2010 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17	Investment income percentage for 2011 (line 10c, column (f) divided by line 13, column (f))	17	%
18	Investment income percentage from 2010 Schedule A, Part III, line 17	18	%

19a **33 1/3% support tests—2011.** 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 ▶ ☐

33 1/3% support tests—2010. 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 **Supplemental Information.** Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

19340MSHA

Schedule B (Form 990, 990-EZ, 990-PF)
artment of the Treasury
...ernal Revenue Service

Schedule of Contributors

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.

OMB No. 1545-0047

2011

Name of the organization	Employer identification number
MOUNTAIN STATES HEALTH ALLIANCE	62-0476282

Organization type (check one):

Filers of:	Section:
Form 990 or 990-EZ	[X] 501(c)(3) (enter number) organization
	[ ] 4947(a)(1) nonexempt charitable trust not treated as a private foundation
	[ ] 527 political organization
Form 990-PF	[ ] 501(c)(3) exempt private foundation
	[ ] 4947(a)(1) nonexempt charitable trust treated as a private foundation
	[ ] 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule.**
Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

[X] For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, $5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

Special Rules

[ ] For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of **(1)** $5,000 or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.

[ ] For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than $1,000 for use exclusively for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

[ ] For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use exclusively for religious, charitable, etc., purposes, but these contributions did not total to more than $1,000. If this box is checked, enter here the total contributions that were received during the year for an exclusively religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of $5,000 or more during the year ..... ▶ $ .....

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on Part I, line 2, of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

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.
▶ See separate instructions.

OMB No. 1545-0047

2011

Open to Public Inspection

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

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

Name of organization	Employer identification number
MOUNTAIN STATES HEALTH ALLIANCE	62-0476282

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.
2 Political expenditures ▶ $
3 Volunteer hours

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? ☐ Yes ☐ 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 instructions for lines 2a through 2f on page 4.)

Lobbying Expenditures During 4-Year Averaging Period

Calendar year (or fiscal year beginning in)	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(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 to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.	(a) Yes	(a) No	(b) Amount
1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a Volunteers?		X	
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?	X		
c Media advertisements?		X	
d Mailings to members, legislators, or the public?		X	
e Publications, or published or broadcast statements?		X	
f Grants to other organizations for lobbying purposes?		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body?	X		299,578
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		X	
i Other activities?		X	
j Total. Add lines 1c through 1i			299,578
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		X	
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

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

Complete this part to provide the descriptions required for Part I-A, line 1; Part I-B, line 4; Part I-C, line 5; Part II-A; and Part II-B, line 1. Also, complete this part for any additional information.

Schedule C, Part II-B, Line 1

THE COMMUNITY & GOVERNMENT RELATIONS ASSISTANT VICE PRESIDENT AND/OR THE COMMUNITY & GOVERNMENT RELATIONS MANAGER AND/OR DIRECTOR ATTENDED THE FOLLOWING LEGISLATIVE CONFERENCES:

- PREMIER FEDERAL AFFAIRS NETWORK MEETINGS

- AMERICAN HOSPITAL ASSOCIATION ANNUAL MEETING

Part IV Supplemental Information (continued)

- TENNESSEE HOSPITAL ASSOCIATION LEGISLATIVE ADVOCACY DAY

- TENNESSEE HOSPITAL ASSOCIATION ANNUAL MEETING

- HOSPITAL ALLIANCE OF TENNESSEE ANNUAL MEETING

- NATIONAL ASSOCIATION OF CHILDREN'S HOSPITALS AND RELATED INSTITUTIONS VIP ADVOCACY DAY

- TENNESSEE PUBLIC & TEACHING HOSPITALS ASSOCIATION ANNUAL MEETING

- VIRGINIA HOSPITAL & HEALTHCARE ASSOCIATION LEGISLATIVE ISSUES CONFERENCE, SPRING CONFERENCE ANNUAL MEETING

- ASSOCIATION OF AMERICAN MEDICAL COLLEGES GOVERNMENT RELATIONS MEETING

THE COMMUNITY & GOVERNMENT RELATIONS ASSISTANT VICE PRESIDENT AND/OR DEPARTMENTAL STAFF ALSO CONTACTED CONGRESSIONAL OFFICES CONCERNING THE FOLLOWING ISSUES:

- SUPPORT FOR PROVISIONS TO EXPAND INSURANCE COVERAGE (HEALTH INSURANCE EXCHANGES AND MEDICAID EXPANSION).

- SUPPORT FOR INITIATIVES TO IMPROVE PAYMENT DELIVERY REDESIGN; SUCH AS ACCOUNTABLE CARE ORGANIZATION DEVELOPMENT.

- SUPPORT FOR CONTINUATION OF TENNESSEE MEDICAID DISPROPORTIONATE SHARE HOSPITAL PAYMENTS.

- SUPPORT IMPROVEMENTS IN MEDICARE SHARED SAVINGS PAYMENT RULE.

- OPPOSITION TO ADDITIONAL CUTS IN MEDICARE/MEDICAID.

- SUPPORT FOR REAUTHORIZATIONAL AND FUNDING OF CHILDREN'S HOSPITAL GRADUATE MEDICAL EDUCATION.

- SUPPORT FEDERAL FUNDING FOR TRAUMA CARE.

- SUPPORT CONTINUATION OF GRADUATE MEDICAL EDUCATIONAL FUNDING.

SUPPORT OF STATE MEDICAID PROVIDER TAX PROVISIONS.

Part IV Supplemental Information (continued)

SUPPORT OF MEDICARE DEPENDENT HOSPITAL AND LOW-VOLUME DESIGNATIONS.

THE COMMUNITY & GOVERNMENT RELATIONS ASSISTANT VICE PRESIDENT AND/OR DEPARTMENTAL DIRECTORS RESPONDED VIA LETTER, PHONE, OR IN PERSON TO THE FOLLOWING TENNESSEE AND VIRGINIA LEGISLATIVE ISSUES:

- SUPPORT OF STRONG CERTIFICATE OF NEED PROGRAMS IN TENNESSEE AND VIRGINIA.
- SUPPORT FOR CONTINUATION OF HOSPITAL ASSESSMENT FEE IN TENNESSEE.
- SUPPORT INCREASE OF TENNESSEE'S APPROPRIATION FOR CARE OF UNINSURED MENTALLY ILL PATIENTS.
- SUPPORT OF FUNDING FOR PERINATAL CENTERS IN TENNESSEE.
- SUPPORT OF SAFETY NET FUNDING FOR PROJECT ACCESS.
- OPPOSE GUNS IN WORKPLACE LEGISLATION.
- SUPPORT OF IMPROVEMENTS IN TENNESSEE'S CONTROLLED SUBSTANCE DATABASE.
- SUPPORT OF STABLE MEDICAID RATES IN VIRGINIA.
- SUPPORT REGULATIONS TO CONTINUE SUPPLEMENTAL PAYMENTS TO JCMC'S NICU FOR ITS HIGH VIRGINIA MEDICAID VOLUME.

19340MSHA

SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2011

Open to Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

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

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate contributions to (during year)		
3	Aggregate 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" to 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)
☐ Protection of natural habitat
☐ Preservation of open space
☐ Preservation of an historically important land area
☐ Preservation of a certified historic structure

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

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

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

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

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

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

7 Amount of expenses incurred in monitoring, inspecting, 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 XIV, 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" to 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 XIV, 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) Revenues included in 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 Revenues included in Form 990, Part VIII, line 1 ▶ $

b Assets included in Form 990, Part X ▶ $

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

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

a ☐ Public exhibition
b ☐ Scholarly research
c ☐ Preservation for future generations
d ☐ Loan or exchange programs
e ☐ Other .....

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

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" to 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 XIV 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? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV.

Part V Endowment Funds. Complete if the organization answered "Yes" to 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 in 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:

		Yes	No
(i) unrelated organizations	3a(i)		
(ii) related organizations	3a(ii)		
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b		

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

Part VI Land, Buildings, and Equipment. 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		37,347,384		37,347,384
b Buildings		471,102,737	143,764,013	327,338,724
c Leasehold improvements		958,973	431,346	527,627
d Equipment		417,196,718	288,384,887	128,811,831
e Other				
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).) ▶				494,025,566

Part VII Investments—Other Securities. 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)		
(I)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 12.) ▶		

Part VIII Investments—Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) INVESTMENT IN JMH	132,000,000	Cost
(2) INVESTMENT IN BRMMC	100,273,634	Cost
(3) INVESTMENT IN SCCH	67,400,494	Cost
(4) INVESTMENT IN ISHN	7,505,747	Cost
(5)		
(6) INVESTMENT IN OTHER	-146,663	Market
(7)		
(8)		
(9)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 13.) ▶	307,033,212	

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) AWUL - UNDER BOND INDENTURE AGREE.	64,391,147
(2) AWUL - CURRENT	22,744,639
(3) DEFERRED CHARGES AND OTHER	19,588,106
(4) LONG TERM COMPENSATION INVESTMENT	12,213,213
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	118,937,105

Part X Other Liabilities. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) ACCRUED SALARIES, ABSENCES & W/H	35,776,926
(3) ACCRUED INTEREST	18,362,502
(4) DUE TO THIRD-PARTY PAYERS	14,363,582
(5) EST. FAIR VALUE OF INT. RATE SWAP	8,533,957
(6) OTHER LONG-TERM LIABILITIES	8,118,423
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	85,155,390

2. FIN 48 (ASC 740) Footnote. In Part XIV, 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).

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	
	Total expenses (Form 990, Part IX, column (A), line 25)	2	
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV.)	8	
9	Total adjustments (net). Add lines 4 through 8	9	
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	

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

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 on investments	2a			
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIV.)	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 XIV.)	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 XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

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 XIV.)	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 XIV.)	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 XIV Supplemental Information

Complete this part to 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, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

Part X - FIN 48 Footnote

"MOUNTAIN STATES HEALTH ALLIANCE IS CLASSIFIED AS AN ORGANIZATION EXEMPT FROM INCOME TAXES UNDER SECTION 501(C)(3 OF THE INTERNAL REVENUE CODE. AS SUCH, NO PROVISION FOR INCOME TAXES HAS BEEN MADE IN THE ACCOMPANYING CONSOLIDATED FINANCIAL STATEMENTS FOR THE ALLIANCE AND ITS TAX-EXEMPT SUBSIDIARIES. TAXABLE ENTITIES ACCOUNT FOR INCOME TAXES IN ACCORDANCE WITH FASB ASC740, "INCOME TAXES". THE ALLIANCE HAS NO

Part XIV Supplemental Information (continued)

SIGNIFICANT UNCERTAIN TAX POSITIONS AT JUNE 30, 2012 AND 2011."

19340MSHA

SCHEDULE H (Form 990)

ment of the Treasury
Internal Revenue Service

Hospitals

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 20.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2011

Open to Public Inspection

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

Part I Financial Assistance and Certain Other Community Benefits at Cost

			Yes	No
1a	Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	1a	X	
b	If "Yes," was it a written policy?	1b	X	
2	If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year. [X] Applied uniformly to all hospital facilities [ ] Applied uniformly to most hospital facilities [ ] Generally tailored to individual hospital facilities			
3	Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year.			
a	Did the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing free care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care: [ ] 100% [ ] 150% [X] 200% [ ] Other ____%	3a	X	
b	Did the organization use FPG to determine eligibility for providing discounted care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care: [ ] 200% [ ] 250% [ ] 300% [ ] 350% [X] 400% [ ] Other ____%	3b	X	
c	If the organization did not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care. Include in the description whether the organization used an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care.			
4	Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	4	X	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a	X	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	5b	X	
	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?	5c		X
6a	Did the organization prepare a community benefit report during the tax year?	6a		X
b	If "Yes," does the organization make it available to the public?	6b		
	Complete the following table using the worksheets provided in the Schedule H instructions. Do not submit these worksheets with the Schedule H.			

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)			17,797,660		17,797,660	2.61
b Medicaid (from Worksheet 3, column a)			21,369,903	15,863,216	5,506,687	0.81
c Costs of other means-tested government programs (from Worksheet 3, column b)			85,083,534	61,855,886	23,227,648	3.40
d Total Financial Assistance and Means-Tested Government Programs			124,251,097	77,719,102	46,531,995	6.81
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			6,146,288	409,962	5,736,326	0.84
f Health professions education (from Worksheet 5)			10,108,023	3,585,484	6,522,539	0.96
g Subsidized health services (from Worksheet 6)			24,886,625	13,342,547	11,544,078	1.69
h Research (from Worksheet 7)			490,139		490,139	0.07
i Cash and in-kind contributions for community benefit (from Worksheet 8)			205,542		205,542	0.03
j Total. Other Benefits			41,836,617	17,337,993	24,498,624	3.59
k Total. Add lines 7d and 7j			166,087,714	95,057,095	71,030,619	10.40

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

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1 Physical improvements and housing						
2 Economic development			20,000		20,000	
3 Community support						
4 Environmental improvements						
5 Leadership development and training for community members						
6 Coalition building						
7 Community health improvement advocacy						
8 Workforce development			1,969,962		1,969,962	0.29
9 Other			784,554		784,554	0.11
10 Total			2,774,516		2,774,516	0.41

Part III **Bad Debt, Medicare, & Collection Practices**

Section A. Bad Debt Expense

			Yes	No
1 Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15?	1		X	
2 Enter the amount of the organization's bad debt expense	2	18,684,338		
3 Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy	3	13,079,036		
4 Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense. In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including a portion of bad debt amounts as community benefit.				

Section B. Medicare

Enter total revenue received from Medicare (including DSH and IME)	5	186,939,141		
6 Enter Medicare allowable costs of care relating to payments on line 5	6	206,482,868		
7 Subtract line 6 from line 5. This is the surplus or (shortfall)	7	-19,543,727		
8 Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: ☐ Cost accounting system ☐ Cost to charge ratio ☐ Other				

Section C. Collection Practices

9a Did the organization have a written debt collection policy during the tax year?	9a	X	
b If "Yes," did the organization's collection policy that applied to the largest number of its patients during the tax year contain provisions on the collection practices to be followed for patients who are known to qualify for financial assistance? Describe in Part VI	9b	X	

Part IV **Management Companies and Joint Ventures** (see instructions)

	(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %
1	MED'L SPEC OF JC LLC	MEDICAL SERVICES	51		49
2	EMMAUS COMM HLTHCR	MEDICAL SERVICES	75		25
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					

Part V Facility Information

Section A. Hospital Facilities

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

How many hospital facilities did the organization operate during the tax year? 6

Name and address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (describe)
1 JOHNSON CITY MEDICAL CENTER 400 N. STATE OF FRANKLIN ROAD JOHNSON CITY TN 37604	X	X	X	X		X	X		REHABILITATION & MENTAL HEALTH
2 INDIAN PATH MEDICAL CENTER 2000 BROOKSIDE DRIVE KINGSPORT TN 37660	X	X		X			X		
3 FRANKLIN WOODS COMMUNITY HOSPITAL 300 MED TECH PARKWAY JOHNSON CITY TN 37604	X	X					X		
4 SYCAMORE SHOALS HOSPITAL 1501 W. ELK AVENUE ELIZABETHTON TN 37643	X	X					X		
5 RUSSELL COUNTY MEDICAL CENTER 58 CARROLL STREET LEBANON VA 24266	X	X					X		
JOHNSON COUNTY COMMUNITY HOSPITAL 16901 S. SHADY STREET MOUNTAIN CITY TN 37683	X				X		X		

Part V Facility Information (continued)

Section B. Facility Policies and Practices

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

Name of Hospital Facility: JOHNSON CITY MEDICAL CENTER

Line Number of Hospital Facility (from Schedule H, Part V, Section A): 1

		Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for tax year 2011)			
1	During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment (Needs Assessment)? If "No," skip to line 8	X	
	If "Yes," indicate what the Needs Assessment describes (check all that apply):		
a	[X] A definition of the community served by the hospital facility		
b	[X] Demographics of the community		
c	[X] Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d	[X] How data was obtained		
e	[X] The health needs of the community		
f	[X] Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g	[X] The process for identifying and prioritizing community health needs and services to meet the community health needs		
h	[X] The process for consulting with persons representing the community's interests		
i	[ ] Information gaps that limit the hospital facility's ability to assess the community's health needs		
j	[ ] Other (describe in Part VI)		
2	Indicate the tax year the hospital facility last conducted a Needs Assessment: 20 11		
3	In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	X	
4	Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	X	
5	Did the hospital facility make its Needs Assessment widely available to the public?	X	
	If "Yes," indicate how the Needs Assessment was made widely available (check all that apply):		
a	[X] Hospital facility's website		
b	[X] Available upon request from the hospital facility		
c	[ ] Other (describe in Part VI)		
6	If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply):		
a	[X] Adoption of an implementation strategy to address the health needs of the hospital facility's community		
b	[X] Execution of the implementation strategy		
c	[X] Participation in the development of a community-wide community benefit plan		
d	[ ] Participation in the execution of a community-wide community benefit plan		
e	[X] Inclusion of a community benefit section in operational plans		
f	[ ] Adoption of a budget for provision of services that address the needs identified in the Needs Assessment		
g	[X] Prioritization of health needs in its community		
h	[X] Prioritization of services that the hospital facility will undertake to meet health needs in its community		
i	[ ] Other (describe in Part VI)		
7	Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs		X
Financial Assistance Policy			
	Did the hospital facility have in place during the tax year a written financial assistance policy that:		
8	Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	X	
9	Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	X	
	If "Yes," indicate the FPG family income limit for eligibility for free care: 200 %		
	If "No," explain in Part VI the criteria the hospital facility used.		

Part V Facility Information (continued)

			Yes	No
10	Used FPG to determine eligibility for providing discounted care?	10	X	
	If "Yes," indicate the FPG family income limit for eligibility for discounted care: 400 %			
	If "No," explain in Part VI the criteria the hospital facility used.			
11	Explained the basis for calculating amounts charged to patients?	11	X	
	If "Yes," indicate the factors used in determining such amounts (check all that apply):			
a	[X] Income level			
b	[X] Asset level			
c	[X] Medical indigency			
d	[ ] Insurance status			
e	[X] Uninsured discount			
f	[ ] Medicaid/Medicare			
g	[X] State regulation			
h	[ ] Other (describe in Part VI)			
12	Explained the method for applying for financial assistance?	12	X	
13	Included measures to publicize the policy within the community served by the hospital facility?	13	X	
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply):			
a	[X] The policy was posted on the hospital facility's website			
b	[ ] The policy was attached to billing invoices			
c	[X] The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d	[X] The policy was posted in the hospital facility's admissions offices			
e	[ ] The policy was provided, in writing, to patients on admission to the hospital facility			
f	[X] The policy was available on request			
g	[X] Other (describe in Part VI)			

Billing and Collections

14	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	14	X	
15	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the year before making reasonable efforts to determine the patient's eligibility under the facility's FAP:			
a	[ ] Reporting to credit agency			
b	[ ] Lawsuits			
c	[ ] Liens on residences			
d	[ ] Body attachments			
e	[ ] Other similar actions (describe in Part VI)			
16	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP?	16		X
	If "Yes," check all actions in which the hospital facility or a third party engaged:			
a	[ ] Reporting to credit agency			
b	[ ] Lawsuits			
c	[ ] Liens on residences			
d	[ ] Body attachments			
e	[ ] Other similar actions (describe in Part VI)			
17	Indicate which efforts the hospital facility made before initiating any of the actions checked in line 16 (check all that apply):			
a	[X] Notified patients of the financial assistance policy on admission			
b	[X] Notified patients of the financial assistance policy prior to discharge			
c	[X] Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills			
d	[X] Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy			
e	[ ] Other (describe in Part VI)			

Part V Facility Information (continued)

Policy Relating to Emergency Medical Care

		Yes	No
18	Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?	18	X	

If "No," indicate why:

a ☐ The hospital facility did not provide care for any emergency medical conditions

b ☐ The hospital facility's policy was not in writing

c ☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)

d ☐ Other (describe in Part VI)

Individuals Eligible for Financial Assistance

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

a ☐ The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged

b ☐ The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged

c ☐ The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged

d ☒ Other (describe in Part VI)

20	Did the hospital facility charge any of its patients who were eligible for assistance under the hospital facility's financial assistance policy, and to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care? If "Yes," explain in Part VI.	20		X
21	Did the hospital facility charge any of its FAP-eligible patients an amount equal to the gross charge for any service provided to that patient? If "Yes," explain in Part VI.	21		X

Part V Facility Information (continued)

Section B. Facility Policies and Practices

Complete a separate Section B for each of the hospital facilities listed in Part V, Section A)

Name of Hospital Facility: INDIAN PATH MEDICAL CENTER

Line Number of Hospital Facility (from Schedule H, Part V, Section A): 2

			Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for tax year 2011)				
1	During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment (Needs Assessment)? If "No," skip to line 8	1	X	
	If "Yes," indicate what the Needs Assessment describes (check all that apply):			
a	[X] A definition of the community served by the hospital facility			
b	[X] Demographics of the community			
c	[X] Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d	[X] How data was obtained			
e	[X] The health needs of the community			
f	[X] Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g	[X] The process for identifying and prioritizing community health needs and services to meet the community health needs			
h	[X] The process for consulting with persons representing the community's interests			
i	[ ] Information gaps that limit the hospital facility's ability to assess the community's health needs			
j	[ ] Other (describe in Part VI)			
2	Indicate the tax year the hospital facility last conducted a Needs Assessment: 20 11			
3	In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3	X	
4	Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4	X	
5	Did the hospital facility make its Needs Assessment widely available to the public?	5	X	
	If "Yes," indicate how the Needs Assessment was made widely available (check all that apply):			
a	[X] Hospital facility's website			
b	[X] Available upon request from the hospital facility			
c	[ ] Other (describe in Part VI)			
6	If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply):			
a	[X] Adoption of an implementation strategy to address the health needs of the hospital facility's community			
b	[X] Execution of the implementation strategy			
c	[X] Participation in the development of a community-wide community benefit plan			
d	[ ] Participation in the execution of a community-wide community benefit plan			
e	[X] Inclusion of a community benefit section in operational plans			
f	[ ] Adoption of a budget for provision of services that address the needs identified in the Needs Assessment			
g	[X] Prioritization of health needs in its community			
h	[X] Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i	[ ] Other (describe in Part VI)			
7	Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	7		X
Financial Assistance Policy				
	Did the hospital facility have in place during the tax year a written financial assistance policy that:			
8	Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8	X	
9	Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	9	X	
	If "Yes," indicate the FPG family income limit for eligibility for free care: 200 %			
	If "No," explain in Part VI the criteria the hospital facility used.			

Part V Facility Information (continued)

		Yes	No
10 Used FPG to determine eligibility for providing discounted care?	10	X	
If "Yes," indicate the FPG family income limit for eligibility for discounted care: 400 %			
If "No," explain in Part VI the criteria the hospital facility used.			
11 Explained the basis for calculating amounts charged to patients?	11	X	
If "Yes," indicate the factors used in determining such amounts (check all that apply):			
a [X] Income level			
b [X] Asset level			
c [X] Medical indigency			
d [ ] Insurance status			
e [X] Uninsured discount			
f [ ] Medicaid/Medicare			
g [X] State regulation			
h [ ] Other (describe in Part VI)			
12 Explained the method for applying for financial assistance?	12	X	
13 Included measures to publicize the policy within the community served by the hospital facility?	13	X	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply):			
a [X] The policy was posted on the hospital facility's website			
b [ ] The policy was attached to billing invoices			
c [X] The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d [X] The policy was posted in the hospital facility's admissions offices			
e [ ] The policy was provided, in writing, to patients on admission to the hospital facility			
f [X] The policy was available on request			
g [X] Other (describe in Part VI)			

Billing and Collections

14 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	14	X	
15 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the year before making reasonable efforts to determine the patient's eligibility under the facility's FAP:			
a [ ] Reporting to credit agency			
b [ ] Lawsuits			
c [ ] Liens on residences			
d [ ] Body attachments			
e [ ] Other similar actions (describe in Part VI)			
16 Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP?	16		X
If "Yes," check all actions in which the hospital facility or a third party engaged:			
a [ ] Reporting to credit agency			
b [ ] Lawsuits			
c [ ] Liens on residences			
d [ ] Body attachments			
e [ ] Other similar actions (describe in Part VI)			
17 Indicate which efforts the hospital facility made before initiating any of the actions checked in line 16 (check all that apply):			
a [X] Notified patients of the financial assistance policy on admission			
b [X] Notified patients of the financial assistance policy prior to discharge			
c [X] Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills			
d [X] Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy			
e [ ] Other (describe in Part VI)			

Part V Facility Information (continued)

Policy Relating to Emergency Medical Care

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

Individuals Eligible for Financial Assistance

19	Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care.		
a	☐ The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged		
b	☐ The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged		
c	☐ The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged		
d	☒ Other (describe in Part VI)		
20	Did the hospital facility charge any of its patients who were eligible for assistance under the hospital facility's financial assistance policy, and to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care?		X
	If "Yes," explain in Part VI.		
21	Did the hospital facility charge any of its FAP-eligible patients an amount equal to the gross charge for any service provided to that patient?		X
	If "Yes," explain in Part VI.		

Part V Facility Information (continued)

Section B. Facility Policies and Practices

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

Name of Hospital Facility: FRANKLIN WOODS COMMUNITY HOSPITAL

Line Number of Hospital Facility (from Schedule H, Part V, Section A): 3

		Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for tax year 2011)			
1	During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment (Needs Assessment)? If "No," skip to line 8	X	
	If "Yes," indicate what the Needs Assessment describes (check all that apply):		
a	[X] A definition of the community served by the hospital facility		
b	[X] Demographics of the community		
c	[X] Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d	[X] How data was obtained		
e	[X] The health needs of the community		
f	[X] Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g	[X] The process for identifying and prioritizing community health needs and services to meet the community health needs		
h	[X] The process for consulting with persons representing the community's interests		
i	[ ] Information gaps that limit the hospital facility's ability to assess the community's health needs		
j	[ ] Other (describe in Part VI)		
2	Indicate the tax year the hospital facility last conducted a Needs Assessment: 20 11		
3	In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	X	
4	Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	X	
5	Did the hospital facility make its Needs Assessment widely available to the public?	X	
	If "Yes," indicate how the Needs Assessment was made widely available (check all that apply):		
a	[X] Hospital facility's website		
b	[X] Available upon request from the hospital facility		
c	[ ] Other (describe in Part VI)		
6	If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply):		
a	[X] Adoption of an implementation strategy to address the health needs of the hospital facility's community		
b	[X] Execution of the implementation strategy		
c	[X] Participation in the development of a community-wide community benefit plan		
d	[ ] Participation in the execution of a community-wide community benefit plan		
e	[X] Inclusion of a community benefit section in operational plans		
f	[ ] Adoption of a budget for provision of services that address the needs identified in the Needs Assessment		
g	[X] Prioritization of health needs in its community		
h	[X] Prioritization of services that the hospital facility will undertake to meet health needs in its community		
i	[ ] Other (describe in Part VI)		
7	Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs		X
Financial Assistance Policy			
	Did the hospital facility have in place during the tax year a written financial assistance policy that:		
8	Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	X	
9	Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	X	
	If "Yes," indicate the FPG family income limit for eligibility for free care: 200 %		
	If "No," explain in Part VI the criteria the hospital facility used.		

Part V Facility Information (continued)

			Yes	No
10	Used FPG to determine eligibility for providing discounted care?	10	X	
	If "Yes," indicate the FPG family income limit for eligibility for discounted care: 400 %			
	If "No," explain in Part VI the criteria the hospital facility used.			
11	Explained the basis for calculating amounts charged to patients?	11	X	
	If "Yes," indicate the factors used in determining such amounts (check all that apply):			
a	[X] Income level			
b	[X] Asset level			
c	[X] Medical indigency			
d	[ ] Insurance status			
e	[X] Uninsured discount			
f	[ ] Medicaid/Medicare			
g	[X] State regulation			
h	[ ] Other (describe in Part VI)			
12	Explained the method for applying for financial assistance?	12	X	
13	Included measures to publicize the policy within the community served by the hospital facility?	13	X	
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply):			
a	[X] The policy was posted on the hospital facility's website			
b	[ ] The policy was attached to billing invoices			
c	[X] The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d	[X] The policy was posted in the hospital facility's admissions offices			
e	[ ] The policy was provided, in writing, to patients on admission to the hospital facility			
f	[X] The policy was available on request			
g	[X] Other (describe in Part VI)			

Billing and Collections

14	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	14	X	
15	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the year before making reasonable efforts to determine the patient's eligibility under the facility's FAP:			
a	[ ] Reporting to credit agency			
b	[ ] Lawsuits			
c	[ ] Liens on residences			
d	[ ] Body attachments			
e	[ ] Other similar actions (describe in Part VI)			
16	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP?	16		X
	If "Yes," check all actions in which the hospital facility or a third party engaged:			
a	[ ] Reporting to credit agency			
b	[ ] Lawsuits			
c	[ ] Liens on residences			
d	[ ] Body attachments			
e	[ ] Other similar actions (describe in Part VI)			
17	Indicate which efforts the hospital facility made before initiating any of the actions checked in line 16 (check all that apply):			
a	[X] Notified patients of the financial assistance policy on admission			
b	[X] Notified patients of the financial assistance policy prior to discharge			
c	[X] Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills			
d	[X] Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy			
e	[ ] Other (describe in Part VI)			

Part V Facility Information (continued)

Policy Relating to Emergency Medical Care

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

Individuals Eligible for Financial Assistance

19	Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care.		
a	☐ The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged		
b	☐ The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged		
c	☐ The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged		
d	☒ Other (describe in Part VI)		
20	Did the hospital facility charge any of its patients who were eligible for assistance under the hospital facility's financial assistance policy, and to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care?		X
	If "Yes," explain in Part VI.		
21	Did the hospital facility charge any of its FAP-eligible patients an amount equal to the gross charge for any service provided to that patient?		X
	If "Yes," explain in Part VI.		

Part V Facility Information (continued)

Section B. Facility Policies and Practices

Complete a separate Section B for each of the hospital facilities listed in Part V, Section A)

Name of Hospital Facility: SYCAMORE SHOALS HOSPITAL

Line Number of Hospital Facility (from Schedule H, Part V, Section A): 4

			Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for tax year 2011)				
1	During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment (Needs Assessment)? If "No," skip to line 8	1	X	
	If "Yes," indicate what the Needs Assessment describes (check all that apply):			
a	[X] A definition of the community served by the hospital facility			
b	[X] Demographics of the community			
c	[X] Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d	[X] How data was obtained			
e	[X] The health needs of the community			
f	[X] Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g	[X] The process for identifying and prioritizing community health needs and services to meet the community health needs			
h	[X] The process for consulting with persons representing the community's interests			
i	[ ] Information gaps that limit the hospital facility's ability to assess the community's health needs			
j	[ ] Other (describe in Part VI)			
2	Indicate the tax year the hospital facility last conducted a Needs Assessment: 20 11			
3	In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3	X	
4	Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4	X	
5	Did the hospital facility make its Needs Assessment widely available to the public?	5	X	
	If "Yes," indicate how the Needs Assessment was made widely available (check all that apply):			
a	[X] Hospital facility's website			
b	[X] Available upon request from the hospital facility			
c	[ ] Other (describe in Part VI)			
6	If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply):			
a	[X] Adoption of an implementation strategy to address the health needs of the hospital facility's community			
b	[X] Execution of the implementation strategy			
c	[X] Participation in the development of a community-wide community benefit plan			
d	[ ] Participation in the execution of a community-wide community benefit plan			
e	[X] Inclusion of a community benefit section in operational plans			
f	[ ] Adoption of a budget for provision of services that address the needs identified in the Needs Assessment			
g	[X] Prioritization of health needs in its community			
h	[X] Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i	[ ] Other (describe in Part VI)			
7	Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	7		X
Financial Assistance Policy				
	Did the hospital facility have in place during the tax year a written financial assistance policy that:			
8	Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8	X	
9	Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	9	X	
	If "Yes," indicate the FPG family income limit for eligibility for free care: 200 %			
	If "No," explain in Part VI the criteria the hospital facility used.			

Part V Facility Information (continued)

			Yes	No
10	Used FPG to determine eligibility for providing discounted care?	10	X	
	If "Yes," indicate the FPG family income limit for eligibility for discounted care: 400 %			
	If "No," explain in Part VI the criteria the hospital facility used.			
11	Explained the basis for calculating amounts charged to patients?	11	X	
	If "Yes," indicate the factors used in determining such amounts (check all that apply):			
a	[X] Income level			
b	[X] Asset level			
c	[X] Medical indigency			
d	[ ] Insurance status			
e	[X] Uninsured discount			
f	[ ] Medicaid/Medicare			
g	[X] State regulation			
h	[ ] Other (describe in Part VI)			
12	Explained the method for applying for financial assistance?	12	X	
13	Included measures to publicize the policy within the community served by the hospital facility?	13	X	
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply):			
a	[X] The policy was posted on the hospital facility's website			
b	[ ] The policy was attached to billing invoices			
c	[X] The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d	[X] The policy was posted in the hospital facility's admissions offices			
e	[ ] The policy was provided, in writing, to patients on admission to the hospital facility			
f	[X] The policy was available on request			
g	[X] Other (describe in Part VI)			
Billing and Collections				
14	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	14	X	
15	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the year before making reasonable efforts to determine the patient's eligibility under the facility's FAP:			
a	[ ] Reporting to credit agency			
b	[ ] Lawsuits			
c	[ ] Liens on residences			
d	[ ] Body attachments			
e	[ ] Other similar actions (describe in Part VI)			
16	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP?	16		X
	If "Yes," check all actions in which the hospital facility or a third party engaged:			
a	[ ] Reporting to credit agency			
b	[ ] Lawsuits			
c	[ ] Liens on residences			
d	[ ] Body attachments			
e	[ ] Other similar actions (describe in Part VI)			
17	Indicate which efforts the hospital facility made before initiating any of the actions checked in line 16 (check all that apply):			
a	[X] Notified patients of the financial assistance policy on admission			
b	[X] Notified patients of the financial assistance policy prior to discharge			
c	[X] Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills			
d	[X] Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy			
e	[ ] Other (describe in Part VI)			

Part V Facility Information (continued)

Policy Relating to Emergency Medical Care

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

Individuals Eligible for Financial Assistance

19	Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care.		
a	☐ The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged		
b	☐ The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged		
c	☐ The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged		
d	☒ Other (describe in Part VI)		
20	Did the hospital facility charge any of its patients who were eligible for assistance under the hospital facility's financial assistance policy, and to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care?		X
	If "Yes," explain in Part VI.		
21	Did the hospital facility charge any of its FAP-eligible patients an amount equal to the gross charge for any service provided to that patient?		X
	If "Yes," explain in Part VI.		

Part V Facility Information (continued)

Section B. Facility Policies and Practices

Complete a separate Section B for each of the hospital facilities listed in Part V, Section A)

Name of Hospital Facility: RUSSELL COUNTY MEDICAL CENTER

Line Number of Hospital Facility (from Schedule H, Part V, Section A): 5

			Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for tax year 2011)				
1	During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment (Needs Assessment)? If "No," skip to line 8	1	X	
	If "Yes," indicate what the Needs Assessment describes (check all that apply):			
a	[X] A definition of the community served by the hospital facility			
b	[X] Demographics of the community			
c	[X] Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d	[X] How data was obtained			
e	[X] The health needs of the community			
f	[X] Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g	[X] The process for identifying and prioritizing community health needs and services to meet the community health needs			
h	[X] The process for consulting with persons representing the community's interests			
i	[ ] Information gaps that limit the hospital facility's ability to assess the community's health needs			
j	[ ] Other (describe in Part VI)			
2	Indicate the tax year the hospital facility last conducted a Needs Assessment: 20 11			
3	In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3	X	
4	Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4	X	
5	Did the hospital facility make its Needs Assessment widely available to the public?	5	X	
	If "Yes," indicate how the Needs Assessment was made widely available (check all that apply):			
a	[X] Hospital facility's website			
b	[X] Available upon request from the hospital facility			
c	[ ] Other (describe in Part VI)			
6	If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply):			
a	[X] Adoption of an implementation strategy to address the health needs of the hospital facility's community			
b	[X] Execution of the implementation strategy			
c	[X] Participation in the development of a community-wide community benefit plan			
d	[ ] Participation in the execution of a community-wide community benefit plan			
e	[X] Inclusion of a community benefit section in operational plans			
f	[ ] Adoption of a budget for provision of services that address the needs identified in the Needs Assessment			
g	[X] Prioritization of health needs in its community			
h	[X] Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i	[ ] Other (describe in Part VI)			
7	Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	7		X
Financial Assistance Policy				
	Did the hospital facility have in place during the tax year a written financial assistance policy that:			
8	Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8	X	
9	Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	9	X	
	If "Yes," indicate the FPG family income limit for eligibility for free care: 200 %			
	If "No," explain in Part VI the criteria the hospital facility used.			

Part V Facility Information (continued)

			Yes	No
j	Used FPG to determine eligibility for providing discounted care?	10	X	
	If "Yes," indicate the FPG family income limit for eligibility for discounted care: 400 %			
	If "No," explain in Part VI the criteria the hospital facility used.			
11	Explained the basis for calculating amounts charged to patients?	11	X	
	If "Yes," indicate the factors used in determining such amounts (check all that apply):			
a	[X] Income level			
b	[X] Asset level			
c	[X] Medical indigency			
d	[ ] Insurance status			
e	[X] Uninsured discount			
f	[ ] Medicaid/Medicare			
g	[X] State regulation			
h	[ ] Other (describe in Part VI)			
12	Explained the method for applying for financial assistance?	12	X	
13	Included measures to publicize the policy within the community served by the hospital facility?	13	X	
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply):			
a	[X] The policy was posted on the hospital facility's website			
b	[ ] The policy was attached to billing invoices			
c	[X] The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d	[X] The policy was posted in the hospital facility's admissions offices			
e	[ ] The policy was provided, in writing, to patients on admission to the hospital facility			
f	[X] The policy was available on request			
g	[X] Other (describe in Part VI)			

Billing and Collections

14	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	14	X	
15	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the year before making reasonable efforts to determine the patient's eligibility under the facility's FAP:			
a	[ ] Reporting to credit agency			
b	[ ] Lawsuits			
c	[ ] Liens on residences			
d	[ ] Body attachments			
e	[ ] Other similar actions (describe in Part VI)			
16	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP?	16		X
	If "Yes," check all actions in which the hospital facility or a third party engaged:			
a	[ ] Reporting to credit agency			
b	[ ] Lawsuits			
c	[ ] Liens on residences			
d	[ ] Body attachments			
e	[ ] Other similar actions (describe in Part VI)			
17	Indicate which efforts the hospital facility made before initiating any of the actions checked in line 16 (check all that apply):			
a	[X] Notified patients of the financial assistance policy on admission			
b	[X] Notified patients of the financial assistance policy prior to discharge			
c	[X] Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills			
d	[X] Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy			
e	[ ] Other (describe in Part VI)			

Part V Facility Information (continued)

Policy Relating to Emergency Medical Care

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

Individuals Eligible for Financial Assistance

19	Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care.		
a	☐ The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged		
b	☐ The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged		
c	☐ The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged		
d	☒ Other (describe in Part VI)		
20	Did the hospital facility charge any of its patients who were eligible for assistance under the hospital facility's financial assistance policy, and to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care?		X
	If "Yes," explain in Part VI.		
21	Did the hospital facility charge any of its FAP-eligible patients an amount equal to the gross charge for any service provided to that patient?		X
	If "Yes," explain in Part VI.		

Part V Facility Information (continued)

Section B. Facility Policies and Practices

Complete a separate Section B for each of the hospital facilities listed in Part V, Section A)

Name of Hospital Facility: JOHNSON COUNTY COMMUNITY HOSPITAL

Line Number of Hospital Facility (from Schedule H, Part V, Section A): 6

			Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for tax year 2011)				
1	During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment (Needs Assessment)? If "No," skip to line 8	1	X	
	If "Yes," indicate what the Needs Assessment describes (check all that apply):			
a	[X] A definition of the community served by the hospital facility			
b	[X] Demographics of the community			
c	[X] Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d	[X] How data was obtained			
e	[X] The health needs of the community			
f	[X] Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g	[X] The process for identifying and prioritizing community health needs and services to meet the community health needs			
h	[X] The process for consulting with persons representing the community's interests			
i	[ ] Information gaps that limit the hospital facility's ability to assess the community's health needs			
j	[ ] Other (describe in Part VI)			
2	Indicate the tax year the hospital facility last conducted a Needs Assessment: 20 11			
3	In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3	X	
4	Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4	X	
5	Did the hospital facility make its Needs Assessment widely available to the public?	5	X	
	If "Yes," indicate how the Needs Assessment was made widely available (check all that apply):			
a	[X] Hospital facility's website			
b	[X] Available upon request from the hospital facility			
c	[ ] Other (describe in Part VI)			
6	If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply):			
a	[X] Adoption of an implementation strategy to address the health needs of the hospital facility's community			
b	[X] Execution of the implementation strategy			
c	[X] Participation in the development of a community-wide community benefit plan			
d	[ ] Participation in the execution of a community-wide community benefit plan			
e	[X] Inclusion of a community benefit section in operational plans			
f	[ ] Adoption of a budget for provision of services that address the needs identified in the Needs Assessment			
g	[X] Prioritization of health needs in its community			
h	[X] Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i	[ ] Other (describe in Part VI)			
7	Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	7		X
Financial Assistance Policy				
	Did the hospital facility have in place during the tax year a written financial assistance policy that:			
8	Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8	X	
9	Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	9	X	
	If "Yes," indicate the FPG family income limit for eligibility for free care: 200 %			
	If "No," explain in Part VI the criteria the hospital facility used.			

Part V Facility Information (continued)

			Yes	No
J	Used FPG to determine eligibility for providing discounted care?	10	X	
	If "Yes," indicate the FPG family income limit for eligibility for discounted care: 400 %			
	If "No," explain in Part VI the criteria the hospital facility used.			
11	Explained the basis for calculating amounts charged to patients?	11	X	
	If "Yes," indicate the factors used in determining such amounts (check all that apply):			
a	[X] Income level			
b	[X] Asset level			
c	[X] Medical indigency			
d	[ ] Insurance status			
e	[X] Uninsured discount			
f	[ ] Medicaid/Medicare			
g	[X] State regulation			
h	[ ] Other (describe in Part VI)			
12	Explained the method for applying for financial assistance?	12	X	
13	Included measures to publicize the policy within the community served by the hospital facility?	13	X	
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply):			
a	[X] The policy was posted on the hospital facility's website			
b	[ ] The policy was attached to billing invoices			
c	[X] The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d	[X] The policy was posted in the hospital facility's admissions offices			
e	[ ] The policy was provided, in writing, to patients on admission to the hospital facility			
f	[X] The policy was available on request			
g	[X] Other (describe in Part VI)			

Billing and Collections

14	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	14	X	
5	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the year before making reasonable efforts to determine the patient's eligibility under the facility's FAP:			
a	[ ] Reporting to credit agency			
b	[ ] Lawsuits			
c	[ ] Liens on residences			
d	[ ] Body attachments			
e	[ ] Other similar actions (describe in Part VI)			
16	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP?	16		X
	If "Yes," check all actions in which the hospital facility or a third party engaged:			
a	[ ] Reporting to credit agency			
b	[ ] Lawsuits			
c	[ ] Liens on residences			
d	[ ] Body attachments			
e	[ ] Other similar actions (describe in Part VI)			
17	Indicate which efforts the hospital facility made before initiating any of the actions checked in line 16 (check all that apply):			
a	[X] Notified patients of the financial assistance policy on admission			
b	[X] Notified patients of the financial assistance policy prior to discharge			
c	[X] Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills			
d	[X] Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy			
e	[ ] Other (describe in Part VI)			

Part V Facility Information (continued)

Policy Relating to Emergency Medical Care

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

Individuals Eligible for Financial Assistance

19	Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care.		
a	☐ The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged		
b	☐ The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged		
c	☐ The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged		
d	☒ Other (describe in Part VI)		
20	Did the hospital facility charge any of its patients who were eligible for assistance under the hospital facility's financial assistance policy, and to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care?		X
	If "Yes," explain in Part VI.		
21	Did the hospital facility charge any of its FAP-eligible patients an amount equal to the gross charge for any service provided to that patient?		X
	If "Yes," explain in Part VI.		

Part V Facility Information (continued)

Section C. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital acility

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

How many non-hospital health care facilities did the organization operate during the tax year? 10

Name and address	Type of Facility (describe)
1 JCMC AMBULATORY SURGERY CENTER 400 N. STATE OF FRANKLIN ROAD JOHNSON CITY TN 37604	LICENSED AMBULATORY SURGERY CENTER
2 MOUNTAIN STATES IMAGING CENTER 301 MED TECH PARKWAY, SUITE 100 JOHNSON CITY TN 37604	LICENSED OUTPATIENT DIAGNOSTIC CENTER
3 FRANKLIN TRANSITIONAL CARE 400 N. STATE OF FRANKLIN ROAD JOHNSON CITY TN 37604	LICENSED SKILLED NURSING FACILITY
4 INDIAN PATH TRANSITIONAL CARE 2000 BROOKSIDE DRIVE KINGSPORT TN 37660	LICENSED SKILLED NURSING FACILITY
5 MEDICAL CNTR HOME CARE-JOHNSON CITY 101 MED TECH PARKWAY, SUITE 100 JOHNSON CITY TN 37604	LICENSED HOME HEALTH AGENCY
MEDICAL CNTR HOME CARE-KINGSPORT 2020 BROOKSIDE DRIVE, #28 KINGSPORT TN 37660	LICENSED HOME HEALTH AGENCY
7 RUSSELL CO. MEDICAL CNTR HOME HLTH 116 FLANNAGAN AVENUE LEBANON VA 24266	LICENSED HOME HEALTH AGENCY
8 MEDICAL CENTER HOSPICE 101 MED TECH PARKWAY, SUITE 100 JOHNSON CITY TN 37604	LICENSED HOSPICE AGENCY
9 JOHNSON COUNTY HOME HEALTH 1987 SOUTH SHADY STREET MOUNTAIN CITY TN 37683	LICENSED HOME HEALTH AGENCY
10 RUSSELL COUNTY MEDICAL CNTR HOSPICE 116 FLANNAGAN AVENUE LABANON VA 24266	LICENSED HOSPICE AGENCY

Part VI Supplemental Information

Complete this part to provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

Part I, Line 6a - Related Organization Information

MOUNTAIN STATES HEALTH ALLIANCE HAS HISTORICALLY PREPARED AND MADE PUBLIC A COMMUNITY BENEFIT REPORT TO INCLUDE INFORMATION FOR ALL OF THE HOSPITALS WITHIN THE HEALTH SYSTEM. DURING FY12, WE DID NOT ISSUE A COMMUNITY BENEFIT REPORT. HOWEVER, WE INTEND TO PREPARE A COMMUNITY BENEFIT REPORT DURING FY13.

Part I, Line 7 - Costing Methodology Explanation

A COST TO CHARGE RATIO WAS USED, WHEN APPROPRIATE, TO CALCULATE LINE 7 UTILIZING THE SCHEDULE H APPLICABLE WORKSHEETS, INCLUDING WORKSHEET 2, A RATIO OF PATIENT CARE COST TO CHARGES.

PART I, Line 7G:

JOHNSON COUNTY COMMUNITY HOSPITAL, A FEDERALLY DESIGNATED CRITICAL ACCESS HOSPITAL, OPERATES A PHYSICIAN SPECIALTY CLINIC, WHICH INCURRED AN OPERATING LOSS OF $50,869 FOR THE TWELVE MONTHS ENDING JUNE 30, 2012. THE SPECIALTY CLINIC INCLUDES CARDIOLOGY, GENERAL SURGERY, PODIATRY AND OTHER SPECIALTY SERVICES. THIS CONTINUES TO BE A VALUABLE RESOURCE TO THE RESIDENTS OF THE AREA BY AIDING WITH TRANSPORTATION ISSUES (OTHER

Part VI Supplemental Information

Complete this part to provide the following information.

. **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community Information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

PHYSICIAN OFFICES ARE MORE THAN AN HOUR AWAY), RESOLVING ACCESS LIMITATIONS FOR SPECIALTY SERVICES, AND PROVIDING RELIEF TO THE SPECIAL HEALTH PROBLEMS OF A LARGELY ELDERLY POPULATION.

RUSSELL COUNTY MEDICAL CENTER OPERATES A RURAL HEALTH CLINIC LOCATED IN ST. PAUL, VA, ON THE BORDER OF WISE AND RUSSELL COUNTIES. RIVERSIDE CLINIC FIRST OPENED IN 1991 TO PROVIDE PRIMARY CARE SERVICES TO THIS ELDERLY UNDERSERVED POPULATION. THE CLINIC'S LARGEST PAYOR IS MEDICARE, WHICH ACCOUNTS FOR MORE THAN 45% OF THEIR PATIENTS. DURING THE 12-MONTH REPORTING PERIOD, THE CLINIC INCURRED UNREIMBURSED EXPENSES OF $492,682.

SOME OTHER SUBSIDIZED AREAS WITHIN MSHA INCLUDE SKILLED NURSING FACILITIES WITHIN TWO HOSPITALS, OUR AIR TRANSPORT SERVICE ("WINGS"), BABY/CHILD GROUND TRANSPORT AND MENTAL HEALTH.

Part II - Community Building Activities

MSHA LEADERS SUPPORT AND ENCOURAGE ALL TEAM MEMBERS TO VOLUNTEER TIME, MONEY AND SKILLS TO COMMUNITY SERVICE PROJECTS AND CHARITABLE ORGANIZATIONS. SENIOR LEADERS AND BOARD MEMBERS SET A POSITIVE EXAMPLE FOR

Part VI Supplemental Information

Complete this part to provide the following information.

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

MSHA TEAM MEMBERS, SERVING VOLUNTARILY ON COMMITTEES AND MANAGING BOARDS OF LOCAL SERVICE AND NON-PROFIT ORGANIZATIONS. MANY ALSO SERVE AS MEMBERS AND CONSULTANTS ON PROFESSIONAL COMMITTEES AND TASK FORCES THAT AFFECT REGIONAL DEVELOPMENT IN HEALTHCARE AND EDUCATION. SOME OF THESE TEAM MEMBERS DEVOTED TWO WEEKS OF NORMAL WORK TIME TO OUTSIDE CHARITABLE ACTIVITIES.

MSHA, IN COLLABORATION WITH AREA HEALTH AGENCIES AND PROVIDERS, MAY OFFER ASSISTANCE WITH COORDINATION, ADVOCACY AND PUBLICITY; PROVIDE SPACE; OR CONTRIBUTE SUPPLIES TO SUPPORT GROUPS FOR THEIR PROGRAM ACTIVITIES.

PHYSICIAN RECRUITMENT IS REPORTED IN COMMUNITY BUILDING AND INCLUDES EXPENSE TO REPLACE PHYSICIANS RETIRING OR LEAVING OUR SERVICE AREAS, INCLUDING RECRUITMENT TO ONE OF OUR FEDERALLY DESIGNATED UNDERSERVED COMMUNITIES. WITHOUT MSHA'S DEDICATION TO RURAL HEALTH, THERE WOULD NOT BE AN ADEQUATE NUMBER OF PHYSICIANS TO SERVE THIS PATIENT POPULATION.

MSHA SUPPORTS THE ECONOMIC DEVELOPMENT OF THE REGION BY PROVIDING FINANCIAL SUPPORT AS WELL AS PAID TEAM MEMBERS' TIME TO SERVE ON ECONOMIC DEVELOPMENT BOARDS. EVIDENCE SHOWS THAT A HEALTHY ECONOMY RELATES TO A HEALTHIER

Part VI Supplemental Information

Complete this part to provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.

2 Needs assessment. Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 Patient education of eligibility for assistance. Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 Community information. Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 Promotion of community health. Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 Affiliated health care system. If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 State filing of community benefit report. If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

POPULATION.

Part III, Line 4 - Bad Debt Expense Explanation

THE CALCULATED COST TO CHARGE RATIO (WORKSHEET 2) WAS APPLIED TO BAD DEBT CONTRA REVENUE AND PROVISION FOR BAD DEBT, IN DETERMINING LINE 2.

OUR VICE PRESIDENT OF PATIENT FINANCIAL SERVICES AND OUR CFO ESTIMATE THAT 70% OF BAD DEBT EXPENSE WAS ASSUMED ATTRIBUTABLE TO PATIENTS LIKELY ELIGIBLE FOR FINANCIAL ASSISTANCE. WE HAVE MANY INSTANCES DURING THE YEAR OF PATIENTS WITH LARGE ACCOUNT BALANCES AND NO HEALTH INSURANCE COVERAGE THAT WE ARE SURE WOULD QUALIFY FOR CHARITY CARE. ALTHOUGH HOSPITAL TEAM MEMBERS ENCOURAGE THESE INDIVIDUALS TO COMPLETE OUR FINANCIAL ASSISTANCE APPLICATION, MANY WILL NOT DO SO. EVEN WHEN THESE INDIVIDUALS ARE TOLD WE FEEL SURE THEY DO QUALIFY FOR FULL OR PARTIAL ASSISTANCE, THEY STILL REFUSE TO COMPLETE OUR FINANCIAL ASSISTANCE APPLICATION.

REGARDING LINE 3, IT IS IMPLAUSIBLE TO DETERMINE THE AMOUNT OF MSHA'S BAD DEBT ASSOCIATED WITH THOSE PATIENTS WHO MAY HAVE MET THE CRITERIA SET FORTH IN OUR FINANCIAL ASSISTANCE POLICY WITHOUT HAVING A COMPLETED FINANCIAL

Part VI Supplemental Information

Complete this part to provide the following information.

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6l, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

ASSESSMENT. WE ARE UNABLE TO DETERMINE OUR PATIENTS' FINANCIAL CIRCUMSTANCES UNLESS A COMPLETED FINANCIAL ASSESSMENT FORM IS VOLUNTARILY PROVIDED TO US. WE CAN ASSERT THAT MORE THAN 90% OF OUR PATIENTS WHO HAVE PROVIDED COMPLETED FINANCIAL ASSESSMENT FORMS HAVE BEEN APPROVED FOR AT LEAST PARTIAL FINANCIAL ASSISTANCE.

FOOTNOTE DISCLOSURE FROM MSHA'S FY12 AUDITED FINANCIAL STATEMENT READS "NEW ACCOUNTING PRONOUNCEMENTS: IN JULY 2011, THE FASB ISSUED ASU 2011-07, HEALTHCARE ENTITIES (TOPIC 954): PRESENTATION AND DISCLOSURE OF PATIENT SERVICE REVENUE, PROVISION FOR BAD DEBTS, AND ALLOWANCE FOR DOUBTFUL ACCOUNTS FOR CERTAIN HEALTHCARE ENTITIES, WHICH REQUIRES CERTAIN HEALTHCARE ENTITIES TO RECLASSIFY THE PROVISION FOR BAD DEBTS ASSOCIATED WITH PROVIDING PATIENT CARE FROM AN OPERATING EXPENSE TO A DEDUCTION FROM NET PATIENT SERVICE REVENUE IN THE CONSOLIDATED STATEMENTS OF OPERATIONS. ADDITIONALLY, ASU 2011-07 REQUIRES ENHANCED DISCLOSURES ABOUT AN ENTITY'S POLICIES FOR RECOGNIZING REVENUE AND ASSESSING BAD DEBTS AND QUALITATIVE AND QUANTITATIVE INFORMATION ABOUT CHANGES IN THE ALLOWANCE FOR DOUBTFUL ACCOUNTS. THE ALLIANCE RETROACTIVELY ADOPTED ASU 2011-07 IN FISCAL YEAR 2012. THE ADOPTION OF ASU 2011-07 DID NOT HAVE A MATERIAL IMPACT ON THE

Part VI Supplemental Information

Complete this part to provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

2012 OR 2011 CONSOLIDATED FINANCIAL STATEMENTS."

THE FOOTNOTES TO THE AUDITED FINANCIAL STATEMENT REPORT THE AMOUNT OF ESTIMATED UNCOLLECTIBLE SELF-PAY AND EXPLAIN THAT UNCOLLECTIBLE PATIENT ACCOUNTS RECEIVABLE ESTIMATED RESERVES ARE BASED UPON PRIOR COLLECTION HISTORY FOR GROUPS OF RECEIVABLES, KNOWN COLLECTION RISKS AND OTHER ENVIRONMENTAL FACTORS, INCLUDING THE AGE OF THE RECEIVABLES.

Part III, Line 8 - Medicare Explanation

MEDICARE ALLOWABLE COSTS WERE REPORTED USING MSHA'S FILED MEDICARE COST REPORT (C/R). THE C/R USES A COST TO CHARGE RATIO BASED ON A STEP-DOWN ALLOCATION METHODOLOGY. IN CARING FOR THE PATIENT, THERE ARE SEVERAL SERVICES THAT ARE CONSIDERED NON-ALLOWABLE SUCH AS TRANSPORTATION OF A PATIENT, COMFORT ITEMS TO INCLUDE A TELEVISION, MAGAZINES, OR A TELEPHONE. ADDITIONAL NON-ALLOWABLE COSTS INCLUDE THE RECRUITMENT OF PHYSICIANS, PHYSICIAN GUARANTEES AND A PORTION OF THE BAD DEBT (30%) ASSOCIATED WITH THE CARE OF THE PATIENT.

MEDICARE LOSSES, INCLUDING SOME NON-ALLOWABLE COSTS, SHOULD BE COUNTED AS A

Part VI Supplemental Information

Complete this part to provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.

2 Needs assessment. Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 Patient education of eligibility for assistance. Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 Community information. Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 Promotion of community health. Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 Affiliated health care system. If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 State filing of community benefit report. If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

COMMUNITY BENEFIT AS THIS IS THE COST OF CARE FOR SERVING THE AGING POPULATION. AS A NOT-FOR-PROFIT ORGANIZATION, WE EXIST TO IDENTIFY AND RESPOND TO THE HEALTH CARE NEEDS OF THE COMMUNITY AND THE INDIVIDUAL WHILE MAINTAINING A HIGH LEVEL OF HEALTH CARE SERVICES WITHOUT LOSSES. SINCE LOSSES DO OCCUR THROUGH THE CMS SYSTEM OF REIMBURSEMENT, THESE LOSSES ARE A COST OF DOING BUSINESS FOR OUR COMMUNITY AND SHOULD BE CONSIDERED A COMMUNITY BENEFIT.

AS A PARTICIPATING PROVIDER IN THE MEDICARE PROGRAM, MSHA IS REQUIRED TO PROVIDE THE FULL REGIMEN OF CARE FOR OUR MEDICARE POPULATION. THERE ARE A NUMBER OF CARE REGIMENS THAT ARE COMPENSATED BY THE MEDICARE PROGRAM AT LEVELS BELOW OUR COST. THEREFORE IT IS ONLY LOGICAL TO ALLOW MSHA TO REPORT THESE UNCOMPENSATED SERVICES AS A COMMUNITY BENEFIT ON THIS DOCUMENT. BY MAKING THIS CHANGE, NON-PROFIT PROVIDERS WILL BE ENCOURAGED TO SUSTAIN IMPORTANT CARE DELIVERY MODELS FOR OUR AGING POPULATION IN SPITE OF THE FACT IT IS SOMETIMES ECONOMICALLY INJURIOUS.

Part III, Line 9b - Collection Practices Explanation

MSHA FOLLOWS A STRONG COLLECTION PROGRAM THAT COMMUNICATES

Part VI Supplemental Information

Complete this part to provide the following information.

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

FINANCIAL RESPONSIBILITY TO THE PATIENT. COLLECTION PRACTICES APPLY TO ALL PATIENTS, CHARITY AND NON-CHARITY CARE. IN ROUTINE CIRCUMSTANCES WHEN IT IS DETERMINED THAT A PATIENT HAS NOT RESPONDED TO REQUESTS FOR PAYMENT AND HAS NOT PROVIDED INFORMATION TO ASCERTAIN ABILITY TO PAY, AN ACCOUNT CAN BE REFERRED TO AN OUTSIDE COLLECTION AGENCY FOR COLLECTION ASSISTANCE. MSHA ENSURES THAT OUTSIDE COLLECTION AGENCIES FOLLOW HOSPITAL BILLING AND COLLECTION GUIDELINES. ONCE A DELINQUENT PATIENT ACCOUNT HAS BEEN SUBMITTED TO AN OUTSIDE AGENCY, IT CAN BE RETRACTED IF IT IS LATER DETERMINED THAT THE PATIENT IS ELIGIBLE FOR FINANCIAL ASSISTANCE. ALL REQUESTS FOR FINANCIAL ASSISTANCE MUST BE ACCOMPANIED BY A COMPLETED FINANCIAL ASSESSMENT FORM AND SUPPORTING DOCUMENTATION.

JOHNSON CITY MEDICAL CENTER, Line Number 1 - Part V, Line 3

MSHA MET WITH TEN FOCUS GROUPS EACH REPRESENTING ONE OF THE TEN HOSPITAL FACILITIES (INCLUDING ALL OF THE HOSPITALS INCLUDED IN THIS 990) LOCATED IN NINE COUNTIES WITHIN MSHA'S CORE SERVICE AREA. EACH GROUP CONSISTED OF

Part VI Supplemental Information

Complete this part to provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

PUBLIC HEALTH LEADERS, NURSES, NON-PROFIT DIRECTORS, COMMUNITY DEVELOPERS, FAITH BASED LEADERS, PUBLIC OFFICIALS AND SCHOOL REPRESENTATIVES. EACH GROUP RANGED IN ATTENDANCE FROM 6 TO 21 INDIVIDUALS. PARTICIPANTS WERE GIVEN SURVEYS TO DETERMINE A COUNTY'S HEALTH STATUS RATING, AVAILABLE RESOURCES, TOP HEALTH PRIORITIES, AND SUGGESTIONS FOR IMPROVEMENT. OPEN DISCUSSION FOLLOWED. THE COLLECTED INFORMATION WAS THEN PAIRED WITH STATISTICAL DATA IN ORDER TO PRIORITIZE HEALTH NEEDS. THE SPECIFIC NEEDS FOR EACH COUNTY WERE INCLUDED IN THE APPRORIATE FACILITY IMPLEMENTATION PLAN.

JOHNSON CITY MEDICAL CENTER, Line Number 1 - Part V, Line 4

EACH HOSPITAL WITHIN THE MSHA SYSTEM COMPLETED A CHNA. FOR THOSE HOSPITALS THAT ARE LOCATED IN THE SAME COUNTY, ONLY ONE COMMUNITY GROUP WAS SURVEYED. FOR INSTANCE, JOHNSON CITY MEDICAL CENTER AND FRANKLIN WOODS COMMUNITY HOSPITAL ARE BOTH LOCATED IN WASHINGTON COUNTY, TENNESSEE. WE SURVEYED 21 INDIVIDUALS FROM WASHINGTON COUNTY IN ORDER TO DETERMINE HEALTH PRIORITIES.

JCMC'S CHNA WAS CONDUCTED WITH ALL MSHA HOSPITALS TO INCLUDE: FRANKLIN WOODS COMMUNITY HOSPITAL, WOODRIDGE PSYCHIATRIC HOSPITAL, JAMES H. & CECILE

Part VI Supplemental Information

nplete this part to provide the following information.

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

C. QUILLEN REHABILITATION HOSPITAL, INDIAN PATH MEDICAL CENTER, SYCAMORE SHOALS HOSPITAL, JOHNSON COUNTY COMMUNITY HOSPITAL, RUSSELL COUNTY MEDICAL CENTER, JOHNSTON MEMORIAL HOSPITAL, SMYTH COUNTY COMMUNITY HOSPITAL, NORTON COMMUNITY HOSPITAL AND DICKENSON COMMUNITY HOSPITAL.

JOHNSON CITY MEDICAL CENTER, Line Number 1 - Part V, Line 7

MSHA PUBLISHED ITS COMMUNITY HEALTH NEEDS ASSESSMENT ON JUNE 29 OF FY12. THE DATA INCLUDED WAS COLLECTED OVER THE COURSE OF 2011 AND 2012. AN IMPLEMENTATION PLAN WAS CREATED FOR EACH HOSPITAL, AND EACH HOSPITAL'S BOARD APPROVED THE IMPLEMENTATION PLAN DURING THE MONTHS OF MAY AND JUNE 2012. NOW THAT THE IMPLEMENTATION PLANS HAVE BEEN ADOPTED, MSHA WILL BE ABLE TO BEGIN TAKING ACTION TO IMPROVE THE HEALTH PRIORITIES IN EACH COUNTY, THOUGH AT THIS POINT, NOT ALL OF THE PRIORITIES HAVE BEEN ADDRESSED. DUE TO LACK OF RESOURCES, SOME OF MSHA FACILITIES WERE UNABLE TO ADDRESS ISSUES THAT WERE IDENTIFIED.

JOHNSON CITY MEDICAL CENTER, Line Number 1 - Part V, Line 13g

DURING THE ADMISSION PROCESS, PATIENTS ARE TOLD THAT THE HOSPITAL HAS A FINANCIAL ASSISTANCE POLICY AND ADMISSION PAPERS GIVEN TO EACH PATIENT

Part VI Supplemental Information

Complete this part to provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

ADVISES THEM OF THE POLICY. BILLING CORRESPONDENCE ALSO ADVISES THAT FINANCIAL ASSISTANCE MAY BE AVAILABLE. A COMMUNITY RESOURCE GUIDE REPORTS THAT THE HOSPITAL HAS A FINANCIAL ASSISTANCE POLICY.

JOHNSON CITY MEDICAL CENTER, Line Number 1 - Part V, Line 19d

UNINSURED PATIENTS RECEIVE A 50% DISCOUNT; AND, BASED ON OTHER FACTORS SUCH AS INCOME OR MEDICAL INDIGENCY, MAY QUALIFY FOR AN ADDITIONAL DISCOUNT.

INDIAN PATH MEDICAL CENTER, Line Number 2 - Part V, Line 3

MSHA MET WITH TEN FOCUS GROUPS EACH REPRESENTING ONE OF THE TEN HOSPITAL FACILITIES (INCLUDING ALL OF THE HOSPITALS INCLUDED IN THIS 990) LOCATED IN NINE COUNTIES WITHIN MSHA'S CORE SERVICE AREA. EACH GROUP CONSISTED OF PUBLIC HEALTH LEADERS, NURSES, NON-PROFIT DIRECTORS, COMMUNITY DEVELOPERS, FAITH BASED LEADERS, PUBLIC OFFICIALS AND SCHOOL REPRESENTATIVES. EACH GROUP RANGED IN ATTENDANCE FROM 6 TO 21 INDIVIDUALS. PARTICIPANTS WERE GIVEN SURVEYS TO DETERMINE A COUNTY'S HEALTH STATUS RATING, AVAILABLE RESOURCES, TOP HEALTH PRIORITIES, AND SUGGESTIONS FOR IMPROVEMENT. OPEN DISCUSSION FOLLOWED. THE COLLECTED INFORMATION WAS THEN PAIRED WITH STATISTICAL DATA IN ORDER TO PRIORITIZE HEALTH NEEDS. THE SPECIFIC NEEDS

Part VI Supplemental Information

Complete this part to provide the following information.

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

FOR EACH COUNTY WERE INCLUDED IN THE APPRORIATE FACILITY IMPLEMENTATION PLAN.

INDIAN PATH MEDICAL CENTER, Line Number 2 - Part V, Line 4

EACH HOSPITAL WITHIN THE MSHA SYSTEM COMPLETED A CHNA. FOR THOSE HOSPITALS THAT ARE LOCATED IN THE SAME COUNTY, ONLY ONE COMMUNITY GROUP WAS SURVEYED. FOR INSTANCE, JOHNSON CITY MEDICAL CENTER AND FRANKLIN WOODS COMMUNITY HOSPITAL ARE BOTH LOCATED IN WASHINGTON COUNTY, TENNESSEE. WE SURVEYED 21 INDIVIDUALS FROM WASHINGTON COUNTY IN ORDER TO DETERMINE HEALTH PRIORITIES.

IPMC'S CHNA WAS CONDUCTED WITH ALL MSHA HOSPITALS TO INCLUDE: JOHNSON CITY MEDICAL CENTER, FRANKLIN WOODS COMMUNITY HOSPITAL, WOODRIDGE PSYCHIATRIC HOSPITAL, JAMES H. & CECILE C. QUILLEN REHABILITATION HOSPITAL, SYCAMORE SHOALS HOSPITAL, JOHNSON COUNTY COMMUNITY HOSPITAL, RUSSELL COUNTY MEDICAL CENTER, JOHNSTON MEMORIAL HOSPITAL, SMYTH COUNTY COMMUNITY HOSPITAL, NORTON COMMUNITY HOSPITAL AND DICKENSON COMMUNITY HOSPITAL.

INDIAN PATH MEDICAL CENTER, Line Number 2 - Part V, Line 7

MSHA PUBLISHED ITS COMMUNITY HEALTH NEEDS ASSESSMENT ON JUNE 29 OF

Part VI Supplemental Information

Complete this part to provide the following information.

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

FY12. THE DATA INCLUDED WAS COLLECTED OVER THE COURSE OF 2011 AND 2012. AN IMPLEMENTATION PLAN WAS CREATED FOR EACH HOSPITAL, AND EACH HOSPITAL'S BOARD APPROVED THE IMPLEMENTATION PLAN DURING THE MONTHS OF MAY AND JUNE 2012. NOW THAT THE IMPLEMENTATION PLANS HAVE BEEN ADOPTED, MSHA WILL BE ABLE TO BEGIN TAKING ACTION TO IMPROVE THE HEALTH PRIORITIES IN EACH COUNTY, THOUGH AT THIS POINT, NOT ALL OF THE PRIORITIES HAVE BEEN ADDRESSED. DUE TO LACK OF RESOURCES, SOME OF MSHA FACILITIES WERE UNABLE TO ADDRESS ISSUES THAT WERE IDENTIFIED.

INDIAN PATH MEDICAL CENTER, Line Number 2 - Part V, Line 13g

DURING THE ADMISSION PROCESS, PATIENTS ARE TOLD THAT THE HOSPITAL HAS A FINANCIAL ASSISTANCE POLICY AND ADMISSION PAPERS GIVEN TO EACH PATIENT ADVISES THEM OF THE POLICY. BILLING CORRESPONDENCE ALSO ADVISES THAT FINANCIAL ASSISTANCE MAY BE AVAILABLE. A COMMUNITY RESOURCE GUIDE REPORTS THAT THE HOSPITAL HAS A FINANCIAL ASSISTANCE POLICY.

INDIAN PATH MEDICAL CENTER, Line Number 2 - Part V, Line 19d

UNINSURED PATIENTS RECEIVE A 50% DISCOUNT; AND, BASED ON OTHER FACTORS SUCH AS INCOME OR MEDICAL INDIGENCY, MAY QUALIFY FOR AN ADDITIONAL DISCOUNT.

Part VI Supplemental Information

Complete this part to provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

FRANKLIN WOODS COMMUNITY HOSPITAL, Line Number 3 - Part V, Line 3

MSHA MET WITH TEN FOCUS GROUPS, EACH REPRESENTING ONE OF THE TEN HOSPITAL FACILITIES (INCLUDING ALL OF THE HOSPITALS INCLUDED IN THIS 990) LOCATED IN NINE COUNTIES WITHIN MSHA'S CORE SERVICE AREA. EACH GROUP CONSISTED OF PUBLIC HEALTH LEADERS, NURSES, NON-PROFIT DIRECTORS, COMMUNITY DEVELOPERS, FAITH BASED LEADERS, PUBLIC OFFICIALS AND SCHOOL REPRESENTATIVES. EACH GROUP RANGED IN ATTENDANCE FROM 6 TO 21 INDIVIDUALS. PARTICIPANTS WERE GIVEN SURVEYS TO DETERMINE A COUNTY'S HEALTH STATUS RATING, AVAILABLE RESOURCES, TOP HEALTH PRIORITIES, AND SUGGESTIONS FOR IMPROVEMENT. OPEN DISCUSSION FOLLOWED. THE COLLECTED INFORMATION WAS THEN PAIRED WITH STATISTICAL DATA IN ORDER TO PRIORITIZE HEALTH NEEDS. THE SPECIFIC NEEDS FOR EACH COUNTY WERE INCLUDED IN THE APPRORIATE FACILITY IMPLEMENTATION PLAN.

FRANKLIN WOODS COMMUNITY HOSPITAL, Line Number 3 - Part V, Line 4

EACH HOSPITAL WITHIN THE MSHA SYSTEM COMPLETED A CHNA. FOR THOSE HOSPITALS THAT ARE LOCATED IN THE SAME COUNTY, ONLY ONE COMMUNITY GROUP WAS SURVEYED. FOR INSTANCE, JOHNSON CITY MEDICAL CENTER AND FRANKLIN WOODS COMMUNITY

Part VI Supplemental Information

Complete this part to provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

HOSPITAL ARE BOTH LOCATED IN WASHINGTON COUNTY, TENNESSEE. WE SURVEYED 21 INDIVIDUALS FROM WASHINGTON COUNTY IN ORDER TO DETERMINE HEALTH PRIORITIES.

FWCH'S CHNA WAS CONDUCTED WITH ALL MSHA HOSPITALS TO INCLUDE: JOHNSON CITY MEDICAL CENTER, WOODRIDGE PSYCHIATRIC HOSPITAL, JAMES H. & CECILE C. QUILLEN REHABILITATION HOSPITAL, INDIAN PATH MEDICAL CENTER, SYCAMORE SHOALS HOSPITAL, JOHNSON COUNTY COMMUNITY HOSPITAL, RUSSELL COUNTY MEDICAL CENTER, JOHNSTON MEMORIAL HOSPITAL, SMYTH COUNTY COMMUNITY HOSPITAL, NORTON COMMUNITY HOSPITAL AND DICKENSON COMMUNITY HOSPITAL.

FRANKLIN WOODS COMMUNITY HOSPITAL, Line Number 3 - Part V, Line 7

MSHA PUBLISHED ITS COMMUNITY HEALTH NEEDS ASSESSMENT ON JUNE 29 OF FY12. THE DATA INCLUDED WAS COLLECTED OVER THE COURSE OF 2011 AND 2012. AN IMPLEMENTATION PLAN WAS CREATED FOR EACH HOSPITAL, AND EACH HOSPITAL'S BOARD APPROVED THE IMPLEMENTATION PLAN DURING THE MONTHS OF MAY AND JUNE 2012. NOW THAT THE IMPLEMENTATION PLANS HAVE BEEN ADOPTED, MSHA WILL BE ABLE TO BEGIN TAKING ACTION TO IMPROVE THE HEALTH PRIORITIES IN EACH COUNTY, THOUGH AT THIS POINT, NOT ALL OF THE PRIORITIES HAVE BEEN ADDRESSED. DUE TO LACK OF RESOURCES, SOME OF MSHA FACILITIES WERE UNABLE

Part VI Supplemental Information

Complete this part to provide the following information.

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

TO ADDRESS ISSUES THAT WERE IDENTIFIED.

FRANKLIN WOODS COMMUNITY HOSPITAL, Line Number 3 - Part V, Line 13g

DURING THE ADMISSION PROCESS, PATIENTS ARE TOLD THAT THE HOSPITAL HAS A FINANCIAL ASSISTANCE POLICY AND ADMISSION PAPERS GIVEN TO EACH PATIENT ADVISES THEM OF THE POLICY. BILLING CORRESPONDENCE ALSO ADVISES THAT FINANCIAL ASSISTANCE MAY BE AVAILABLE. A COMMUNITY RESOURCE GUIDE REPORTS THAT THE HOSPITAL HAS A FINANCIAL ASSISTANCE POLICY.

FRANKLIN WOODS COMMUNITY HOSPITAL, Line Number 3 - Part V, Line 19d

UNINSURED PATIENTS RECEIVE A 50% DISCOUNT; AND, BASED ON OTHER FACTORS SUCH AS INCOME OR MEDICAL INDIGENCY, MAY QUALIFY FOR AN ADDITIONAL DISCOUNT.

SYCAMORE SHOALS HOSPITAL, Line Number 4 - Part V, Line 3

MSHA MET WITH TEN FOCUS GROUPS, EACH REPRESENTING ONE OF THE TEN HOSPITAL FACILITIES (INCLUDING ALL OF THE HOSPITALS INCLUDED IN THIS 990) LOCATED IN NINE COUNTIES WITHIN MSHA'S CORE SERVICE AREA. EACH GROUP CONSISTED OF PUBLIC HEALTH LEADERS, NURSES, NON-PROFIT DIRECTORS, COMMUNITY DEVELOPERS, FAITH BASED LEADERS, PUBLIC OFFICIALS AND SCHOOL REPRESENTATIVES. EACH

Part VI Supplemental Information

Complete this part to provide the following information.

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

GROUP RANGED IN ATTENDANCE FROM 6 TO 21 INDIVIDUALS. PARTICIPANTS WERE GIVEN SURVEYS TO DETERMINE A COUNTY'S HEALTH STATUS RATING, AVAILABLE RESOURCES, TOP HEALTH PRIORITIES, AND SUGGESTIONS FOR IMPROVEMENT. OPEN DISCUSSION FOLLOWED. THE COLLECTED INFORMATION WAS THEN PAIRED WITH STATISTICAL DATA IN ORDER TO PRIORITIZE HEALTH NEEDS. THE SPECIFIC NEEDS FOR EACH COUNTY WERE INCLUDED IN THE APPRORIATE FACILITY IMPLEMENTATION PLAN.

SYCAMORE SHOALS HOSPITAL, Line Number 4 - Part V, Line 4

EACH HOSPITAL WITHIN THE MSHA SYSTEM COMPLETED A CHNA. FOR THOSE HOSPITALS THAT ARE LOCATED IN THE SAME COUNTY, ONLY ONE COMMUNITY GROUP WAS SURVEYED. FOR INSTANCE, JOHNSON CITY MEDICAL CENTER AND FRANKLIN WOODS COMMUNITY HOSPITAL ARE BOTH LOCATED IN WASHINGTON COUNTY, TENNESSEE. WE SURVEYED 21 INDIVIDUALS FROM WASHINGTON COUNTY IN ORDER TO DETERMINE HEALTH PRIORITIES.

SSH'S CHNA WAS CONDUCTED WITH ALL MSHA HOSPITALS TO INCLUDE: JOHNSON CITY MEDICAL CENTER, FRANKLIN WOODS COMMUNITY HOSPITAL, WOODRIDGE PSYCHIATRIC HOSPITAL, JAMES H. & CECILE C. QUILLEN REHABILITATION HOSPITAL, INDIAN PATH MEDICAL CENTER, JOHNSON COUNTY COMMUNITY HOSPITAL, RUSSELL COUNTY MEDICAL

Part VI Supplemental Information

Complete this part to provide the following information.

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

CENTER, JOHNSTON MEMORIAL HOSPITAL, SMYTH COUNTY COMMUNITY HOSPITAL, NORTON COMMUNITY HOSPITAL AND DICKENSON COMMUNITY HOSPITAL.

SYCAMORE SHOALS HOSPITAL, Line Number 4 - Part V, Line 7

MSHA PUBLISHED ITS COMMUNITY HEALTH NEEDS ASSESSMENT ON JUNE 29 OF FY12. THE DATA INCLUDED WAS COLLECTED OVER THE COURSE OF 2011 AND 2012. AN IMPLEMENTATION PLAN WAS CREATED FOR EACH HOSPITAL, AND EACH HOSPITAL'S BOARD APPROVED THE IMPLEMENTATION PLAN DURING THE MONTHS OF MAY AND JUNE 2012. NOW THAT THE IMPLEMENTATION PLANS HAVE BEEN ADOPTED, MSHA WILL BE ABLE TO BEGIN TAKING ACTION TO IMPROVE THE HEALTH PRIORITIES IN EACH COUNTY, THOUGH AT THIS POINT, NOT ALL OF THE PRIORITIES HAVE BEEN ADDRESSED. DUE TO LACK OF RESOURCES, SOME OF MSHA FACILITIES WERE UNABLE TO ADDRESS ISSUES THAT WERE IDENTIFIED.

SYCAMORE SHOALS HOSPITAL, Line Number 4 - Part V, Line 13g

DURING THE ADMISSION PROCESS, PATIENTS ARE TOLD THAT THE HOSPITAL HAS A FINANCIAL ASSISTANCE POLICY AND ADMISSION PAPERS GIVEN TO EACH PATIENT ADVISES THEM OF THE POLICY. BILLING CORRESPONDENCE ALSO ADVISES THAT FINANCIAL ASSISTANCE MAY BE AVAILABLE. A COMMUNITY RESOURCE GUIDE REPORTS

Part VI Supplemental Information

Complete this part to provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6f, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

THAT THE HOSPITAL HAS A FINANCIAL ASSISTANCE POLICY.

SYCAMORE SHOALS HOSPITAL, Line Number 4 - Part V, Line 19d

UNINSURED PATIENTS RECEIVE A 50% DISCOUNT; AND, BASED ON OTHER FACTORS SUCH AS INCOME OR MEDICAL INDIGENCY, MAY QUALIFY FOR AN ADDITIONAL DISCOUNT.

RUSSELL COUNTY MEDICAL CENTER, Line Number 5 - Part V, Line 3

MSHA MET WITH TEN FOCUS GROUPS, EACH REPRESENTING ONE OF THE TEN HOSPITAL FACILITIES (INCLUDING ALL OF THE HOSPITALS INCLUDED IN THIS 990) LOCATED IN NINE COUNTIES WITHIN MSHA'S CORE SERVICE AREA. EACH GROUP CONSISTED OF PUBLIC HEALTH LEADERS, NURSES, NON-PROFIT DIRECTORS, COMMUNITY DEVELOPERS, FAITH BASED LEADERS, PUBLIC OFFICIALS AND SCHOOL REPRESENTATIVES. EACH GROUP RANGED IN ATTENDANCE FROM 6 TO 21 INDIVIDUALS. PARTICIPANTS WERE GIVEN SURVEYS TO DETERMINE A COUNTY'S HEALTH STATUS RATING, AVAILABLE RESOURCES, TOP HEALTH PRIORITIES, AND SUGGESTIONS FOR IMPROVEMENT. OPEN DISCUSSION FOLLOWED. THE COLLECTED INFORMATION WAS THEN PAIRED WITH STATISTICAL DATA IN ORDER TO PRIORITIZE HEALTH NEEDS. THE SPECIFIC NEEDS FOR EACH COUNTY WERE INCLUDED IN THE APPRORIATE FACILITY IMPLEMENTATION PLAN.

Part VI Supplemental Information

Complete this part to provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

RUSSELL COUNTY MEDICAL CENTER, Line Number 5 - Part V, Line 4

EACH HOSPITAL WITHIN THE MSHA SYSTEM COMPLETED A CHNA. FOR THOSE HOSPITALS THAT ARE LOCATED IN THE SAME COUNTY, ONLY ONE COMMUNITY GROUP WAS SURVEYED. FOR INSTANCE, JOHNSON CITY MEDICAL CENTER AND FRANKLIN WOODS COMMUNITY HOSPITAL ARE BOTH LOCATED IN WASHINGTON COUNTY, TENNESSEE. WE SURVEYED 21 INDIVIDUALS FROM WASHINGTON COUNTY IN ORDER TO DETERMINE HEALTH PRIORITIES.

RCMC'S CHNA WAS CONDUCTED WITH ALL MSHA HOSPITALS TO INCLUDE: JOHNSON CITY MEDICAL CENTER, FRANKLIN WOODS COMMUNITY HOSPITAL, WOODRIDGE PSYCHIATRIC HOSPITAL, JAMES H. & CECILE C. QUILLEN REHABILITATION HOSPITAL, INDIAN PATH MEDICAL CENTER, SYCAMORE SHOALS HOSPITAL, JOHNSON COUNTY COMMUNITY HOSPITAL, JOHNSTON MEMORIAL HOSPITAL, SMYTH COUNTY COMMUNITY HOSPITAL, NORTON COMMUNITY HOSPITAL AND DICKENSON COMMUNITY HOSPITAL.

RUSSELL COUNTY MEDICAL CENTER, Line Number 5 - Part V, Line 7

MSHA PUBLISHED ITS COMMUNITY HEALTH NEEDS ASSESSMENT ON JUNE 29 OF FY12. THE DATA INCLUDED WAS COLLECTED OVER THE COURSE OF 2011 AND 2012. AN IMPLEMENTATION PLAN WAS CREATED FOR EACH HOSPITAL, AND EACH HOSPITAL'S

Part VI Supplemental Information

Complete this part to provide the following information.

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

BOARD APPROVED THE IMPLEMENTATION PLAN DURING THE MONTHS OF MAY AND JUNE 2012. NOW THAT THE IMPLEMENTATION PLANS HAVE BEEN ADOPTED, MSHA WILL BE ABLE TO BEGIN TAKING ACTION TO IMPROVE THE HEALTH PRIORITIES IN EACH COUNTY, THOUGH AT THIS POINT, NOT ALL OF THE PRIORITIES HAVE BEEN ADDRESSED. DUE TO LACK OF RESOURCES, SOME OF MSHA FACILITIES WERE UNABLE TO ADDRESS ISSUES THAT WERE IDENTIFIED.

RUSSELL COUNTY MEDICAL CENTER, Line Number 5 - Part V, Line 13g

DURING THE ADMISSION PROCESS, PATIENTS ARE TOLD THAT THE HOSPITAL HAS A FINANCIAL ASSISTANCE POLICY AND ADMISSION PAPERS GIVEN TO EACH PATIENT ADVISES THEM OF THE POLICY. BILLING CORRESPONDENCE ALSO ADVISES THAT FINANCIAL ASSISTANCE MAY BE AVAILABLE. A COMMUNITY RESOURCE GUIDE REPORTS THAT THE HOSPITAL HAS A FINANCIAL ASSISTANCE POLICY.

RUSSELL COUNTY MEDICAL CENTER, Line Number 5 - Part V, Line 19d

UNINSURED PATIENTS RECEIVE A 50% DISCOUNT; AND, BASED ON OTHER FACTORS SUCH AS INCOME OR MEDICAL INDIGENCY, MAY QUALIFY FOR AN ADDITIONAL DISCOUNT.

JOHNSON COUNTY COMMUNITY HOSPITAL, Line Number 6 - Part V, Line 3

Part VI Supplemental Information

Complete this part to provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.

2 Needs assessment. Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 Patient education of eligibility for assistance. Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 Community information. Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 Promotion of community health. Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 Affiliated health care system. If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 State filing of community benefit report. If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

MSHA MET WITH TEN FOCUS GROUPS, EACH REPRESENTING ONE OF THE TEN HOSPITAL FACILITIES (INCLUDING ALL OF THE HOSPITALS INCLUDED IN THIS 990) LOCATED IN NINE COUNTIES WITHIN MSHA'S CORE SERVICE AREA. EACH GROUP CONSISTED OF PUBLIC HEALTH LEADERS, NURSES, NON-PROFIT DIRECTORS, COMMUNITY DEVELOPERS, FAITH BASED LEADERS, PUBLIC OFFICIALS AND SCHOOL REPRESENTATIVES. EACH GROUP RANGED IN ATTENDANCE FROM 6 TO 21 INDIVIDUALS. PARTICIPANTS WERE GIVEN SURVEYS TO DETERMINE A COUNTY'S HEALTH STATUS RATING, AVAILABLE RESOURCES, TOP HEALTH PRIORITIES, AND SUGGESTIONS FOR IMPROVEMENT. OPEN DISCUSSION FOLLOWED. THE COLLECTED INFORMATION WAS THEN PAIRED WITH STATISTICAL DATA IN ORDER TO PRIORITIZE HEALTH NEEDS. THE SPECIFIC NEEDS FOR EACH COUNTY WERE INCLUDED IN THE APPRORIATE FACILITY IMPLEMENTATION PLAN.

JOHNSON COUNTY COMMUNITY HOSPITAL, Line Number 6 - Part V, Line 4

EACH HOSPITAL WITHIN THE MSHA SYSTEM COMPLETED A CHNA. FOR THOSE HOSPITALS THAT ARE LOCATED IN THE SAME COUNTY, ONLY ONE COMMUNITY GROUP WAS SURVEYED. FOR INSTANCE, JOHNSON CITY MEDICAL CENTER AND FRANKLIN WOODS COMMUNITY HOSPITAL ARE BOTH LOCATED IN WASHINGTON COUNTY, TENNESSEE. WE SURVEYED 21 INDIVIDUALS FROM WASHINGTON COUNTY IN ORDER TO DETERMINE HEALTH PRIORITIES.

Part VI Supplemental Information

Complete this part to provide the following information.

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

JCCH'S CHNA WAS CONDUCTED WITH ALL MSHA HOSPITALS TO INCLUDE: JOHNSON CITY MEDICAL CENTER, FRANKLIN WOODS COMMUNITY HOSPITAL, WOODRIDGE PSYCHIATRIC HOSPITAL, JAMES H. & CECILE C. QUILLEN REHABILITATION HOSPITAL, INDIAN PATH MEDICAL CENTER, SYCAMORE SHOALS HOSPITAL, RUSSELL COUNTY MEDICAL CENTER, JOHNSTON MEMORIAL HOSPITAL, SMYTH COUNTY COMMUNITY HOSPITAL, NORTON COMMUNITY HOSPITAL AND DICKENSON COMMUNITY HOSPITAL.

JOHNSON COUNTY COMMUNITY HOSPITAL, Line Number 6 - Part V, Line 7

MSHA PUBLISHED ITS COMMUNITY HEALTH NEEDS ASSESSMENT ON JUNE 29 OF FY12. THE DATA INCLUDED WAS COLLECTED OVER THE COURSE OF 2011 AND 2012. AN IMPLEMENTATION PLAN WAS CREATED FOR EACH HOSPITAL, AND EACH HOSPITAL'S BOARD APPROVED THE IMPLEMENTATION PLAN DURING THE MONTHS OF MAY AND JUNE 2012. NOW THAT THE IMPLEMENTATION PLANS HAVE BEEN ADOPTED, MSHA WILL BE ABLE TO BEGIN TAKING ACTION TO IMPROVE THE HEALTH PRIORITIES IN EACH COUNTY, THOUGH AT THIS POINT, NOT ALL OF THE PRIORITIES HAVE BEEN ADDRESSED. DUE TO LACK OF RESOURCES, SOME OF MSHA FACILITIES WERE UNABLE TO ADDRESS ISSUES THAT WERE IDENTIFIED.

Part VI Supplemental Information

Complete this part to provide the following information.

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

JOHNSON COUNTY COMMUNITY HOSPITAL, Line Number 6 - Part V, Line 13g

DURING THE ADMISSION PROCESS, PATIENTS ARE TOLD THAT THE HOSPITAL HAS A FINANCIAL ASSISTANCE POLICY AND ADMISSION PAPERS GIVEN TO EACH PATIENT ADVISES THEM OF THE POLICY. BILLING CORRESPONDENCE ALSO ADVISES THAT FINANCIAL ASSISTANCE MAY BE AVAILABLE. A COMMUNITY RESOURCE GUIDE REPORTS THAT THE HOSPITAL HAS A FINANCIAL ASSISTANCE POLICY.

JOHNSON COUNTY COMMUNITY HOSPITAL, Line Number 6 - Part V, Line 19d

UNINSURED PATIENTS RECEIVE A 50% DISCOUNT; AND, BASED ON OTHER FACTORS SUCH AS INCOME OR MEDICAL INDIGENCY, MAY QUALIFY FOR AN ADDITIONAL DISCOUNT.

Needs Assessment

Part VI, Line 2

MSHA INCLUDED AMERICA'S HEALTH RANKINGS (AHR) IN ITS ASSESSMENT IN ORDER TO BETTER DEFINE THE HEALTH CARE NEEDS OF THE COMMUNITIES IT SERVES. TENNESSEE RANKED 39TH AND VIRGINIA RANKED 20TH; HOWEVER, IT SHOULD BE NOTED THAT SOUTHWEST VIRGINIA (WHERE SOME OF MSHA FACILITIES ARE LOCATED) CLOSELY RESEMBLES THE HEALTH RANKINGS FOR TENNESSEE. AMERICA'S HEALTH RANKINGS ARE BASED ON A SERIES OF MEASURES INCLUDING SEVERAL HEALTH OUTCOMES AND HEALTH

Part VI Supplemental Information

Complete this part to provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.

2 Needs assessment. Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 Patient education of eligibility for assistance. Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 Community information. Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 Promotion of community health. Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 Affiliated health care system. If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 State filing of community benefit report. If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

FACTORS. A SURVEY WAS GIVEN TO 67 INDIVIDUALS REPRESENTING THE NINE COUNTIES IN WHICH MSHA OWNS A FACILITY. THESE INDIVIDUALS INCLUDED PHYSICIANS, PUBLIC HEALTH LEADERS, NON-PROFIT DIRECTORS, SCHOOL NURSES AND OFFICIALS, AND BUSINESS LEADERS. A SURVEY WAS GIVEN TO EACH INDIVIDUAL SEEKING FEEDBACK REGARDING AVAILABLE RESOURCES IN EACH AREA, THE HEALTH STATUS, HEALTH PRIORITIES, AND SUGGESTIONS FOR IMPROVEMENT. THE MAJORITY OF RESPONSES SUGGESTED FOCUSING ON EDUCATION IN ORDER TO PROMOTE HEALTHY HABITS. OTHER RESPONSES INCLUDED: MAKE PHYSICAL EDUCATION A REQUIREMENT AS PART OF SCHOOL CURRICULUM, IMPROVE NATURAL TRAILS AND WALKWAYS, INCREASE COMMUNITY SUPPORT FOR SMOKE-FREE AREAS, PARTNER WITH LOCAL FARMER'S MARKETS, SHARE HEALTH INFORMATION BETWEEN PHARMACIES, NETWORK WITH SMALL BUSINESSES AND NON-PROFITS IN ORDER TO AVOID DUPLICATING RESOURCES, AND PROVIDE EARLY SCREENINGS FOR THE UNINSURED OR UNDERINSURED. OVERALL, THE COMMUNITY MEMBERS GAVE MSHA'S CORE SERVICE AREA A HEALTH STATUS RANKING OF 4.24 OUT OF 10 (1 BEING THE LOWEST, 10 BEING THE HIGHEST). ALSO, ALL 67 PARTICIPANTS AGREED THAT OBESITY, CANCER, HEART DISEASE AND DIABETES WERE THE TOP HEALTH PRIORITIES IN EACH COUNTY. AHR REPORTS THAT TENNESSEE AND VIRGINIA BOTH SAW AN INCREASE IN DIABETES AND OBESITY WITHIN THE PAST TEN YEARS. TENNESSEE ALSO RANKED 44TH FOR CARDIOVASCULAR DISEASE AND 46TH FOR

Part VI Supplemental Information

Complete this part to provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.

2 Needs assessment. Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 Patient education of eligibility for assistance. Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 Community information. Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 Promotion of community health. Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 Affiliated health care system. If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 State filing of community benefit report. If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

CANCER DEATHS. VIRGINIA OVERALL HAD A BETTER RANKING IN THESE TWO CATEGORIES, BUT AS STATED EARLIER, SOUTHWEST VIRGINIA CLOSELY RESEMBLES TENNESSEE. MSHA PLANS TO USE THE AVAILABLE RESOURCES TO START IMPROVING THE HEALTH STATUS OF NORTHEAST TENNESSEE AND SOUTHWEST VIRGINIA.

Patient Education of Eligibility for Assistance

Part VI, Line 3

MSHA PROVIDES COMMUNICATION OF FINANCIAL ASSISTANCE ON ITS WEBSITE AND ON POSTERS LOCATED IN PROMINENT AREAS OF THE HOSPITALS SUCH AS ADMITTING AND THE EMERGENCY DEPARTMENTS. PRINTED EDUCATIONAL MATERIALS INCLUDING FINANCIAL ASSISTANCE CONTACT INFORMATION ARE ALSO PROVIDED IN EACH PATIENT'S PAPERWORK. POSTERS AND REFERENCE MATERIALS ARE WRITTEN IN BOTH ENGLISH AND SPANISH. ADMITTING STAFF ARE TRAINED TO EDUCATE PATIENTS ON MSHA'S FINANCIAL ASSISTANCE POLICY. MSHA ALSO HAS FINANCIAL COUNSELORS TO PROVIDE FURTHER INFORMATION AND ASSISTANCE TO MSHA PATIENTS REGARDING MSHA'S FINANCIAL ASSISTANCE POLICY. THESE COUNSELORS ALSO HELP UNINSURED PATIENTS DETERMINE SOURCES OF PAYMENT FOR MEDICAL BILLS AND HELP PATIENTS DETERMINE ELIGIBILITY FOR PROGRAMS SUCH AS TNCARE/MEDICAID. IN ADDITION, MSHA CONTRACTS WITH THE COMPANY FIRSTSOURCE SOLUTIONS USA TO WORK WITH

Part VI Supplemental Information

Complete this part to provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

SELF-PAYING PATIENTS WHO HAVE LIMITED FINANCIAL RESOURCES. FIRSTSOURCE SOLUTIONS DETERMINES A PATIENT'S ELIGIBILITY IN MEDICAL COVERAGE OPTIONS AND ASSISTS WITH THEIR ENROLLMENT. MSHA BEARS THE COST FOR THE FIRSTSOURCE SOLUTIONS PROGRAM.

Community Information

MSHA SERVES THE HEALTHCARE NEEDS OF 29 APPALACHIAN COUNTIES IN TENNESSEE, SOUTHWEST VIRGINIA, KENTUCKY AND NORTH CAROLINA. SOME OF THE COUNTIES MSHA SERVES ARE FEDERALLY DESIGNATED MEDICALLY UNDERSERVED AREAS. MSHA OPERATES 2 CRITICAL ACCESS HOSPITALS: DICKENSON COMMUNITY HOSPITAL IN VIRGINIA AND JOHNSON COUNTY COMMUNITY HOSPITAL IN TENNESSEE. THESE TWO FACILITIES OPERATE IN FEDERALLY DESIGNATED MEDICALLY UNDERSERVED AREAS.

THE HEALTH STATUS OF THE POPULATION IN MSHA'S SERVICE AREA IS GENERALY POOR. THE SERVICE AREA EXTENDS TO SOME OF THE POOREST RURAL COUNTIES IN THE REGION WITH A POVERTY RATE OF ALMOST 30%. SOME OF THE MOST WELL OFF COUNTIES IN MSHA'S SERVICE AREA STILL HAVE A MEDIAN HOUSEHOLD INCOME LOWER THAN STATE AND NATIONAL AVERAGES. RURAL SERVICE AREA COUNTIES SHARE COMMON CHALLENGES OF:

Part VI Supplemental Information

Complete this part to provide the following information.

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

1. HIGH RATES OF UNINSURED

2. HIGH PREVALENCE OF OBESITY

3. HIGH PREVALENCE OF DIABETES

Health of Community in Relation to Exempt Purpose

Part VI, Line 5

MSHA IS DEDICATED TO OPERATING EFFICIENTLY SO THAT WASTE IS MINIMIZED. MSHA'S LEADERSHIP REMAINS MINDFUL OF MANAGING THE ALLIANCE'S LIMITED RESOURCES SO THAT ADEQUATE FACILITIES AND EQUIPMENT ARE AVAILABLE FOR THE CARE OF OUR PATIENTS. VARIOUS CHECKS AND BALANCES ARE ESTABLISHED TO ENSURE THAT EXPENDITURES FOR OPERATING EXPENSES AND CAPITAL COSTS ARE REASONABLE AND NECESSARY.

THE MAJORITY OF MSHA'S GOVERNING BODY IS COMPRISED OF PERSONS WHO RESIDE IN THE ORGANIZATION'S PRIMARY SERVICE AREA.

PHYSICIANS THAT REQUEST PRIVILEGES WHO ARE QUALIFIED AND CREDENTIALED ARE EXTENDED PRIVILEGES BY MSHA.

Part VI Supplemental Information

Complete this part to provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

Affiliated Health Care Information

MSHA PROVIDES CARE TO PEOPLE IN 29 COUNTIES IN TENNESSEE, VIRGINIA, KENTUCKY AND NORTH CAROLINA. EACH HOSPITAL IS FULLY ACCREDITED, MOST BY THE JOINT COMMISSION.

MSHA IS INTEGRATED BOTH VERTICALLY AND HORIZONTALLY AND IS THE LARGEST REGIONAL HEALTHCARE SYSTEM WITH 13 HOSPITALS. NINE FACILITIES ARE WHOLLY-OWNED FACILITIES: 8 FACILITIES IN TENNESSEE AND 1 IN VIRGINIA. EACH FACILITY IN THIS FORM 990 IS ACCREDITED BY THE JOINT COMMISSION WITH THE EXCEPTION OF JCCH. JCCH RECEIVES CERTIFICATION THROUGH THE STATE OF TENNESSEE SINCE IT IS A CRITICAL ACCESS HOSPITAL.

IN ADDITION TO THE WHOLLY-OWNED HOSPITALS WITHIN THIS FORM 990, MSHA ALSO HAS MAJORITY OWNERSHIP IN 4 HOSPITALS IN SOUTHWEST VIRGINIA. IN ADDITION TO OUR ACUTE CARE HOSPITALS, OUR SYSTEM ALSO INCLUDES SUCH SERVICES AS: PRIMARY/SPECIALTY PHYSICIAN PRACTICES, URGENT CARE CENTERS, EMERGENCY DEPARTMENTS, OCCUPATIONAL MEDICINE, REHABILITATION, OUTREACH LABORATORY, MENTAL HEALTH, NEONATAL INTENSIVE CARE, A NACHRI-AFFILIATED CHILDREN'S HOSPITAL, RENAL DIALYSIS, ST. JUDE'S ONCOLOGY, INPATIENT/OUTPATIENT

Part VI Supplemental Information

Complete this part to provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.

2 Needs assessment. Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 Patient education of eligibility for assistance. Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 Community information. Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 Promotion of community health. Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 Affiliated health care system. If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 State filing of community benefit report. If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

SURGERY, SKILLED NURISNG, HOME HEALTH, AIR AMBULANCE TRANSPORT AND MORE.

WITH THESE ADDITIONAL FACILITIES AND SERVICES, MSHA EXTENDS A HIGHLY EFFECTIVE HEALTH CARE DELIVERY SYSTEM. SINCE OUR SYSTEM IS BOTH HORIZONTALLY AND VERTICALLY INTEGRATED, PATIENTS CAN BE EFFICIENTLY MOVED ALONG AN INTEGRATED, COMPREHENSIVE CONTINUUM OF CARE AS THEIR HEALTH STATUS DICTATES. OUR FLAGSHIP FACILITY, JOHNSON CITY MEDICAL CENTER IS AT THE CORE OF OUR SYSTEM OFFERING FULL SERVICE TERTIARY CARE.

IN ADDITION TO OUR HOSPITALS, MSHA IS THE SOLE MEMBER OF BLUE RIDGE MEDICAL MANAGEMENT CORPORATION (BRMMC). MSHA EXTENDS AN INTEGRATED HEALTHCARE DELIVERY SYSTEM THROUGH BRMMC TO INCLUDE MULTIPLE PRIMARY AND SPECIALTY CARE PATIENT ACCESS CENTERS AND NUMEROUS OUTPATIENT CARE SITES, INCLUDING URGENT CARE CENTERS, OCCUPATIONAL MEDICINE SERVICES, A SAME DAY SURGERY CENTER AND OUTPATIENT REHABILITATION.

MSHA COUNTY-SPECIFIC OPERATIONS ARE GOVERNED BY A COMMUNITY BOARD OF DIRECTORS. COUNTY BOARDS REPORT TO A SYSTEM LEVEL BOARD OF DIRECTORS. ALL BOARDS ARE PRIMARILY COMPOSED OF LOCAL COMMUNITY RESIDENTS.

Part VI Supplemental Information

Complete this part to provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

Part VI, Line 8

MSHA SUBMITS COMMUNITY BENEFIT DATA TO THE VIRGINIA HEALTH AND HOSPITAL ASSOCIATION (VHHA) AND THE HOSPITAL ALLIANCE OF TENNESSEE (HAT). VHHA COMBINES DATA FROM ALL SOURCES TO DEMONSTRATE THE COMMUNITY BENEFITS PROVIDED BY BOTH FOR-PROFIT AND NOT-FOR-PROFIT HOSPITALS AND HEALTH SYSTEMS TO THE STATE OF VIRGINIA. HAT PROVIDES ITS MEMBERS AND TENNESSEE LEGISLATORS WITH COMMUNITY BENEFIT DATA IN AN EFFORT TO PROVIDE A CLEAR PICTURE OF NOT-FOR-PROFIT HEALTH SYSTEMS' INVESTMENT IN THE COMMUNITIES THEY SERVE.

List of States Where Community Benefit Report is Filed

Tennessee, Virginia

19340MSHA

SCHEDU.
(Form 990)

Department of the Treasury
Internal Revenue Service

Grants and Other Assistance to Organizations, Governments, and Individuals in the United States

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

▶ Attach to Form 990.

OMB No. 1545-0047

2011

Open to Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

Part I General Information on Grants and Assistance

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

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Governments and Organizations in the United States.

Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than $5,000. Check this box if no one recipient received more than $5,000. Part II can be duplicated if additional space is needed ▶ ☐

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) SUSAN KOMEN BREAST CANCER FOUND. P.O. BOX 5835 KINGSPORT TN 37663	84-1689067	501C3	9,000	1,122		PRINTING	SPONSORSHIP
(2) ETSU FOUNDATION P. O. BOX 70721 JOHNSON CITY TN 37614	23-7092731	501C3	10,000				SUPPORT BUSINESS COL
(3) EAST TENNESSEE STATE UNIVERSITY P.O. BOX 70732 JOHNSON CITY TN 37614	62-6021046	501C3	24,500				SUPPORT FIT KIDS
(4) COALITION FOR KIDS P.O. BOX 3156 JOHNSON CITY TN 37602	62-1765487	501C3		10,795			FIGHT CHILD OBESITY
(5) JC PARKS & RECREATION FOUNDATION 4137 BRISTOL HIGHWAY JOHNSON CITY TN 37601	38-3731893	501C3	15,000				SPONSORSHIP
(6) AMERICAN DIABETES ASSOCIATION P.O. BOX 930850 ATLANTA GA 31193-0850	13-1623888	501C3	10,000				
(7) BOYS & GIRLS CLUB OF KINGSPORT P.O. BOX 784, 213 LEE STREET KINGSPORT TN 37662	62-0481370	501C3	10,000				PROGRAM SUPPORT
(8) MOUNTAIN STATES FOUNDATION 2335 KNOB CREEK ROAD, SUITE 101 JOHNSON CITY TN 37604	58-1418862	501C3	672,450	95		PRINTING	PROGRAM SUPPORT
(9) RUSSELL COUNTY PUBLIC SCHOOLS P. O. BOX 8 LEBANON VA 24266	54-6001591	501C3	6,500				PROGRAM SUPPORT

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table ▶ 14

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

19340MSHA

SCHEDU.
(Form 990)

Department of the Treasury
Internal Revenue Service

Grants and Other Assistance to Organizations, Governments, and Individuals in the United States

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

▶ Attach to Form 990.

OMB 1545-0047

2011

Open to Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

Part I General Information on Grants and Assistance

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

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Governments and Organizations in the United States.

Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than $5,000. Check this box if no one recipient received more than $5,000. Part II can be duplicated if additional space is needed ▶ ☐

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) UNITED WAY WASHINGTON CO. P. O. BOX 4039 JOHNSON CITY TN 37602	62-6001105	501C3	10,000	1,675		PRINT & POSTAGE	PROGRAM SUPPORT
(2) LEBANON LIFESAVING CREW INC. P. O. BOX 791 LEBANON VA 24266	54-1382140	501C3	25,694	811		DRUG BOX REFILL	HEART MONITORS
(3) FOUNDATION OF THE NSNA 45 MAIN STREET #606 BROOKLYN NY 11201	13-5123125	501C3	5,370				NURSING SCHOLARSHIP
(4) AMERICAN HEART ASSOCIATION 3101 BROWNS MILL RD.; SUITE 6-321 JOHNSON CITY TN 37604	13-5613797	501C3	35,000				PROGRAM SUPPORT
(5) MARCH OF DIMES P.O. BOX 799, 2700 S ROAN ST. #430 JOHNSON CITY TN 37605	13-1846366		17,500	567		PRINTING	PROGRAM SUPPORT
(6)							
(7)							
(8)							
(9)							

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

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

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

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

Part IV **Supplemental Information.** Complete this part to provide the information required in Part I, line 2, and any other additional information.

Part I, Line 2 - Procedures for Monitoring the Use of Grant Funds

PART I, LINE 2: MSHA ADHERED TO THE FOLLOWING CRITERIA FOR OUR CONTRIBUTIONS TO ORGANIZATIONS IN THE REGION:

HEALTHCARE: THE ORGANIZATION ENHANCED OR IMPROVED ACCESS FOR THE UNINSURED OR UNDERINSURED POPULATION OR SUPPORTED A PROGRAM TO IMPROVE THE HEALTH OF OUR CHILDREN (I.E., CHILDHOOD OBESITY PREVENTION).

EDUCATION: THE ORGANIZATION PROVIDED A PROGRAM TO IMPROVE EDUCATION OF THE CHILDREN IN OUR REGION ALL THE WAY TO COLLEGE AGE STUDENTS (RN

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

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

Part IV **Supplemental Information.** Complete this part to provide the information required in Part I, line 2, and any other additional information.

NURSING PROGRAMS).

QUALITY OF LIFE: THE ORGANIZATION OFFERED PROGRAMS TO ENHANCE THE QUALITY OF LIFE WHICH IS IMPORTANT IN THE RECRUITMENT EFFORTS OF BUSINESSES IN THE REGION AS WE WORK TO ATTRACT AND RETAIN THE BEST TALENT.

FOR THE SUPPORTED PROGRAMS, METRICS WERE ESTABLISHED TO DETERMINE THE SUCCESS (OR FAILURE) OF EACH PROGRAM TO WHICH MSHA CONTRIBUTES. AS THE DEPRESSED ECONOMIC SITUATION CONTINUED DURING FY12. THE CRITERIA USED IN THE DECISION MAKING PROCESS FOR MAJOR DONATIONS WAS REVISED TO SUPPORT

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

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

Part IV **Supplemental Information.** Complete this part to provide the information required in Part I, line 2, and any other additional information.

THOSE PROGRAMS WHICH FOCUSED ON HEALTH AND WELLNESS INITIATIVES, PARTICULARLY THOSE FIGHTING CHILDHOOD OBESITY.

SCHEDULE J
(Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

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

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 23.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2011

Open to Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

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 in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.		
	[X] First-class or charter travel		
	[ ] Travel for companions		
	[ ] Tax indemnification and gross-up payments		
	[ ] Discretionary spending account		
	[ ] Housing allowance or residence for personal use		
	[ ] Payments for business use of personal residence		
	[ ] Health or social club dues or initiation fees		
	[ ] Personal services (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	X	
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	X	
3	Indicate which, if any, of the following the filing organization uses 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. Explain in Part III.		
	[X] Compensation committee		
	[X] Independent compensation consultant		
	[ ] Form 990 of other organizations		
	[X] Written employment contract		
	[X] Compensation survey or study		
	[X] Approval by the board or compensation committee		
	During the year, did any person listed in 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?		X
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	X	
c	Participate in, or receive payment from, an equity-based compensation arrangement?		X
	If "Yes" to any of lines 4a–c, list the persons and provide the applicable amounts for each item in Part III.		
	Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5–9.		
5	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:		
a	The organization?		X
b	Any related organization?		X
	If "Yes" to line 5a or 5b, describe in Part III.		
6	For persons listed in 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?		X
b	Any related organization?		X
	If "Yes" to line 6a or 6b, describe in Part III.		
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III		X
8	Were any amounts reported in 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		X
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?		

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

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

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)–(D)	(F) Compensation reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
DENNIS VONDERFECHT	(i)	764,230	252,675	82,683	144,600	22,685	1,266,873	0
1	(ii)	0	0	0	0	0	0	0
MARVIN EICHORN	(i)	440,258	157,892	74,334	14,700	20,843	708,027	0
2	(ii)	0	0	0	0	0	0	0
CANDACE JENNINGS	(i)	396,230	140,783	16,704	52,596	20,923	627,236	0
3	(ii)	0	0	0	0	0	0	0
ANN FLEMING	(i)	345,309	116,778	39,233	47,553	19,175	568,048	0
4	(ii)	0	0	0	0	0	0	0
BRAD NURKIN	(i)	201,273	88,769	104,605	2,192	19,051	415,890	0
5	(ii)	0	0	0	0	0	0	0
MONTY MCLAURIN	(i)	255,744	78,002	14,955	27,874	27,968	404,543	0
6	(ii)	0	0	0	0	0	0	0
LYNN KRUTAK	(i)	209,522	59,811	2,315	14,824	15,923	302,395	0
7	(ii)	0	0	0	0	0	0	0
DAVID NICELY	(i)	200,047	49,739	12,520	8,529	18,461	289,296	0
8	(ii)	0	0	0	0	0	0	0
SHANE HILTON	(i)	193,442	46,928	13,502	12,104	23,417	289,393	0
9	(ii)	0	0	0	0	0	0	0
CYNTHIA SALYER	(i)	179,125	58,693	4,076	20,647	22,306	284,847	0
10	(ii)	0	0	0	0	0	0	0
DALE CLAYTORE	(i)	172,480	40,007	15,384	9,428	3,356	240,655	0
11	(ii)	0	0	0	0	0	0	0
PAT NIDAY	(i)	145,691	35,094	12,479	6,854	23,498	223,616	0
12	(ii)	0	0	0	0	0	0	0
MORRIS SELIGMAN, M.D.	(i)	413,000	155,691	28,996	50,582	29,263	677,532	0
13	(ii)	0	0	0	0	0	0	0
FRANK LAURO, M.D.	(i)	414,898	35,016	92	9,970	19,357	479,333	0
14	(ii)	0	0	0	0	0	0	0
JAMES PASKERT, M.D.	(i)	338,025	75,998	12,719	17,123	20,824	464,689	0
15	(ii)	0	0	0	0	0	0	0
DOUGLAS EDEMA	(i)	327,315	52,449	18,104	16,675	21,222	435,765	0
16	(ii)	0	0	0	0	0	0	0

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

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

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

	(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)–(D)	(F) Compensation reported as deferred in prior Form 990
			(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1	CARL KILGORE	(i)	298,394	82,632	12,193	31,500	19,072	443,791	0
		(ii)	0	0	0	0	0	0	0
2		(i)							
		(ii)							
3		(i)							
		(ii)							
4		(i)							
		(ii)							
5		(i)							
		(ii)							
6		(i)							
		(ii)							
7		(i)							
		(ii)							
8		(i)							
		(ii)							
9		(i)							
		(ii)							
10		(i)							
		(ii)							
11		(i)							
		(ii)							
12		(i)							
		(ii)							
13		(i)							
		(ii)							
14		(i)							
		(ii)							
15		(i)							
		(ii)							
16		(i)							
		(ii)							

Part III Supplemental Information

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

Part I, Line 1a - Fringe or Expense Explanation

BOARD MEMBERS AND TEAM MEMBERS OF MSHA ARE NOT PERMITTED TO TRAVEL FIRST-CLASS WITH THE EXCEPTION OF MSHA'S CEO. AS SANCTIONED BY MSHA'S BOARD OF DIRECTORS, MSHA'S CEO IS PERMITTED TO TRAVEL FIRST-CLASS WHEN THE FLIGHT'S DURATION IS GREATER THAN TWO HOURS. DUE TO THE LENGTH OF SUCH FLIGHTS, THE BOARD BELIEVES IT IS IN THE BEST INTEREST OF MSHA FOR THE CEO TO TRAVEL FIRST-CLASS. CHARTER TRAVEL IS LIMITED TO MSHA BUSINESS TRIPS THAT INCLUDE NUMEROUS TRAVELERS AND WHICH CAN BE JUSTIFIED BASED UPON FINANCIAL AND/OR ESSENTIAL TIME SAVINGS. CHARTER FLIGHTS MUST BE APPROVED BY THE CEO PRIOR TO BOOKING THE FLIGHT.

Part I, Line 4 - Severance, Nonqualified, and Equity-Based Payments

	Severance	Nonqualified	Equity-based
DENNIS VONDERFECHT	0	125,000	0
CANDACE JENNINGS	0	40,346	0
ANN FLEMING	0	35,303	0
MONTY MCLAURIN	0	13,352	0
DAVID NICELY	0	269	0

Part III Supplemental Information

Complete this part to 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.

CYNTHIA SALYER	0	9,411	0
MORRIS SELIGMAN, M.D.	0	42,363	0
FRANK LAURO, M.D.	0	3,173	0
JAMES PASKERT, M.D.	0	17,123	0
DOUGLAS EDEMA	0	16,675	0
CARL KILGORE	0	15,208	0

Part III - Other Additional Information

PART I, LINE 4B:

THE FOLLOWING EXECUTIVES LISTED IN SCHEDULE J, PART II PARTICIPATED IN A 457(F) RETIREMENT PLAN PROVIDED BY MOUNTAIN STATES HEALTH ALLIANCE (MSHA): DENNIS VONDERFECHT, ANN FLEMING, CANDACE JENNINGS, MONTY MCLAURIN, CINDY SALYER, MORRIS SELIGMAN, FRANK LAURO, DAVID NICELY, JAMES PASKERT, DOUGLAS EDEMA, AND CARL KILGORE. 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 ADDITON TO CREDITOR RISK, SUBSTANTIAL RISK OF FORFEITURE IS CREATED THROUGH

Part III Supplemental Information

Complete this part to 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.

DEFAULT RISK IF THE PARTICIPANT'S EMPLOYMENT WITH MSHA 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. (ELIGIBLE SERVICE IS OFFICER SERVICE THAT PERMITTED THE EXECUTIVE TO PARTICIPATE IN THE PLAN.) 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 OCCCURS.

DISTRIBUTIONS FROM THIS PLAN ARE SUBJECT TO FEDERAL, STATE, AND LOCAL TAXES ON THE ENTIRE ACCOUNT BALANCE UPON DISTRIBUTION.

SCHEDULE K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax-Exempt Bonds

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

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2011

Open to Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

Part I Bond Issues

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of Issuer		(i) Pooled financing	
							Yes	No	Yes	No	Yes	No
A	HLTH & EDU. FACILITIES BD. 2011A&B	62-1464028	478271JS9	10/19/11	195,840,000	CONSTRUCT AND EQUIP		X		X		X
B	HLTH & EDU. FACILITIES BD. 2010A&B	62-1464028	478271JH3	04/29/10	205,877,528	PARTIAL REFUNDING OF		X		X		X
C	HLTH & EDU. FACILITIES BD.2009A,B,C	62-1464028	478271HT9	03/31/09	124,301,533	CONSTRUCT AND EQUIP		X		X		X
D	HLTH & EDU. FACILITIES BD. 2008A&B	62-1464028	478271HL6	02/20/08	127,000,000	ACQUIRE, CONSTRUCT		X		X		X

Part II Proceeds

	A	B	C	D
1 Amount of bonds retired		9,620,000		60,825,000
2 Amount of bonds legally defeased				
3 Total proceeds of issue	195,840,000	206,072,386	125,179,916	129,698,430
4 Gross proceeds in reserve funds		18,402,779	12,200,052	
5 Capitalized interest from proceeds				2,719,365
6 Proceeds in refunding escrows				
7 Issuance costs from proceeds	2,328,425	3,474,644	2,481,706	1,953,563
8 Credit enhancement from proceeds				324,975
9 Working capital expenditures from proceeds				
10 Capital expenditures from proceeds	154,142,550		94,192,104	75,648,290
11 Other spent proceeds	34,166,505	184,194,962	9,870,809	47,306,504
12 Other unspent proceeds	5,202,520	16,988,109	6,435,244	926,984
13 Year of substantial completion				

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
14 Were the bonds issued as part of a current refunding issue?	X		X			X		X
15 Were the bonds issued as part of an advance refunding issue?		X		X		X		X
16 Has the final allocation of proceeds been made?		X		X		X		X
17 Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X		X		X	

Part III Private Business Use

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

SCHEDULE K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax-Exempt Bonds

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

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2011

Open to Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

Part I Bond Issues

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pooled financing	
							Yes	No	Yes	No	Yes	No
A	HLTH & EDU. FACILITIES BD. 2006A	62-1464028	478271GX1	02/14/06	178,614,171	CONSTRUCT AND EQUIP		X		X		X
B												
C												
D												

Part II Proceeds

	A	B	C	D
1 Amount of bonds retired	4,035,000			
2 Amount of bonds legally defeased				
3 Total proceeds of issue	185,058,704			
4 Gross proceeds in reserve funds	17,303,000			
5 Capitalized interest from proceeds				
6 Proceeds in refunding escrows				
7 Issuance costs from proceeds	2,383,533			
8 Credit enhancement from proceeds				
9 Working capital expenditures from proceeds				
10 Capital expenditures from proceeds	101,295,664			
11 Other spent proceeds	64,076,506			
12 Other unspent proceeds				
13 Year of substantial completion				

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
14 Were the bonds issued as part of a current refunding issue?	X							
15 Were the bonds issued as part of an advance refunding issue?	X							
16 Has the final allocation of proceeds been made?	X							
17 Does the organization maintain adequate books and records to support the final allocation of proceeds?	X							

Part III Private Business Use

	A		B		C		D	
	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	
3a Are there any management or service contracts that may result in private business use of bond-financed property?	Yes: X	No	Yes: X	No	Yes: X	No	Yes: X	No
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?	Yes: X	No	Yes: X	No	Yes: X	No	Yes: X	No
c Are there any research agreements that may result in private business use of bond-financed property?	Yes	No: X	Yes	No: X	Yes	No: X	Yes	No: 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?	Yes	No	Yes	No	Yes	No	Yes	No
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 Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	Yes: X	No	Yes: X	No	Yes: X	No	Yes: X	No

Part IV Arbitrage

	A		B		C		D	
1 Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?	Yes	No: X	Yes	No: X	Yes	No: X	Yes	No: X
2 Is the bond issue a variable rate issue?	Yes: X	No	Yes	No: X	Yes	No: X	Yes: X	No
3a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?	Yes	No: X	Yes	No: X	Yes	No: X	Yes: X	No
b Name of provider							MERRILL LYNCH	
c Term of hedge								30.4
d Was the hedge superintegrated?	Yes	No	Yes	No	Yes	No	Yes	No: X
e Was the hedge terminated?	Yes	No	Yes	No	Yes	No	Yes	No: X
4a Were gross proceeds invested in a guaranteed investment contract (GIC)?	Yes	No: X	Yes	No: X	Yes	No: X	Yes	No: 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?	Yes	No	Yes	No	Yes	No	Yes	No
5 Were any gross proceeds invested beyond an available temporary period?	Yes	No: X	Yes	No: X	Yes: X	No	Yes: X	No
6 Did the bond issue qualify for an exception to rebate?	Yes	No: X	Yes	No: X	Yes	No: X	Yes	No: X

Part V Procedures To Undertake Corrective Action

Check the box if 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 ☐ Yes ☒ No

Part VI Supplemental Information. Complete this part to provide additional information for responses to questions on Schedule K (see instructions).

Schedule K - Purpose of Issue Description
HLTH & EDU. FACILITIES BD. 2011A&B
(LINE A) CONSTRUCT AND EQUIP HOSPITAL FACILITIES,INCLUDING REFINANCING
TAXABLE DEBT RELATING THERETO, REFUND BONDS ISSUED 12/01/2001; REFINANCING
LOANS AND EQUIPMENT LEASES.

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 Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	X							

Part IV Arbitrage

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?		X						
2 Is the bond issue a variable rate issue?		X						
3a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?	X							
b Name of provider	MERRILL LYNCH,							
c Term of hedge	0.2							
d Was the hedge superintegrated?		X						
e Was the hedge terminated?		X						
4a Were gross proceeds invested in a guaranteed investment contract (GIC)?	X							
b Name of provider	J.P. MORGAN							
c Term of GIC								
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?		X						
5 Were any gross proceeds invested beyond an available temporary period?	X							
6 Did the bond issue qualify for an exception to rebate?		X						

Part V Procedures To Undertake Corrective Action

Check the box if 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 ☐ Yes ☒ No

Part VI Supplemental Information. Complete this part to provide additional information for responses to questions on Schedule K (see instructions).

HLTH & EDU. FACILITIES BD. 2010A&B
(LINE B) PARTIAL REFUNDING OF BONDS ISSUED 12/14/2007 (2007A) AND (2007C)
AND 2/20/2008 (2008A).

Part III Private Business Use (Continued)

	A		B		C		D	
3a Are there any management or service contracts that may result in private business use of bond-financed property?	Yes	No	Yes	No	Yes	No	Yes	No
b If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?								
c Are there any research agreements that may result in private business use of bond-financed property?								
d If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
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 Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?								

Part IV Arbitrage

	A		B		C		D	
1 Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?	Yes	No	Yes	No	Yes	No	Yes	No
2 Is the bond issue a variable rate issue?								
3a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?								
b Name of provider								
c Term of hedge								
d Was the hedge superintegrated?								
e Was the hedge terminated?								
4a Were gross proceeds invested in a guaranteed investment contract (GIC)?								
b Name of provider								
c Term of GIC								
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
5 Were any gross proceeds invested beyond an available temporary period?								
6 Did the bond issue qualify for an exception to rebate?								

Part V Procedures To Undertake Corrective Action

Check the box if 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 ☐ Yes ☒ No

Part VI Supplemental Information. Complete this part to provide additional information for responses to questions on Schedule K (see instructions).

HLTH & EDU. FACILITIES BD.2009A,B,C

(LINE C) CONSTRUCT AND EQUIP HOSPITAL FACILITIES,INCLUDING REFINANCING OF TAXABLE INDEBTEDNESS RELATING THERETO.

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?								
b If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?								
c Are there any research agreements that may result in private business use of bond-financed property?								
d If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
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 Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?								

Part IV Arbitrage

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?								
2 Is the bond issue a variable rate issue?								
3a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?								
b Name of provider								
c Term of hedge								
d Was the hedge superintegrated?								
e Was the hedge terminated?								
4a Were gross proceeds invested in a guaranteed investment contract (GIC)?								
b Name of provider								
c Term of GIC								
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
5 Were any gross proceeds invested beyond an available temporary period?								
6 Did the bond issue qualify for an exception to rebate?								

Part V Procedures To Undertake Corrective Action

Check the box if 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 ☐ Yes ☒ No

Part VI Supplemental Information. Complete this part to provide additional information for responses to questions on Schedule K (see instructions).

HLTH & EDU. FACILITIES BD. 2008A&B
(LINE D) ACQUIRE, CONSTRUCT AND EQUIP HOSPITAL FACILITIES, INCLUDING REFINANCING OF TAXABLE INDEBTEDNESS RELATING THERETO AND WORKING CAPITAL EXPENDITURES RELATING TO CAPITAL EXPENDITURES.

Part III Private Business Use (Continued)

	A		B		C		D	
3a Are there any management or service contracts that may result in private business use of bond-financed property?	Yes	No	Yes	No	Yes	No	Yes	No
b If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?								
c Are there any research agreements that may result in private business use of bond-financed property?								
d If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
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 Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?								

Part IV Arbitrage

	A		B		C		D	
1 Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?	Yes	No	Yes	No	Yes	No	Yes	No
2 Is the bond issue a variable rate issue?								
3a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?								
b Name of provider								
c Term of hedge								
d Was the hedge superintegrated?								
e Was the hedge terminated?								
4a Were gross proceeds invested in a guaranteed investment contract (GIC)?								
b Name of provider								
c Term of GIC								
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
5 Were any gross proceeds invested beyond an available temporary period?								
6 Did the bond issue qualify for an exception to rebate?								

Part V Procedures To Undertake Corrective Action

Check the box if 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 ☐ Yes ☒ No

Part VI Supplemental Information. Complete this part to provide additional information for responses to questions on Schedule K (see instructions).

HLTH & EDU. FACILITIES BD. 2006A
(LINE E) CONSTRUCT AND EQUIP HOSPITAL FACILITIES,INCLUDING REFINANCING TAXABLE DEBT RELATING THERETO, AND COST OF INTEREST RATE HEDGE, REFUND BONDS ISSUED 3/28/01, 7/01/03, 7/08/04, 11/23/04, 9/7/05 AND 11/23/05.

19340MSHA

SCHEDULE L (Form 990 or 990-EZ)

Department of the Treasury Internal Revenue Service

Transactions With Interested Persons

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

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047

2011

Open To Public Inspection

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

Part I Excess Benefit Transactions (section 501(c)(3) and section 501(c)(4) 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) Description of transaction	(c) Corrected? Yes	(c) Corrected? No
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				

2 Enter the amount of tax imposed on 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, Part IV, line 26, or Form 990-EZ, Part V, line 38a.

	(a) Name of interested person and purpose	(b) Loan to or from the organization? To	(b) Loan to or from the organization? From	(c) Original principal amount	(d) Balance due	(e) In default? Yes	(e) In default? No	(f) Approved by board or committee? Yes	(f) Approved by board or committee? No	(g) Written agreement? Yes	(g) Written agreement? No
(1)	DENNIS VONDERFECHT SPLIT DOLLAR LIFE INSURANCE LOAN		X	2,705,125	2,705,125		X	X		X	
(2)	DENNIS VONDERFECHT SPLIT DOLLAR LIFE INSURANCE LOAN		X	900,000	938,520		X	X		X	
(3)	DENNIS VONDERFECHT SPLIT DOLLAR LIFE INSURANCE LOAN		X	900,000	937,530		X	X		X	
(4)	DENNIS VONDERFECHT SPLIT DOLLAR LIFE INSURANCE LOAN		X	900,000	936,090		X	X		X	
(5)	DENNIS VONDERFECHT SPLIT DOLLAR LIFE INSURANCE LOAN		X	900,000	927,540		X	X		X	
(6)	MARVIN EICHORN SPLIT DOLLAR LIFE INSURANCE LOAN		X	350,000	361,588		X	X		X	
(7)											
(8)											
(9)											
(10)											
Total				▶ $	6,806,393						

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 and type of assistance
(1)			
(2)			
(3)			
(4)			
(5)			
(6)			
(8)			
(9)			
(10)			

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 org. revenues? Yes	(e) Sharing of org. revenues? No
(1) WATAUGA PATHOLOGY ASSOC., P.C.	M.D. SERVICES	317,520	SEE PART V		X
(2) PULMONARY ASSOC. OF EAST TN, P.C.	M.D. SERVICES	129,033	SEE PART V		X
(3) WORKSPACE INTERIORS, INC.	VENDOR	352,578	SEE PART V		X
(4) MATTHEW MARTIN	FAMILY MEMBER	28,276	SEE PART V		X
(5) MITCH HATHAWAY	FAMILY MEMBER	94,307	SEE PART V		X
(6) SYCAMORE SHOALS ANESTHESIA ASSOC.	M.D. SERVICES	1,046,064	SEE PART V		X
(7) PAULA CLAYTORE	FAMILY MEMBER	289,749	SEE PART V		X
(8) CLEM WILKES, III	FAMILY MEMBER	59,551	SEE PART V		X
(9) JAMES TEIXEIRA	FAMILY MEMBER	33,282	SEE PART V		X
(10)					

Part V Supplemental Information

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

Schedule L, Part V - Additional Information

(1) SANDRA BROOKS, M.D., MSHA BOARD MEMBER, IS A PARTNER WITH OWNERSHIP INTEREST IN WATAUGA PATHOLOGY ASSOCIATES, P.C., WATAUGA PATHOLOGY ASSOCIATES, P.C. PROVIDES MEDICAL SERVICES TO MSHA.

(2) JEFF FARROW, M.D., MSHA BOARD MEMBER, IS A KEY EMPLOYEE OF PULMONARY ASSOC. OF EAST TN P.C. AND HAS AN OWNERSHIP INTEREST IN THE P.C., PULMONARY ASSOC. OF EAST TN, P.C. PROVIDES MEDICAL SERVICES TO MSHA.

(3) ROBERT FEATHERS, MSHA BOARD MEMBER, IS OWNER OF WORKSPACE INTERIORS, INC., WHICH PROVIDES COMMERCIAL FURNISHINGS AND DESIGN SERVICES TO MSHA. TRANSACTIONS ARE CONDUCTED AT ARMS-LENGTH.

(4) JOANNE GILMER, MSHA BOARD MEMBER, IS A FAMILY MEMBER OF MATTHEW MARTIN, AN EMPLOYEE OF MSHA.

(5) JOANNE GILMER, MSHA BOARD MEMBER, IS A FAMILY MEMBER OF MITCH HATHAWAY, AN EMPLOYEE OF MSHA.

(6) DAVID MAY, M.D., MSHA BOARD MEMBER, SERVES AS BOARD CHAIR FOR SYCAMORE SHOALS ANESTHESIA ASSOCIATES, P.C., AND HAS AN OWNERSHIP SHARE IN THE PROFESSIONAL CORPORATION. SYCAMORE SHOALS ANESTHESIA ASSOCIATES, P.C. PROVIDES MEDICAL SERVICES TO MSHA.

(7) DALE CLAYTORE, KEY EMPLOYEE OF MSHA, IS A FAMILY MEMBER OF PAULA CLAYTORE, AN EMPLOYEE OF MSHA.

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 org. revenues? Yes	(e) Sharing of org. revenues? No
(1)						
(2)						
(3)						
(4)						
(5)						
(6)						
(7)						
(8)						
(9)						
(10)						

Part V Supplemental Information

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

(8) CLEM WILKES, JR., MSHA BOARD MEMBER, IS A FAMILY MEMBER OF CLEM WILKES, III, AN EMPLOYEE OF MSHA.

(9) PAT NIDAY, KEY EMPLOYEE OF MSHA, IS A FAMILY MEMBER OF JAMES TEIXEIRA, AN EMPLOYEE OF MSHA.

SCHEDULE O
(Form 990 or 990-EZ)
Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or 990-EZ or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.

OMB No. 1545-0047
2011
Open to Public Inspection

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

Doing Business As - Additional Names

NISWONGER CHILDREN'S HOSPITAL;
QUILLEN REHABILITATION HOSPITAL;
FRANKLIN WOODS COMMUNITY HOSPITAL;
INDIAN PATH MEDICAL CENTER;
SYCAMORE SHOALS HOSPITAL;
WOODRIDGE HOSPITAL FOR BEHAVIORAL
HEALTH SERVICES;
JOHNSON COUNTY COMMUNITY HOSPITAL;
RUSSELL COUNTY MEDICAL CENTER

Form 990 - Organization's Mission or Most Significant Activities

PART I, Line 1: MOUNTAIN STATES HEALTH ALLIANCE (MSHA) IS COMMITTED TO OUR MISSION OF BRINGING LOVING CARE TO HEALTH CARE. WE EXIST TO IDENTIFY AND RESPOND TO THE HEALTHCARE NEEDS OF INDIVIDUALS AND COMMUNITIES IN THE 29-COUNTY AREA WE SERVE, HELPING THEM ATTAIN THEIR HIGHEST LEVEL OF HEALTH. MSHA DELIVERS THIS CARE THROUGH THE PHILOSOPHY OF PATIENT-CENTERED CARE, AND THE DEVELOPMENT OF COMPREHENSIVE STRATEGIC PLANNING AND IMPLEMENTATION. MSHA OPENED A NEW REPLACEMENT HOSPITAL IN 2012, SMYTH COUNTY COMMUNITY HOSPITAL (SCCH) WHICH IS LOCATED IN VIRGINIA AND MAJORITY-OWNED BY MSHA.

Form 990, Part VI, Line 6 - Classes of Members or Stockholders

MSHA CORPORATION HAS TWO CLASSES OF MEMBERS, A & B. THE CLASS A MEMBERS ARE HAT IS TRADITIONALLY CONSIDERED MEMBERS, HAVING THE ABILITY TO ELECT

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

OFFICERS AND VOTE ON CERTAIN ACTIONS OF THE CORPORATION. CLASS A MEMBERS WILL REMAIN CLASS A MEMBERS SO LONG AS THEY PARTICIPATE IN TWO EDUCATIONAL SESSIONS ANNUALLY OFFERED BY THE CORPORATION. PERSONS DESIRING TO BECOME NEW CLASS A MEMBERS MUST CONTRIBUTE $500 UPON APPLICATION, CONTRIBUTE $100 ANNUALLY THEREAFTER, AND PARTICIPATE IN THE TWO ANNUAL EDUCATION SESSIONS. CLASS B MEMBERS ARE ANY FORMER CLASS A MEMBERS WHO FAILED TO MAINTAIN THE REQUIREMENTS OF CLASS A MEMBERSHIP, OR ANYONE APPLYING TO BECOME A CLASS B MEMBER AND CONTRIBUTE $100 AT APPLICATION. CLASS B MEMBERS HAVE NO VOTE, BUT CAN ATTEND AND PARTICIPATE IN THE MEETINGS AND EDUCATION SESSIONS OF THE CLASS A MEMBERSHIP, BUT ARE NOT REQUIRED TO.

Form 990, Part VI, Line 7a - Election of Members and Their Rights

THE CLASS A MEMBERS ANNUALLY ELECT MEMBERS TO THE BOARD OF DIRECTORS.

Form 990, Part VI, Line 7b - Decisions Subject to Approval of Members

CERTAIN DECISIONS OF THE BOARD ARE, PURSUANT TO TENNESSEE STATUTE, SUBJECT TO APPROVAL BY THE CLASS A MEMBERS. THESE DECISIONS INCLUDE: DISSOLUTION OF THE CORPORATION; MERGER OF THE CORPORATION; NON-ORDINARY COURSE OF BUSINESS SALE OF ASSETS, ETC. NO ORDINARY DAY-TO-DAY DECISIONS ARE SUBJECT TO MEMBER APPROVAL.

Form 990, Part VI, Line 11b - Organization's Process to Review Form 990

THE CFO REVIEWED THE FORM 990 WITH THE BOARD OF DIRECTORS PRIOR TO FILING AND THE RETURN WAS MADE AVAILABLE TO EACH BOARD MEMBER IN AN ELECTRONIC FORMAT PRIOR TO THE REVIEW.

orm 990, Part VI, Line 12c - Enforcement of Conflicts Policy

ANNUALLY, THE AUDIT AND COMPLIANCE DEPARTMENT OF THE CORPORATION FORWARDS THE POLICY AND THE CONFLICT OF INTEREST DISCLOSURE FORMS TO ALL COVERED PERSONS. EACH PERSON IS REQUIRED TO PROVIDE A COMPLETED DISCLOSURE FORM, NOTING ANY CONFLICTS OR ATTESTING THEY HAVE "NONE", AND THEN FORWARD THOSE BACK TO THE AUDIT AND COMPLIANCE DEPARTMENT. ANY DISCLOSURES ARE FORWARDED TO THE APPROPRIATE MANAGEMENT OR BOARD PERSONNEL TO EVALUATE AND UTILIZE WHEN A TRANSACTION INVOLVING A CONFLICTED PERSON ARISES. ADDITIONALLY, PERSONNEL WHO HAVE A CONFLICT ARISE BETWEEN THE ANNUAL DISTRIBUTION OF THE POLICY AND FORMS ARE REQUIRED TO DISCLOSE THE CONFLICT AND WOULD BE DISCIPLINED IN ANY INSTANCE WHERE THEY HAVE NOT DISCLOSED AND ENGAGED IN A CONFLICTED TRANSACTION.

Form 990, Part VI, Line 15a - Compensation Process for Top Official

THE COMPENSATION COMMITTEE, WHICH IS THE EXECUTIVE COMMITTEE OF THE MSHA BOARD, OBTAINS THE SERVICES OF AN OUTSIDE AND INDEPENDENT COMPENSATION CONSULTANT TO PROVIDE THE COMMITTEE WITH RELEVANT MARKET DATA FROM COMPENSATION SURVEYS AND WITH ADVICE WHEN THE COMMITTEE MAKES RECOMMENDATIONS ON PAY AND BENEFITS FOR THE CEO OF MSHA.

Form 990, Part VI, Line 15b - Compensation Process for Officers

THE BOARD ALSO APPROVES PAY AND BENEFITS FOR THE CFO. THE COMPENSATION COMMITTEE REVIEWS AND HAS FINAL APPROVAL OF CEO RECOMMENDATIONS FOR PAY AND BENEFITS FOR ALL OTHER EXECUTIVES.

Form 990, Part VI, Line 19 - Governing Documents Disclosure Explanation

GOVERNING DOCUMENTS AND CONFILICT OF INTEREST POLICY ARE MADE AVAILABLE UPON REQUEST TO 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.

Form 990, Part VII - Group Return Explanation

OFFICER, KEY EMPLOYEE & HIGHEST PAID COMPENSATION:

LYNN KRUTAK, CFO AND MSHA KEY EMPLOYEE, IS PAID BY MSHA. BLUE RIDGE MEDICAL MANAGEMENT CORPORATION (BRMMC) REIMBURSES MSHA FOR 50% OF KRUTAK'S SALARY AND BENEFITS. MSHA IS THE SOLE MEMBER OF BRMMC. KRUTAK DEVOTES AN EQUAL AMOUNT OF TIME BETWEEN MSHA AND BRMMC.

CARL KILGORE, REPORTABLE AS A HIGHEST COMPENSATED EMPLOYEE, IS PAID BY MSHA AND HIS SALARY AND BENEFITS ARE FULLY RIEMBURSED TO MSHA BY BRMMC.

DR. FRANK LAURO, REPORTABLE AS A HIGHEST COMPENSATED EMPLOYEE, IS PAID BY MSHA AND 50% OF HIS SALARY AND BENEFITS ARE REIMBURSED TO MSHA BY BRMMC. DR. LAURO DEVOTES AN EQUAL AMOUNT OF TIME BETWEEN MSHA AND BRMMC.

DR. DOUGLAS EDEMA, REPORTABLE AS A HIGHEST COMPENSATED EMPLOYEE, IS PAID BY MSHA AND HIS SALARY AND BENEFITS ARE FULLY REIMBURSED TO MSHA BY BRMMC.

CERTAIN EXECUTIVES OF THE ORGANIZATION, SUCH AS THE CEO AND SR VP/CFO, PROVIDE SERVICES TO SOME OR ALL OF THE ORGANIZATIONS RELATED TO MSHA.

Form 990, Part XI, Line 5 - Other Changes in Net Assets Explanation

PARTNERSHIP CHARITABLE CONTRIBUTIONS NOT ON BOOKS	17,654
PARTNERSHIP PORTFOLIO EXPENSES NOT ON BOOKS	252,901
EMPORARILY RESTRICTED GRANTS	41,832

CHANGE IN FAIR VALUE OF DERIVATIVES	-6,085,740
NET UNREALIZED (LOSS) ON INVESTMENT	-3,807,518
PARTNERSHIP INCOME NOT ON BOOKS	1,193,604
PARTNERSHIP INTEREST INCOME NOT ON BOOKS	-16,657
PARTNERSHIP CAPITAL LOSSES NOT ON BOOKS	-23
PARTNERSHIP DIVIDEND INCOME NOT ON BOOKS	-598,604
TOTAL TO FORM 990, PART XI, LINE 5	-9,002,551

Form 990, Part XII - Additional Information

RESPONSE TO PART VI TO SCHEDULE K (FORM 990)

1. COMMENT ON SCHEDULE K, PART 1, LINES A, B, C AND D.

MOUNTAIN STATES HEALTH ALLIANCE (MSHA) OWNS AND/OR OPERATES HOSPITALS IN A NUMBER OF DIFFERENT LOCATIONS BOTH IN TENNESSEE AND IN VIRGINIA. AS A RESULT, MSHA MUST UTILIZE CONDUIT GOVERNMENTAL BOND ISSUERS IN A NUMBER OF JURISDICTIONS IN ORDER TO FINANCE IMPROVEMENTS TO ITS HOSPITAL FACILITIES. IN 2008,2009,2010 AND 2011, MSHA WAS THE CONDUIT BORROWER OF TAX-EXEMPT BONDS ISSUED BY MULTIPLE ISSUERS IN TENNESSEE AND VIRGINIA. FOR FEDERAL TAX PURPOSES, EVEN THOUGH DIFFERENT GOVERNMENTAL ISSUERS WERE INVOLVED, THESE MULTIPLE ISSUES IN EACH YEAR WERE REQUIRED TO BE TREATED, AND WERE TREATED, AS A SINGLE "ISSUE" BECAUSE THEY MET THE SINGLE "ISSUE" TEST UNDER THE APPLICABLE FEDERAL TAX REGULATIONS. THEREFORE, MULTIPLE ISSUERS ARE LISTED UNDER LINES A,B,C AND D BECAUSE THE BONDS THAT WERE ISSUED WERE PART OF A SINGLE "ISSUE" FOR FEDERAL TAX PURPOSES.

2. COMMENT ON SCHEDULE K, PART 11, LINE 3.

LINE 3 FOR THE BOND ISSUES LISTED IN LINES B, C, D AND E DOES NOT MATCH THE PPLICABLE ISSUE PRICE FOR EACH SUCH BOND ISSUE BECAUSE OF INTEREST

EARNINGS EARNED ON THE SALE PROCEEDS OF EACH SERIES OF BONDS. PLEASE ALSO NOTE THAT THE AMOUNTS SHOWN ON LINE 3 FOR THE SAME BOND ISSUES LISTED ON LINES B, C, D AND E ARE DIFFERENT THAN THE AMOUNTS THAT WERE LISTED FOR THE SAME BOND ISSUES SHOWN ON THIS SAME FILING FOR FY2011. THE INSTRUCTIONS PROVIDE THAT THE AMOUNT OF PROCEEDS TO BE SHOWN ON THIS LINE FOR EACH ISSUE IS THE PROCEEDS "AS OF THE END OF THE 12-MONTH PERIOD." THIS LANGUAGE RESULTED IN OUR LISTING THE AMOUNT OF PROCEEDS EXISTING AS OF THE END OF THE FISCAL YEAR, NOT THE AGGREGATE PROCEEDS. AFTER REVIEWING 990 FILING BY A NUMBER OF OTHER ENTITIES, IT APPEARS THAT A MAJORITY OF SUCH ENTITIES LISTED THE AGGREGATE AMOUNT OF PROCEEDS, NOT THE AMOUNT EXISTING AS OF THE END OF THE FISCAL YEAR. FOR THIS 990, MSHA HAS TAKEN THAT SAME APPROACH. A CLARIFICATION IN THE INSTRUCTIONS AS TO THIS ISSUE WOULD BE HELPFUL.

3. COMMENT ON SCHEDULE K, PART II, LINE 4

CERTAIN PROCEEDS OF THE BOND ISSUES LISTED IN LINES B, C, AND E ARE DEPOSITED IN REASONABLY REQUIRED RESERVE FUNDS, THE SIZE OF EACH OF WHICH COMPLIES WITH FEDERAL TAX REGULATIONS. THE AMOUNTS SHOWN ON LINE 2 OF PART II OF SCHEDULE K INCLUDE PROCEEDS HELD IN THOSE FUNDS. THESE LINES (OTHER THAN LINE E) ALSO INCLUDE A SMALL AMOUNT OF INVESTMENT EARNINGS RELATIVE TO THESE FUNDS THAT HAD NOT YET BEEN MOVED AS OF THE END OF THE APPLICABLE REPORTING PERIOD TO ANOTHER FUND TO BE USED TO PAY DEBT SERVICE, AS IS PERMITTED UNDER THE APPLICABLE BOND DOCUMENTS.

4. COMMENTS ON SCHEDULE K, PART II, LINES 9 THROUGH 11.

THE INSTRUCTIONS ARE UNCLEAR AS TO WHETHER AMOUNTS USED TO REFINANCE SHORT-ERM TAXABLE LOANS INCURRED TO TEMPORARILY FINANCE ELIGIBLE COSTS SHOULD BE

SHOWN AS CAPITAL EXPENDITURES AND WORKING CAPITAL (LINES 9 AND 10) OR AS OTHER SPENT PROCEEDS(LINE 11). BASED UPON A REVIEW OF OTHER 990 FILINGS, IT APPEARS THAT MOST REPORTING ENTITIES HAVE LISTED THE APPLICATION OF PROCEEDS FOR SUCH PURPOSE UNDER OTHER SPENT PROCEEDS (LINE 11). THIS FILING TAKES THAT APPROACH, AND THEREFORE THE REPORTING ON LINES 9 THROUGH 11 FOR PART IV IS INCONSISTENT WITH REPORTING ON THE SAME LINES FOR THE PRIOR FISCAL YEAR.

5. COMMENT ON SCHEDULE K, PART IV, LINE 12

IT IS UNCLEAR UNDER THE INSTRUCTIONS WHETHER TRANSFERRED PROCEEDS SHOULD BE TREATED AS OTHER UNSPENT PROCEDS FOR REPORTING PURPOSES ON LINE 12. AS AN ABUNDANCE OF CAUTION. TRANSFERRED PROCEEDS HAVE BEEN INCLUDED ON LINE 12 FOR EACH ISSUE TO THE EXTENT APPLICABLE.

6. COMMENT ON SCHEDULE K, PART IV, LINE 1

AS OF THE REPORTING DATE OF THE 990, THE ONLY ARBITRAGE REBATE CALCULATION THAT WAS REQUIRED RELATED TO THE BONDS DESCRIBED IN LINE E OF PART I (THE SERIES 2006 BONDS). MSHA RETAINED A REBATE CALCULATION AGENT TO CALCULATE WHETHER ANY ARBITRAGE REBATE WAS DUE WITH RESPECT TO THOSE BONDS, AND THERE WAS NEGATIVE ARBITRAGE REBATE LIABILITY IN A SIGNIFICANT AMOUNT. THEREFORE, NO FORM 8038-T WAS REQUIRED TO BE FILED WITH RESPECT TO THAT BOND ISSUE.

7. COMMENT ON SCHEDULE K, PART IV, LINE 4D.

PART IV, LINE 4D RELATIVE TO THE BOND ISSUE DESCRIBED ON LINE E SHOWS THAT THE REGULATORY SAFE HARBOR FOR ESTABLISHING FAIR MARKET VALUE OF THE GIC ESCRIBED IN LINE 4A WAS NOT SATISFIED. DUE TO MARKET CONDITIONS AT THE

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

TIME, MSHA DID NOT RECEIVE THREE BIDS FOR THIS GIC. HOWEVER, THE YIELD ON THE GIC WAS SO SUBSTANTIALLY BELOW THE YIELD ON THE RELEVANT BONDS THAT THERE WAS NO DOUBT THAT THE YIELD ON THE GIC DID NOT EXCEED THE APPROPRIATE YIELD ON THE RELEVANT BONDS.

8. COMMENT ON SCHEDULE K, PART IV, LINE 5.

THE BOND ISSUES DESCRIBED IN LINES B, C AND D OF PART I FINANCED SIGNIFICANT CAPITAL IMPROVEMENTS TO HOSPITAL FACILITIES. THERE HAVE BEEN UNEXPECTED DELAYS IN THE CONSTRUCTION AND EQUIPPING OF CERTAIN OF THESE HOSPITAL FACILITIES, AND THEREFORE NOT ALL OF THE BOND PROCEEDS WERE SPENT WITHIN THE THREE-YEAR TEMPORARY PERIOD RELATIVE TO CONSTRUCTION PROJECTS. HOWEVER, MSHA HAS YIELD RESTRICTED THESE PROCEEDS AFTER THE END OF THE APPLICABLE TEMPORARY PERIOD AND/OR WILL BE MAKING A YIELD REDUCTION PAYMENT WITH RESPECT TO THOSE PROCEEDS, IF REQUIRED.

9. COMMENT ON SCHEDULE K, PART V.

MSHA HAS EXECUTED DETAILED TAX CERTIFICATES REQUIRING TAX COMPLIANCE THAT ARE INTENDED TO ENSURE THAT VIOLATIONS OF FEDERAL TAX REQUIREMENTS ARE TIMELY IDENTIFIED. MSHA HAS ALSO ADOPTED SEPARATE PROCEDURES FOR SUCH PURPOSES THAT WERE APPLICABLE DURING THE REPORTING PERIOD.

SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2011

Open to Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

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

(a) Name, address, and EIN 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
(1)					
(2)					
(3)					
(4)					
(5)					

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	(g) Section 512(b)(13) controlled entity? No
(1) DICKENSON COMMUNITY HOSPITAL ONE HOSPITAL DRIVE 77-0599553 CLINTWOOD VA 24228	HOSPITAL	VA	501C3	3	NCH		X
(2) MOUNTAIN STATES FOUNDATION 2335 KNOB CREEK ROAD, STE. 101 58-1418862 JOHNSON CITY TN 37604	FUNDRAISER	TN	501C3	11a	N/A		X
(3) MSHA AUXILIARY 400 N. STATE OF FRANKLIN ROAD 58-1418345 JOHNSON CITY TN 37604	SUPPORT	TN	501C3	11a	N/A		X
(4) SMYTH COUNTY COMMUNITY HOSPITAL 245 MEDICAL PARK DRIVE 54-0794913 MARION VA 24354	HOSPITAL	VA	501C3	3	MSHA		X
(5) NORTON COMMUNITY HOSPITAL 100 15TH STREET NW 54-0566029 NORTON VA 24273	HOSPITAL	VA	501C3	3	N/A		X

19340MSHA

SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2011

Open to Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

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

(a) Name, address, and EIN 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
(1)					
(2)					
(3)					
(4)					
(5)					

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	(g) Section 512(b)(13) controlled entity? No
(1) JOHNSTON MEMORIAL HOSPITAL 16000 JOHNSTON MEMORIAL DRIVE 54-0544705 ABINGDON VA 24211	HOSPITAL	VA	501C3	3	N/A		X
(2) ABINGDON PHYSICIAN PARTNERS 16000 JOHNSTON MEMORIAL DRIVE 20-5485346 ABINGDON VA 24211	MED. SERV.	VA	501C3	11a	JMH		X
(3)							
(4)							
(5)							

Part III **Identification of Related Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" to 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) Dispro-portionate alloc.? Yes	(h) No	(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
(1) INTEGRATED SOLUTIONS HEALTH NETWORK 400 N. STATE OF FRANKLIN ROAD JOHNSON CITY TN 37604 62-1711997	INVESTMENT	TN	N/A	(D)	-3,337,924	3,380,840		X			X	99.17
(2) EMMAUS COMMUNITY HEALTHCARE, LLC 6070 HWY 11E PINEY FLATS TN 37686 20-0577483	MED. SERV.	TN	N/A	N/A				X			X	
(3) MEDICAL SPECIALISTS OF J.C., LLC 2526 WESLEY STREET, SUITE. 2 JOHNSON CITY TN 37601 27-2199037	MED. SERV.	TN	N/A	(D)	-177,531	123,421		X			X	51.00
(4)												

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
(1) BLUE RIDGE MEDICAL MANAGEMENT CORP. 1019 W. OAKLAND AVENUE JOHNSON CITY TN 37604 62-1490616	MED. SERV.	TN	N\A	C	88,108,621	203,141,889	100.000000
(2) MEDISERVE MEDICAL EQUIPMENT 1021 W. OAKLAND AVENUE, SUITE 207 JOHNSON CITY TN 37604 62-1212286	DME	TN	BRMMC	C	4,544,750	4,279,185	100.000000
(3) MOUNTAIN STATES PROPERTIES 1021 W. OAKLAND AVENUE, SUITE 207 JOHNSON CITY TN 37604 62-1845895	PROP. MGMT	TN	BRMMC	C	14,024,348	149,156,249	100.000000
(4) MOUNTAIN STATES PHYSICIAN GROUP 1019 W. OAKLAND AVENUE, SUITE 207 JOHNSON CITY TN 37604 62-1700412	MED. SERV.	TN	BRMMC	C	49,444,275	6,131,411	100.000000

Part III **Identification of Related Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" to 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) Dispro-portionate alloc.? Yes	(h) No	(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
(1)												
(2)												
(3)												
(4)												

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
(1)COMMUNITY HOME CARE INC. 1460 PARK AVENUE NORTON VA 24273 54-1453810	DME	VA	NCH	C	364,522	353,609	50.100000
(2)COMMUNITY PHYSICIAN SERVICES CORP. 100 15TH STREET NW NORTON VA 24273 54-1641446	MED. SERV.	VA	NCH	C	516		50.100000
(3)SOUTHWEST COMMUNITY HEALTH SERV. 565 RADIO HILL RD. , P.O. BOX 880 MARION VA 24354 54-1460695	MED. SERV.	VA	SCCH	C	283,630	1,061,936	80.000000
(4)WILSON PHARMACY, INC. P.O. BOX 5289 JOHNSON CITY TN 37604 62-0329587	PHARMACY	TN	BRMMC	C	3,257,657	2,903,651	100.000000

Part III **Identification of Related Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" to 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 alloc.? Yes	(h) Disproportionate alloc.? No	(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) General or managing partner? No	(k) Percentage ownership
(1)												
(2)												
(3)												
(4)												

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
(1) CRESTPOINT HEALTH INSURANCE COMPANY 208 SUNSET DRIVE, SUITE 101 JOHNSON CITY TN 37604 62-0381170	INSURANCE	TN	ISHN	C			99.170000
(2)							
(3)							
(4)							

Part V **Transactions With Related Organizations** (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35, 35a, or 36.)

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

			Yes	No
1	During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II–IV?			
a	Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity	1a	X	
b	Gift, grant, or capital contribution to related organization(s)	1b	X	
c	Gift, grant, or capital contribution from related organization(s)	1c	X	
d	Loans or loan guarantees to or for related organization(s)	1d		X
e	Loans or loan guarantees by related organization(s)	1e		X
f	Sale of assets to related organization(s)	1f		X
g	Purchase of assets from related organization(s)	1g	X	
h	Exchange of assets with related organization(s)	1h		X
i	Lease of facilities, equipment, or other assets to related organization(s)	1i	X	
j	Lease of facilities, equipment, or other assets from related organization(s)	1j	X	
k	Performance of services or membership or fundraising solicitations for related organization(s)	1k	X	
l	Performance of services or membership or fundraising solicitations by related organization(s)	1l	X	
m	Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1m	X	
n	Sharing of paid employees with related organization(s)	1n	X	
o	Reimbursement paid to related organization(s) for expenses	1o	X	
p	Reimbursement paid by related organization(s) for expenses	1p	X	
q	Other transfer of cash or property to related organization(s)	1q	X	
r	Other transfer of cash or property from related organization(s)	1r	X	

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

	(a) Name of other organization	(b) Transaction type (a–r)	(c) Amount involved	(d) Method of determining amount involved
(1)	MSHA AUXILIARY	o	178,832	
(2)	MSHA AUXILIARY	p	197,250	
(3)	BLUE RIDGE MEDICAL MANAGEMENT CORP.	i	105,998	
(4)	BLUE RIDGE MEDICAL MANAGMENT CORP.	k	9,910,706	
(5)	BLUE RIDGE MEDICAL MANAGEMENT CORP.	l	31,167,999	
(6)	BLUE RIDGE MEDICAL MANAGEMENT CORP.	n	531,062	

Part V Transactions With Related Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35, 35a, or 36.)

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.		Yes	No
1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II–IV?			
a Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity	1a	X	
b Gift, grant, or capital contribution to related organization(s)	1b	X	
c Gift, grant, or capital contribution from related organization(s)	1c	X	
d Loans or loan guarantees to or for related organization(s)	1d		X
e Loans or loan guarantees by related organization(s)	1e		X
f Sale of assets to related organization(s)	1f		X
g Purchase of assets from related organization(s)	1g	X	
h Exchange of assets with related organization(s)	1h		X
i Lease of facilities, equipment, or other assets to related organization(s)	1i	X	
j Lease of facilities, equipment, or other assets from related organization(s)	1j	X	
k Performance of services or membership or fundraising solicitations for related organization(s)	1k	X	
l Performance of services or membership or fundraising solicitations by related organization(s)	1l	X	
m Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1m	X	
n Sharing of paid employees with related organization(s)	1n	X	
o Reimbursement paid to related organization(s) for expenses	1o	X	
p Reimbursement paid by related organization(s) for expenses	1p	X	
q Other transfer of cash or property to related organization(s)	1q	X	
r Other transfer of cash or property from related organization(s)	1r	X	

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

	(a) Name of other organization	(b) Transaction type (a–r)	(c) Amount involved	(d) Method of determining amount involved
(1)	BLUE RIDGE MEDICAL MANAGEMENT CORP.	p	4,628,746	
(2)	WILSON PHARMACY	n	76,462	
(3)	WILSON PHARMACY	p	1,841,888	
(4)	MEDISERVE	g	56,623	
(5)	MEDISERVE	j	138,688	
(6)	MEDISERVE	k	174,373	

Part V Transactions With Related Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35, 35a, or 36.)

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.		Yes	No
1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II–IV?			
a Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity	1a	X	
b Gift, grant, or capital contribution to related organization(s)	1b	X	
c Gift, grant, or capital contribution from related organization(s)	1c	X	
d Loans or loan guarantees to or for related organization(s)	1d		X
e Loans or loan guarantees by related organization(s)	1e		X
f Sale of assets to related organization(s)	1f		X
g Purchase of assets from related organization(s)	1g	X	
h Exchange of assets with related organization(s)	1h		X
i Lease of facilities, equipment, or other assets to related organization(s)	1i	X	
j Lease of facilities, equipment, or other assets from related organization(s)	1j	X	
k Performance of services or membership or fundraising solicitations for related organization(s)	1k	X	
l Performance of services or membership or fundraising solicitations by related organization(s)	1l	X	
m Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1m	X	
n Sharing of paid employees with related organization(s)	1n	X	
o Reimbursement paid to related organization(s) for expenses	1o	X	
p Reimbursement paid by related organization(s) for expenses	1p	X	
q Other transfer of cash or property to related organization(s)	1q	X	
r Other transfer of cash or property from related organization(s)	1r	X	

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

	(a) Name of other organization	(b) Transaction type (a–r)	(c) Amount involved	(d) Method of determining amount involved
(1)	MEDISERVE	p	1,101,681	
(2)	MOUNTAIN STATES PROPERTIES	j	2,050,216	
(3)	MOUNTAIN STATES PROPERTIES	k	247,351	
(4)	MOUNTAIN STATES PROPERTIES	n	86,339	
(5)	MOUNTAIN STATES PROPERTIES	q	523,559	
(6)	MOUNTAIN STATES FOUNDATION	b	672,450	

Part V Transactions With Related Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35, 35a, or 36.)

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

		Yes	No
1	During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II–IV?		
a	Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity 1a	X	
b	Gift, grant, or capital contribution to related organization(s) 1b	X	
c	Gift, grant, or capital contribution from related organization(s) 1c	X	
d	Loans or loan guarantees to or for related organization(s) 1d		X
e	Loans or loan guarantees by related organization(s) 1e		X
f	Sale of assets to related organization(s) 1f		X
g	Purchase of assets from related organization(s) 1g	X	
h	Exchange of assets with related organization(s) 1h		X
i	Lease of facilities, equipment, or other assets to related organization(s) 1i	X	
j	Lease of facilities, equipment, or other assets from related organization(s) 1j	X	
k	Performance of services or membership or fundraising solicitations for related organization(s) 1k	X	
l	Performance of services or membership or fundraising solicitations by related organization(s) 1l	X	
m	Sharing of facilities, equipment, mailing lists, or other assets with related organization(s) 1m	X	
n	Sharing of paid employees with related organization(s) 1n	X	
o	Reimbursement paid to related organization(s) for expenses 1o	X	
p	Reimbursement paid by related organization(s) for expenses 1p	X	
q	Other transfer of cash or property to related organization(s) 1q	X	
r	Other transfer of cash or property from related organization(s) 1r	X	

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

	(a) Name of other organization	(b) Transaction type (a–r)	(c) Amount involved	(d) Method of determining amount involved
(1)	MOUNTAIN STATES FOUNDATION	c	1,647,435	
(2)	MOUNTAIN STATES FOUNDATION	k	1,023,012	
(3)	NORTON COMMUNITY HOSPTIAL	k	10,161,993	
(4)	NORTON COMMUNITY HOSPITAL	n	531,171	
(5)	NORTON COMMUNITY HOSPITAL	p	796,930	
(6)	DICKENSON COMMUNITY HOSPITAL	k	785,766	

Part V **Transactions With Related Organizations** (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35, 35a, or 36.)

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

			Yes	No
1	During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II–IV?			
a	Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity	1a	X	
b	Gift, grant, or capital contribution to related organization(s)	1b	X	
c	Gift, grant, or capital contribution from related organization(s)	1c	X	
d	Loans or loan guarantees to or for related organization(s)	1d		X
e	Loans or loan guarantees by related organization(s)	1e		X
f	Sale of assets to related organization(s)	1f		X
g	Purchase of assets from related organization(s)	1g	X	
h	Exchange of assets with related organization(s)	1h		X
i	Lease of facilities, equipment, or other assets to related organization(s)	1i	X	
j	Lease of facilities, equipment, or other assets from related organization(s)	1j	X	
k	Performance of services or membership or fundraising solicitations for related organization(s)	1k	X	
l	Performance of services or membership or fundraising solicitations by related organization(s)	1l	X	
m	Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1m	X	
n	Sharing of paid employees with related organization(s)	1n	X	
o	Reimbursement paid to related organization(s) for expenses	1o	X	
p	Reimbursement paid by related organization(s) for expenses	1p	X	
q	Other transfer of cash or property to related organization(s)	1q	X	
r	Other transfer of cash or property from related organization(s)	1r	X	

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

	(a) Name of other organization	(b) Transaction type (a–r)	(c) Amount involved	(d) Method of determining amount involved
(1)	ISHN	b	5,661,810	
(2)	ISHN	d	1,000,000	
(3)	ISHN	l	1,989,315	
(4)	ISHN	p	691,062	
(5)	SMYTH COUNTY COMMUNITY HOSPITAL	b	19,300,494	
(6)	SMYTH COUNTY COMMUNITY HOSPITAL	d	16,464,093	

Part V **Transactions With Related Organizations** (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35, 35a, or 36.)

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

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

	(a) Name of other organization	(b) Transaction type (a–r)	(c) Amount involved	(d) Method of determining amount involved
(1)	SMYTH COUNTY COMMUNITY HOSPITAL	k	4,127,318	
(2)	SMYTH COUNTY COMMUNITY HOSPITAL	p	72,934	
(3)	SMYTH COUNTY COMMUNITY HOSPITAL	q	310,435	
(4)	JOHNSTON MEMORIAL HOSPITAL	k	9,554,598	
(5)	JOHNSTON MEMORIAL HOSPTIAL	l	253,600	
(6)	JOHNSTON MEMORIAL HOSPITAL	o	114,068	

Part V **Transactions With Related Organizations** (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35, 35a, or 36.)

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.		Yes	No
1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II–IV?			
a Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity	1a	X	
b Gift, grant, or capital contribution to related organization(s)	1b	X	
c Gift, grant, or capital contribution from related organization(s)	1c	X	
d Loans or loan guarantees to or for related organization(s)	1d		X
e Loans or loan guarantees by related organization(s)	1e		X
f Sale of assets to related organization(s)	1f		X
g Purchase of assets from related organization(s)	1g	X	
h Exchange of assets with related organization(s)	1h		X
i Lease of facilities, equipment, or other assets to related organization(s)	1i	X	
j Lease of facilities, equipment, or other assets from related organization(s)	1j	X	
k Performance of services or membership or fundraising solicitations for related organization(s)	1k	X	
l Performance of services or membership or fundraising solicitations by related organization(s)	1l	X	
m Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1m	X	
n Sharing of paid employees with related organization(s)	1n	X	
o Reimbursement paid to related organization(s) for expenses	1o	X	
p Reimbursement paid by related organization(s) for expenses	1p	X	
q Other transfer of cash or property to related organization(s)	1q	X	
r Other transfer of cash or property from related organization(s)	1r	X	

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

	(a) Name of other organization	(b) Transaction type (a–r)	(c) Amount involved	(d) Method of determining amount involved
(1)	APP	k	850,322	
(2)				
(3)				
(4)				
(5)				
(6)				

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

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

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under section 512-514)	(e) Are all partners section 501(c)(3) organizations? Yes	(e) No	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
(1)													
(2)													
(3)													
(4)													
(5)													
(6)													
(7)													
(8)													
(9)													
(10)													
(11)													

19340MSHA

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No. 1545-0047

2012

Open to Public Inspection

For the 2012 calendar year, or tax year beginning 07/01/12 , and ending 06/30/13

B Check if applicable:
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Terminated
- ☐ Amended return
- ☐ Application pending

C Name of organization: MOUNTAIN STATES HEALTH ALLIANCE

Doing Business As: JOHNSON CITY MEDICAL CENTER;

Number and street (or P.O. box if mail is not delivered to street address): 400 N. STATE OF FRANKLIN ROAD

Room/suite:

City, town or post office, state, and ZIP code: JOHNSON CITY TN 37604

D Employer identification number: 62-0476282

E Telephone number: 423-302-3372

G Gross receipts $: 718,141,895

F Name and address of principal officer:
ALAN LEVINE
303 MED TECH PARKWAY, STE. 300
JOHNSON CITY TN 37604

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

H(b) Are all affiliates included? ☐ Yes ☐ No

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

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

J Website: ▶ WWW.MSHA.COM

H(c) Group exemption number ▶

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

L Year of formation: 1945

M State of legal domicile: TN

Part I Summary

1 Briefly describe the organization's mission or most significant activities:
SEE SCHEDULE O

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

3	Number of voting members of the governing body (Part VI, line 1a)	3	14
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	7
5	Total number of individuals employed in calendar year 2012 (Part V, line 2a)	5	9102
6	Total number of volunteers (estimate if necessary)	6	2897
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	1,245,620
b	Net unrelated business taxable income from Form 990-T, line 34	7b	160,672

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	2,745,426	2,474,339
9	Program service revenue (Part VIII, line 2g)	697,705,296	674,372,724
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	24,259,649	31,675,503
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	10,171,526	9,360,388
12	Total revenue – add lines 8 through 11 (must equal Part VIII, column (A), line 12)	734,881,897	717,882,954
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	990,095	405,051
14	Benefits paid to or for members (Part IX, column (A), line 4)		0
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	309,796,341	305,057,437
16a	Professional fundraising fees (Part IX, column (A), line 11e)		0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 1,478,925		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	372,114,544	376,841,250
18	Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	682,900,980	682,303,738
19	Revenue less expenses. Subtract line 18 from line 12	51,980,917	35,579,216

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	1517954041	1599476991
21	Total liabilities (Part X, line 26)	1169345060	1201894828
22	Net assets or fund balances. Subtract line 21 from line 20	348,608,981	397,582,163

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

▶ Signature of officer — Date

▶ MARVIN EICHORN SENIOR VP & CFO
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN

Firm's name ▶ THIS TAX RETURN PREPARED BY A NON-PAID PREPARER.

Firm's EIN ▶

Firm's address ▶

Phone no.

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

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III ☒

Briefly describe the organization's mission:

SEE SCHEDULE O

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 $ 568,045,112 including grants of $ 405,051) (Revenue $ 674,348,316)

SEE ATTACHED DOCUMENT: MSHA - PROGRAM SERVICE ACCOMPLISHMENTS

FOR GUIDESTAR READERS, OUR PROGRAM SERVICE ACCOMPLISHMENTS MAY BE FOUND AT THE END.

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

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 ▶ 568,045,112

MOUNTAIN STATES HEALTH ALLIANCE **62-0476282**
JUNE 30, 2013

FORM 990, PART III, LINE 1: STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS

MOUNTAIN STATES HEALTH ALLIANCE (MSHA) WAS CREATED IN SEPTEMBER 1998 AS A PRIVATE, LOCALLY OWNED, TAX-EXEMPT, REGIONAL HEALTHCARE SYSTEM. MSHA IS A 1,200 BED TERTIARY-CARE AND REFERRAL HOSPITAL SYSTEM, THE REGION'S LARGEST BY BED COUNT AND VOLUMES. FOR THE YEAR ENDING JUNE 30, 2013, MSHA RECORDED 45,377 INPATIENT ADMISSIONS, AND PROVIDED FOR 717,987 OUTPATIENT VISITS. THERE WERE 159,372 EMERGENCY VISITS AND 146,429 HOME HEALTH VISITS.

THE ALLIANCE IS COMPOSED OF 9 HOSPITALS, AN OUTPATIENT SURGERY CENTER, AN OUTPATIENT RADIATION ONCOLOGY CENTER AND TWO OUTPATIENT REHABILITATION THERAPY CENTERS. IT ALSO HAS SERVICES FOR HOME HEALTH, HOSPICE AND PARISH NURSING. BLUE RIDGE MEDICAL MANAGEMENT CORPORATION, SOLELY OWNED BY MSHA, PROVIDES DURABLE MEDICAL EQUIPMENT, INFUSION THERAPY, PHARMACY, AND PHYSICIAN SERVICES.

MSHA ENTITIES, IN CONCERT WITH THE MOUNTAIN STATES HEALTHCARE NETWORK OF MORE THAN 50 AFFILIATED HOSPITALS AND NURSING HOMES, PROVIDE AN INTEGRATED, COMPREHENSIVE CONTINUUM OF CARE TO RESIDENTS ACROSS A WIDESPREAD, PREDOMINANTLY RURAL 29-COUNTY AREA OF APPALACHIA. THE SERVICE AREA INCLUDES PARTS OF NORTHEAST TENNESSEE, SOUTHWEST VIRGINIA, SOUTHEAST KENTUCKY AND WESTERN NORTH CAROLINA. ALL 9 MSHA HOSPITALS ARE LOCATED IN NORTHEAST TENNESSEE AND SOUTHWEST VIRGINIA. JOHNSON CITY MEDICAL CENTER, THE COMPANY'S FLAGSHIP FACILITY, IS HOME TO MANY OF THE REGION'S CRITICALLY NEEDED PROGRAMS.

MSHA ALSO HAS A MAJORITY OWNERSHIP IN SMYTH COUNTY COMMUNITY HOSPITAL (SCCH) LOCATED IN MARION, VA, NORTON COMMUNITY HOSPITAL (NCH), LOCATED IN NORTON, VA, DICKENSON COMMUNITY HOSPITAL (DCH), LOCATED IN CLINTWOOD, VA, AND JOHNSTON MEMORIAL HOSPITAL (JMH), LOCATED IN ABINGDON, VA. BECAUSE JMH, NCH, DCH AND SCCH ARE PARTIALLY OWNED ENTITIES, THEIR DATA ARE EXCLUDED FROM THIS DOCUMENT AND EACH OF THESE HOSPITALS FILE A SEPARATE FORM 990.

WASHINGTON COUNTY, TN JOHNSON CITY MEDICAL CENTER (JCMC) FLAGSHIP FACILITY:

- TEACHING HOSPITAL AFFILIATED WITH QUILLEN COLLEGE OF MEDICINE AT EAST TENNESSEE STATE UNIVERSITY (ETSU)
- THE SECOND HOSPITAL BUILT IN TENNESSEE
- LEVEL I TRAUMA CENTER – ONE OF ONLY SIX IN TENNESSEE
- HOME OF THE REGIONAL CANCER CENTER
- HOME TO NISWONGER CHILDREN'S HOSPITAL (NSCH), WHICH ALSO OFFERS THE ST. JUDE TRI-CITIES AFFILIATE CLINIC, ONE OF ONLY FIVE SUCH CLINICS IN THE COUNTRY, WORKING WITH THE MEMPHIS FACILITY TO TREAT PEDIATRIC PATIENTS IN OUR REGION; AND, THE REGION'S ONLY NACHRI-AFFILIATED CHILDREN'S HOSPITAL. NSCH PROVIDES COMPREHENSIVE PEDIATRIC SERVICES WITH ACCESS TO MORE THAN 20 PEDIATRIC SPECIALTIES.
- THE CHILDREN'S EMERGENCY DEPARTMENT AT JCMC IS THE ONLY PEDIATRIC-SPECIFIC EMERGENCY DEPARTMENT IN THE REGION OFFERING 24-HOUR EMERGENCY CARE BY SPECIALLY TRAINED PERSONNEL FOCUSED ON PROVIDING CARE TO PATIENTS FROM BIRTH TO 18 YEARS OF AGE.
- THE NE TN REGIONAL PERINATAL CENTER LOCATED AT JCMC IS ONE OF FIVE STATE DESIGNATED TERTIARY CENTERS FOR HIGH-RISK MATERNAL

FETAL CARE. STATE DESIGNATION IS BASED ON GUIDELINES FOR THE SERVICE PROVISIONS AND DESIGNATIONS OF LEVELS OF CARE GOVERNED AND REVIEWED BY A STATE APPOINTED COMMITTEE THROUGH TN DEPARTMENT OF HEALTH.

- HOME OF THE REGION'S LARGEST AIR AMBULANCE FLEET, WINGS AIR RESCUE
- 2001-2013 CONSUMER'S CHOICE AWARD FOR THE REGION THROUGH AN INDEPENDENT SURVEY CONDUCTED BY THE NATIONAL RESEARCH COUNCIL: BEST OVERALL QUALITY, BEST DOCTORS, BEST NURSES, MOST PERSONALIZED CARE AND HAVING THE BEST REPUTATION

OTHER JCMC HOSPITALS; **JAMES H. & CECILE C. QUILLEN REHABILITATION HOSPITAL** (CARF-ACCREDITED) AND **WOODRIDGE HOSPITAL FOR BEHAVIORAL HEALTH SERVICES**.

FRANKLIN WOODS COMMUNITY HOSPITAL (FWCH) OPENED ITS DOORS IN THE SUMMER OF 2010 AS A REPLACEMENT HOSPITAL FOR 2 AGING WASHINGTON COUNTY FACILITIES. FWCH WAS THE FIRST "LEADERSHIP IN ENERGY AND ENVIRONMENTAL DESIGN" (LEED) CERTIFIED HOSPITAL IN TENNESSEE AND HAS SET THE PRECEDENT FOR ENVIRONMENTALLY FRIENDLY DESIGNS.

SULLIVAN COUNTY, TN **INDIAN PATH MEDICAL CENTER**

CARTER COUNTY, TN **SYCAMORE SHOALS HOSPITAL**

JOHNSON COUNTY, TN **JOHNSON COUNTY COMMUNITY HOSPITAL**, A FEDERALLY DESIGNATED CRITICAL ACCESS HOSPITAL LOCATED IN ONE OF TENNESSEE'S POOREST COUNTIES, A MEDICALLY UNDERSERVED AREA

RUSSELL COUNTY, VA **RUSSELL COUNTY MEDICAL CENTER,** A FEDERALLY DESIGNATED CRITICAL ACCESS HOSPITAL LOCATED IN A MEDICALLY UNDERSERVED AREA.

MSHAWAS NAMED THE WINNER OF THE NATIONAL QUALITY FORUM'S 2012 NATIONAL QUALITY HEALTHCARE AWARD. NATIONAL QUALITY FORUM (NQF) PRESENTS THE AWARD ANNUALLY TO AN EXEMPLARY HEALTHCARE ORGANIZATION THAT HAS ACHIEVED A NUMBER OF QUALITY FOCUSED GOALS AND ACHIEVEMENTS. MSHA IS THE FIRST HEALTHCARE ORGANIZATION IN TENNESSEE TO RECEIVE THE AWARD. THE AWARD RECIPIENT IS SELECTED THROUGH A BLINDED REVIEW BY A PANEL OF JURORS COMPOSED OF NATIONAL HEALTHCARE EXPERTS WHO REPRESENT PURCHASERS, GOVERNMENT, HEALTH SYSTEMS, CLINICIANS, AND CONSUMERS. ACCORDING TO NQF, THE 2012 AWARD FOCUS WAS THE EXTENT TO WHICH AN ORGANIZATION IS PROVIDING PATIENT-CENTERED CARE AND ACHIEVING BETTER HEALTH OUTCOMES AT LOWER PER-CAPITA COSTS.

AARP RECOGNIZED MSHA AS ONE OF THE 50 BEST EMPLOYERS IN THE NATION FOR WORKERS OVER 50. MSHA WAS THE ONLY COMPANY IN TENNESSEE TO RECEIVE THE HONOR IN 2013. CANDIDATES ARE VETTED TO ENSURE THAT PRACTICES MEET THE NEEDS OF MATURE WORKERS, AND APPLICATIONS ARE REVIEWED BY AN INDEPENDENT PANEL OF JUDGES COMPOSED OF PRIVATE SECTOR, NON-PROFIT AND GOVERNMENT LABOR EXPERTS. AREAS OF CONSIDERATION INCLUDE RECRUITING PRACTICES; OPPORTUNITIES FOR TRAINING, EDUCATION AND CAREER DEVELOPMENT; WORKPLACE ACCOMMODATIONS; ALTERNATIVE WORK OPTIONS, SUCH AS FLEXIBLE SCHEDULING, JOB SHARING AND PHASED RETIREMENT; EMPLOYEE HEALTH AND PENSION BENEFITS; AND BENEFITS FOR RETIREES.

MOUNTAIN STATES HEALTH ALLIANCE RECEIVED THE TENNESSEE CENTER FOR PERFORMANCE EXCELLENCE (TNCPE) 2013 EXCELLENCE AWARD, THE HIGHEST HONOR FOR PERFORMANCE EXCELLENCE. TNCPE IS TENNESSEE'S ONLY STATE-WIDE QUALITY PROGRAM PATTERNED ON THE NATIONAL BALDRIGE PERFORMANCE EXCELLENCE PROGRAM, WHICH WAS ESTABLISHED IN 1987 BY PRESIDENT RONALD REAGAN. THE ANNUAL EXCELLENCE AWARD RECIPIENT IS

DETERMINED BY A PANEL OF JUDGES TO BE A HIGH-PERFORMANCE ORGANIZATION, EXHIBITING CONTINUOUS IMPROVEMENT AND BEST PRACTICE PROCESSES THAT SERVE AS A ROLE MODEL FOR OTHER ORGANIZATIONS. SINCE THE PROGRAM WAS FOUNDED IN 1993, ONLY 22 ORGANIZATIONS HAVE ATTAINED THE EXCELLENCE DESIGNATION AND MOUNTAIN STATES HEALTH ALLIANCE HAS EARNED THE HONOR THREE TIMES (2005, 2009, AND 2013). THE 2013 BOARD OF EXAMINERS WAS MADE UP OF OVER 200 EXPERTS IN BUSINESS, EDUCATION, HEALTH CARE AND GOVERNMENT. EXAMINERS SPENT MORE THAN 15,000 HOURS ASSESSING THE 2013 APPLICANTS IN SEVEN CATEGORIES: LEADERSHIP; STRATEGIC PLANNING; CUSTOMER FOCUS; MEASUREMENT, ANALYSIS AND KNOWLEDGE MANAGEMENT; WORKFORCE FOCUS; OPERATIONS FOCUS; AND RESULTS. THE PANEL OF JUDGES IS COMPOSED OF EXPERTS SELECTED FROM ALL INDUSTRY SECTORS AND REPRESENTS EACH DIVISION OF THE STATE.

MSHA WAS THE RECIPIENT OF THE 2012 U.S. SENATE PRODUCTIVITY AND QUALITY AWARD FOR VIRGINIA (VA SPQA). MSHA RECEIVED THE MEDALLION PERFORMANCE EXCELLENCE AWARD, VA SPQA'S HIGHEST AWARD. RECEIVING THE SPQA MEDALLION IS RECOGNITION OF BEING AMONG THE BEST PERFORMING ORGANIZATIONS IN THE COMMONWEALTH OF VIRGINIA AND THE DISTRICT OF COLUMBIA. THE AWARD RECIPIENT OF THE COVETED MEDALLION AWARD IS BELIEVED TO BE THE BEST IN THEIR CLASS WHEN COMPARED TO THE NATION'S STANDARD FOR EXCELLENCE – THE BALDRIGE CRITERIA FOR PERFORMANCE EXCELLENCE.

MOUNTAIN STATES HEALTH ALLIANCE HAS BEEN INCLUDED AMONG THE NATION'S "100 INTEGRATED HEALTH SYSTEMS TO KNOW" IN THE 2013 EDITION OF BECKER'S HOSPITAL REVIEW. THE LIST RECOGNIZES HEALTH SYSTEMS THAT FOCUS ON THE CONTINUUM OF CARE, FROM WELLNESS AND PREVENTIVE SERVICES TO URGENT CARE, INPATIENT CARE, OUTPATIENT CARE, HOSPICE, HEALTH PLAN OFFERINGS AND MORE. THE CHOSEN HEALTH SYSTEMS HAVE ALSO DEMONSTRATED INNOVATION THROUGH THEIR PARTICIPATION IN CARE AND PAYMENT REFORM INITIATIVES, SUCH AS ACCOUNTABLE CARE

ORGANIZATIONS. FRANKLIN WOODS COMMUNITY HOSPITAL AND MSHA CHIEF FINANCIAL OFFICER MARVIN EICHORN WERE ALSO RECOGNIZED ON OTHER NATIONAL BECKER'S LISTS. FRANKLIN WOODS COMMUNITY HOSPITAL WAS LISTED AMONG THE "100 GREAT COMMUNITY HOSPITALS IN AMERICA" AND EICHORN WAS NAMED AS ONE OF THE "125 HOSPITAL AND HEALTH SYSTEM CHIEF FINANCIAL OFFICERS TO KNOW". THE "100 GREAT COMMUNITY HOSPITALS" LIST WAS BASED ON HOSPITALS' QUALITY OF CARE AND SERVICE TO COMMUNITY. THE CFO LIST IS BASED ON SEVERAL RESOURCES INCLUDING INPUT FROM INDUSTRY EXPERTS.

MSHA WAS NAMED A 2013 "100 MOST WIRED HOSPITALS" WINNER. TOP 100 HOSPITALS/ HEALTH SYSTEMS SHOW BETTER OUTCOMES IN FOUR KEY AREAS: MORTALITY RATES, PATIENT SAFETY MEASURES FROM THE AGENCY FOR HEALTHCARE RESEARCH AND QUALITY (AHRQ), CORE MEASURES FROM HOSPITAL COMPARISONS AND AVERAGE LENGTH OF STAY. THE SURVEY IS CONDUCTED BY THE AMERICAN HOSPITAL ASSOCIATION, THE COLLEGE OF HEALTHCARE INFORMATION MANAGEMENT EXECUTIVES, AT&T AND MCKESSON AND PUBLISHED IN HOSPITALS & HEALTH NETWORKS. THE ANNUAL SURVEY POLLED 1,713 HOSPITALS (ROUGHLY ONE-THIRD OF THOSE IN THE U.S.). THE SURVEY, WHICH IS AN INDUSTRY-STANDARD BENCHMARK STUDY ANALYZES SURVEY RESULTS OF THE MOST WIRED DATA AND DEVELOPS BENCHMARKS THAT ARE BECOMING THE INDUSTRY STANDARD FOR MEASURING IT ADOPTION FOR OPERATIONAL, FINANCIAL AND CLINICAL PERFORMANCE IN HEALTH CARE DELIVERY SYSTEMS. MSHA WAS ONE OF FOUR ORGANIZATIONS IN TENNESSEE TO BE RECOGNIZED AND THE ONLY HOSPITAL TO MAKE THE LIST IN OUR REGION.

JOHNSON CITY MEDICAL CENTER AND INDIAN PATH MEDICAL CENTER WERE RECOGNIZED BY U.S. NEWS AND WORLD REPORT IN THE BEST HOSPITALS 2012 AND 2013 RANKINGS. THE RECOGNITION IS BROKEN DOWN BY SPECIALTIES AND RECOGNIZES HIGH PERFORMERS IN EACH CATEGORY.

THE NATIONAL RESEARCH CORPORATION ANNUALLY PROVIDES CONSUMER CHOICE AWARDS FOR THE MOST-PREFERRED HOSPITALS IN MARKETS ACROSS THE U.S. WINNERS, NAMED IN MODERN HEALTHCARE MAGAZINE, ARE SELECTED FROM THE NATION'S MOST COMPREHENSIVE, NATIONWIDE CONSUMER HEALTH CARE PROFILE, THE NATIONAL RESEARCH CORPORATION HEALTHCARE MARKET GUIDE. THE AWARD IDENTIFIES THE TOP HOSPITALS THAT HEALTHCARE CONSUMERS HAVE CHOSEN AS HAVING THE HIGHEST QUALITY AND IMAGE IN MARKETS THROUGHOUT THE UNITED STATES. JOHNSON CITY MEDICAL CENTER WAS ONE OF ONLY SIX HOSPITALS IN THE STATE OF TENNESSEE RECEIVING THIS RECOGNITION.

MSHA IS ONE OF EIGHT HEALTH CARE SYSTEMS NATIONWIDE TO WIN THE 2013 EMERGENCY CARE RESEARCH INSTITUTE (ECRI) SUPPLY CHAIN AWARD. ECRI IS AN INDEPENDENT, NON-PROFIT ORGANIZATION THAT RESEARCHES THE BEST APPROACHES TO IMPROVING PATIENT CARE. THE AWARD HONORS HEALTHCARE ORGANIZATIONS THAT DEMONSTRATE EXCELLENCE IN OVERALL SPEND MANAGEMENT BY FINDING THE BEST DEALS WHILE ALSO FINDING THE BEST QUALITY SUPPLIES TO BENEFIT PATIENTS.

THREE MSHA FACILITIES – FRANKLIN WOODS COMMUNITY HOSPITAL, SYCAMORE SHOALS HOSPITAL AND SMYTH COUNTY COMMUNITY HOSPITAL – WERE RECOGNIZED THIS YEAR BY THE PREMIER HEALTHCARE ALLIANCE FOR SEVERAL KEY QUALITY MEASURES, INCLUDING LOW MORTALITY, POSITIVE PATIENT EXPERIENCE, AND LOW COST OF CARE. THE QUEST HIGH PERFORMING HOSPITALS COLLABORATIVE ALLOWS HOSPITALS NATIONWIDE TO SHARE BEST PRACTICES AND COMPARE DATA ON PATIENT SAFETY, CLINICAL OUTCOMES, COST OF CARE, AND PATIENT SATISFACTION, WITH THE GOAL OF IMPROVING ALL METRICS FOR THE BENEFIT OF THE PATIENT.

THE VIRGINIA HEALTH QUALITY CENTER (VHQC), A NON-PROFIT HEALTH QUALITY CONSULTING COMPANY, SELECTED WINNERS IN SIX CATEGORIES FOR THEIR CONTRIBUTIONS TO

IMPROVING HEALTH CARE FOR PATIENTS IN VIRGINIA. MSHA'S FIVE VIRGINIA HOSPITALS, INCLUDING RUSSELL COUNTY MEDICAL CENTER, WERE AMONG THE RECIPIENTS. VHQC STATED (OF MSHA) "BY ESTABLISHING 10 GUIDING PRINCIPLES AND INCORPORATING THEM INTO EACH HOSPITAL'S OPERATIONS, THIS ORGANIZATION HAS SIGNIFICANTLY IMPROVED PATIENT-PROVIDER RELATIONSHIPS, ENVIRONMENTS AND SERVICE DELIVERY."

THE AMERICAN HEART ASSOCIATION AND AMERICAN STROKE ASSOCIATION RECOGNIZED JCMC AS A GOLD PLUS ACHIEVEMENT AWARD HOSPITAL. THIS AWARD IS GIVEN TO HOSPITALS FOR ACHIEVING 85% OR HIGHER ADHERENCE TO ALL "GET WITH THE GUIDELINES®" HEART FAILURE ACHIEVEMENT INDICATORS FOR TWO OR MORE CONSECUTIVE 12-MONTH INTERVALS AND AT LEAST 12 CONSECUTIVE MONTHS OF 75% OR HIGHER COMPLIANCE WITH 4 OF 10 "GET WITH THE GUIDELINES®" HEART FAILURE QUALITY MEASURES TO IMPROVE QUALITY OF PATIENT CARE AND OUTCOMES. INDIAN PATH MEDICAL CENTER WAS AWARDED THE SILVER ACHIEVEMENT AWARD FROM THE AMERICAN HEART ASSOCIATION.

SYCAMORE SHOALS HOSPITAL AND JOHNSON COUNTY COMMUNITY HOSPITAL WERE NAMED 2013 GUARDIAN OF EXCELLENCE AWARD WINNERS BY PRESS GANEY ASSOCIATES, INC. FOR THEIR STRONG PHYSICIAN ENGAGEMENT. THE GUARDIAN OF EXCELLENCE AWARD USES SURVEY RESULTS TO RECOGNIZE TOP-PERFORMING FACILITIES THAT CONSISTENTLY ACHIEVED THE 95TH PERCENTILE AS COMPARED TO OTHER FACILITIES ACROSS THE NATION. BOTH HOSPITALS RATED IN THE 99TH PERCENTILE, MEANING THEY HAD A HIGHER LEVEL OF PHYSICIAN PARTNERSHIP THAN 99 PERCENT OF THE FACILITIES IN PRESS GANEY'S DATABASE. MORE THAN 10,000 HEALTH CARE FACILITIES ARE INCLUDED IN THE PRESS GANEY DATABASE, REPRESENTING MORE THAN HALF OF ALL U.S. HOSPITALS.

SYCAMORE SHOALS HOSPITAL (SSH) RECEIVED NATIONAL RECOGNITION FOR AN INNOVATIVE HAND HYGIENE PROGRAM

CALLED "BUMMER" THAT HAS BEEN AWARDED AN HONORABLE MENTION AND A CASH PRIZE IN THE SPIRIT OF EXCELLENCE AWARDS, CO-SPONSORED BY SODEXO HEALTH CARE SERVICES AND MODERN HEALTHCARE MAGAZINE. "BUGS UNDER MEDICAL MANAGEMENT TO ELIMINATE RESISTANCE" (BUMMER) IS A CAMPAIGN DESIGNED TO INCREASE COMPLIANCE IN HAND HYGIENE AND USE OF PERSONAL PROTECTIVE EQUIPMENT. AFTER IMPLEMENTATION OF THE BUMMER PROGRAM, COMPLIANCE RATES ARE NOW CLOSE TO 100 PERCENT. THE 20 YEAR OLD SPIRIT OF EXCELLENCE AWARDS PROGRAM IS DESIGNED TO HONOR HEALTH CARE ORGANIZATIONS AND INDIVIDUALS FOR CREATIVE PROGRAMS THAT SERVE PATIENTS AND COMMUNITIES.

MSHA ESTABLISHED "MOUNTAIN STATES EARTH CARE" TO INCREASE TEAM MEMBER AWARENESS AND INVOLVEMENT ACROSS THE ORGANIZATION OF INITIATIVES DEVELOPED TO PROTECT THE ENVIRONMENT. CONSISTENT WITH THE MSHA PATIENT CENTERED CARE PRINCIPLE THAT CARE IS PROVIDED IN A HEALING ENVIRONMENT OF COMFORT, PEACE AND SUPPORT, OUR GREEN PRINCIPLES DEMONSTRATE OUR COMMITMENT TO PROTECT AND PRESERVE THE ENVIRONMENT. MSHA PROTECTS THE ENVIRONMENT BY PROMOTING COST-EFFECTIVE BUSINESS PRACTICES CONSISTENT WITH MSHA'S 11 "GREEN GUIDING PRINCIPLES".

MSHA CONTINUES THE LEADERSHIP SYSTEM CALLED THE VALUE OPTIMIZATION SYSTEM (VOS) TO TRAIN AND PROVIDE TOOLS TO REDUCE WASTE, PROVIDE A "WOW" CUSTOMER EXPERIENCE WHILE ACHIEVING WORLD CLASS OUTCOMES. THIS SYSTEM ALSO ALLOWS MSHA TO CONTINUOUSLY IMPROVE AND PROVIDE MORE VALUE TO TEAM MEMBERS, PHYSICIANS, AND COMMUNITIES. VOS IDENTIFIES WHICH PARTS OF THE SYSTEM DELIVER VALUE AND WHICH PARTS ARE WASTE SO THAT THE SYSTEM MAY BE REDESIGNED TO REDUCE WASTE AND TO DELIVER THE BEST VALUE TO MEET CUSTOMER DEMAND.

AUDIT AND COMPLIANCE PRACTICES: MSHA IS GOVERNED BY A BOARD OF DIRECTORS, WHOSE MEMBERS ARE FROM THE

COMMUNITIES MSHA SERVES. THE CORPORATE BOARD INCLUDES A LONGSTANDING AUDIT AND COMPLIANCE COMMITTEE. ALL AUDITORS AND COMPLIANCE SPECIALISTS, INTERNAL AND EXTERNAL, REPORT DIRECTLY TO THE AUDIT AND COMPLIANCE COMMITTEE AS A WAY TO ENSURE THE AUDIT AND COMPLIANCE PROCESS IS INDEPENDENT.

- MSHA'S COMPLIANCE PLAN ENSURES THE ORGANIZATION CONDUCTS BUSINESS IN AN APPROPRIATE MANNER AND IN ACCORDANCE WITH LOCAL, STATE AND FEDERAL LAWS AND REGULATIONS. THE PLAN ADDRESSES FISCAL ACCOUNTABILITY AND TRANSPARENCY OF OPERATIONS THROUGH THE REVIEW AND USE OF INDEPENDENT AUDITS BY EXTERNAL AUDITORS AND RATING AGENCIES.
- UPON EMPLOYMENT, MSHA TEAM MEMBERS RECEIVE A COPY OF THE BOOKLET *CODE OF ETHICS AND BUSINESS CONDUCT*, DETAILING REQUIRED STANDARDS OF BEHAVIOR. YEARLY, TEAM MEMBERS RECEIVE REFRESHER EDUCATION ON THEIR OBLIGATIONS UNDER THE CODE OF ETHICS AND BUSINESS CONDUCT.
- ANNUALLY, DEPARTMENT DIRECTORS, EXECUTIVE OFFICERS AND BOARD MEMBERS ARE REQUIRED TO SIGN MSHA'S CONFLICT OF INTEREST POLICY. BY SIGNING THIS POLICY, THEY AFFIRM THEIR KNOWLEDGE AND UNDERSTANDING OF THE POLICY AND ALSO HAVE THE OPPORTUNITY TO DISCLOSE ANY CONFLICT OF INTEREST THEY MAY HAVE. ALL TEAM MEMBERS ARE REQUIRED BY POLICY TO IMMEDIATELY DISCLOSE SITUATIONS THAT MAY CONSTITUTE CONFLICTS OF INTEREST WHEN THEY ARISE.
- MSHA IS FULLY COMPLIANT WITH REGULATORY AND LEGAL REQUIREMENTS, AND ITS HOSPITALS ARE ACCREDITED BY THE JOINT COMMISSION.
- MSHA HAS A NO-RETALIATION AND NO-RETRIBUTION POLICY FOR THE PROTECTION OF INDIVIDUALS WHO, IN GOOD FAITH, REPORT LEGAL OR ETHICAL CONCERNS. TEAM MEMBERS ARE REQUIRED TO REPORT CONCERNS TO APPROPRIATE PERSONS FOR INVESTIGATION OR FOLLOW-UP. *ALERTLINE* IS A CONFIDENTIAL, RISK-FREE

HOTLINE FOR REPORTING SUSPECTED ILLEGAL BEHAVIOR, ETHICAL VIOLATIONS OR SAFETY RISKS AND IS AVAILABLE TO ALL TEAM MEMBERS VIA A TOLL-FREE NUMBER.

MEDICAL EDUCATION AND RESEARCH

A TRAUMATIC INJURY IS SOMETHING THAT CAN STRIKE ANYONE, ANYTIME AND JUST ABOUT ANYWHERE. IT IS THE LEADING CAUSE OF DEATH FOR AGES 1 TO 44 IN THE NATION. THAT'S WHY MSHA/JCMC HOSTED THE FOURTH ANNUAL TRAUMA CONFERENCE. THE EVENT WAS OPEN TO ANYONE INVOLVED IN TREATING TRAUMA – EMERGENCY PERSONNEL, PHYSICIANS, NURSES, REHAB SPECIALISTS AND OTHERS. THE CONFERENCE LOOKED AT THE MANY ASPECTS OF TRAUMA, WITH A FOCUS ON DEALING WITH TRAUMA IN A RURAL AREA. RURAL TRAUMA IS OFTEN DIFFERENT FROM WHAT IS COMMON IN A LARGER CITY. OUR REGION RECEIVES 85 TO 90 PERCENT BLUNT TRAUMA, WHILE IN LARGE INNER-CITY SETTINGS, THERE MAY BE A HIGHER INCIDENCE OF PENETRATING TRAUMA. RURAL TRAUMA IS MORE LIKELY TO BE FROM ACCIDENTS RELATED TO HIKING, HORSEBACK RIDING, FARMING, USE OF FOUR-WHEELERS, ETC. AND THE PATIENTS HURT IN RURAL AREAS MAY EXTEND TIMES FOR RESCUE, PLUS PHYSICAL AND GEOGRAPHICAL CHALLENGES ARE OFTEN INVOLVED. THE CONFERENCE PROMOTED BEST PRACTICES AND NATIONAL GUIDELINES IN TRAUMA CARE. MSHA IS THE FIRST TO PROVIDE A TRAUMA CONFERENCE THAT IS OPEN TO EVERYONE AS AN OUTREACH TO OUR ENTIRE REGION AND NOT JUST SPECIFIC TO OUR TEAM MEMBERS. THE CONFERENCE GOAL IS TO IMPROVE THE TRAUMA EDUCATION FOR CARE PROVIDERS IN NORTHEAST TENNESSEE, SOUTHWEST VIRGINIA, WESTERN NORTH CAROLINA AND SOUTHEASTERN KENTUCKY, AND TO IMPROVE OUTCOMES FOR TRAUMA PATIENTS IN THIS REGION. MSHA INCURRED UNREIMBURSED COSTS RELATED TO THE CONFERENCE OF $25,491.

MSHA PROVIDES CLINICAL EXPERIENCE TO MEDICAL STUDENTS AND RESIDENTS OF THE JAMES H. QUILLEN COLLEGE OF MEDICINE AT ETSU. MSHA CONTRIBUTED AN

UNREIMBURSED COST AMOUNT OF $5,948,457 TO THE RESIDENCY PROGRAM IN FY13.

MSHA FACILITIES SERVE AS CLINICAL TRAINING AREAS FOR HEALTH PROFESSIONAL EDUCATION STUDENTS. MSHA HAS DEDICATED STAFF TO WORK WITH REGIONAL COLLEGES AND UNIVERSITIES TO COORDINATE THE PLACEMENT OF HEALTHCARE PROFESSIONAL STUDENTS AS PART OF THEIR EDUCATIONAL CURRICULUM. MANY OF THE HEALTH CARE STUDENTS ENTERING OUR SYSTEM ARE REQUIRED TO HAVE ORIENTATION AND COMPUTER TRAINING.

INCLUDED IN THE PARTICIPANTS RECEIVING CLINICAL EXPERIENCE AT MSHA WERE 1,859 NURSING STUDENTS FROM VARIOUS COLLEGES, UNIVERSITIES AND PROGRAMS. THIS NURSING CLINICAL EXPERIENCE REQUIRED EXTENSIVE MSHA NURSING STAFF INVOLVEMENT AT FIVE MSHA FACILITIES. THE CLINICAL SETTING AND HANDS-ON INSTRUCTION COST MSHA $3,810,059.

MSHA PROVIDED A CLINICAL SETTING FOR ANOTHER 874 STUDENTS TRAINING IN HEALTH-RELATED PROGRAMS SUCH AS RADIOLOGY, PHARMACY, LABORATORY, PHYSICAL THERAPY AND OTHER ALLIED-HEALTH DISCIPLINES. THESE ADDITIONAL CLINICAL STUDENTS COST MSHA $843,428.

MSHA PROVIDED ASSISTANCE TO 631 HIGH SCHOOL AND COLLEGE STUDENTS WHO WERE CONSIDERING A HEALTHCARE CAREER PATH BY ALLOWING THEM TO OBSERVE LICENSED MSHA CLINICAL PROFESSIONALS. THE SHADOWING OF CLINICAL STAFF BY THESE STUDENTS COST MSHA $14,311.

MSHA'S LEARNING RESOURCE CENTER (LRC) IS A MEDICAL LIBRARY THAT PROVIDES ACCESS TO MEDICAL DATABASES, VARIOUS PAPER PUBLICATIONS AND FACILITATES INTER-LIBRARY JOURNAL LOANS TO INCREASE LIBRARY RESOURCES. THE LRC SUBSCRIBES TO SEVERAL ONLINE MEDICAL DATABASES AS WELL AS PRINTED MEDICAL EDUCATION MATERIALS. THE LRC IS UTILIZED BY MEDICAL RESIDENTS, PHARMACY, NURSING AND PHYSICAL THERAPY STUDENTS.

THIS SERVICE IS ALSO USED BY OTHER HEALTH PROFESSION EDUCATION STUDENTS, PHYSICIANS AND STAFF, AND IS OPEN TO THE COMMUNITY. MORE THAN 3,000 ARTICLE REQUESTS ARE FILLED EVERY YEAR. THE FY13 COST OF PROVIDING THIS SERVICE WAS $286,839.

CLINICAL RESEARCH IS A VITAL COMPONENT OF MODERN MEDICINE. THE DEVELOPMENT OF SAFE AND EFFECTIVE PHARMACEUTICALS, BIOLOGICS AND MEDICAL DEVICES EMERGES FROM CONTROLLED CLINICAL TRIALS. MSHA SUPPORTS MSHA PHYSCIANS AND NURSES, AS WELL AS ETSU FACULTY, RESIDENTS AND FELLOWS, IN CONDUCTING RESEARCH TRIALS AND BRINGING INNOVATIVE CARE TO OUR PATIENTS. MSHA'S RESEARCH DEPARTMENT PROVIDES DIFFERENT LEVELS OF SUPPORT TO TRIALS, INCLUDING, BUT NOT LIMITED TO, ADMINISTRATIVE, LEGAL, AND EDUCATIONAL SUPPORT, BUDGETARY EVALUATION, AND OBTAINING AND MAINTAINING IRB APPROVALS. MSHA REPORTED $134,204 IN UNREIMBURSED RESEARCH EXPENSE DURING FY13.

MSHA'S RESEARCH DEPARTMENT HOSTED ITS 8TH ANNUAL EVIDENCE-BASED PRACTICE AND RESEARCH CONFERENCE FOR NURSES AND OTHER DISCIPLINES IN THE RESEARCH FIELD. CONFERENCE TOPICS INCLUDED STAFF VS. STAPH, SAFE SLEEP STRATEGIES IN NICU, NURSE RESIDENTS' EVIDENCE BASED PRACTICE PROJECT: ICU OPEN VISITATION, AMONG OTHER TOPICS. OVER 40 PROFESSIONALS ATTENDED THE CONFERENCE, AT A COST OF $5,590 TO MSHA.

MSHA PRESENTED THE 19TH ANNUAL PULMONARY CRITICAL CARE HEALTH SYMPOSIUM WITH A NET UNREIMBURSED COST OF ALMOST $3,000. THIS TWO DAY SYMPOSIUM IS DESIGNED TO ENHANCE THE EDUCATION OF PHYSICIANS, RESPIRATORY THERAPISTS, NURSES, SLEEP TECHNOLOGISTS AND OTHER ALLIED HEALTH CARE PROFESSIONALS IN THE MOST RECENT SCIENTIFIC ADVANCEMENTS INVOLVING MANAGEMENT OF PULMONARY PATIENTS AND FUTURISTIC TRENDS.

WINGS AIR RESCUE PROVIDES AEROMEDICAL TRANSPORTATION OF CRITICALLY ILL OR INJURED PATIENTS. IMPORTANT TO THE EFFICIENT AND SAFE OPERATION OF THE AIR AMBULANCE IS A CLEAR UNDERSTANDING OF HOW TO CLEAR AND PREPARE LANDING ZONES AND APPROPRIATE METHODS FOR COMMUNICATING WITH AIR HELICOPTER PILOTS AT ACCIDENT SCENES AND TRANSPORT SITES. DURING FY13, WINGS AIR RESCUE MADE 158 TRAINING RUNS TO AREA EMERGENCY MEDICAL SERVICE FACILITIES AND EMERGENCY DEPARTMENTS TO PERFORM TRAINING OF EMS AND EMERGENCY DEPARTMENT PERSONNEL.

PATIENT CARE SERVICES

DATA SHOWS THAT THE HEALTH STATUS OF MSHA'S SERVICE AREA IS GENERALLY POOR. MSHA'S PRIMARY SERVICE AREA CONSISTS OF COUNTIES IN TENNESSEE AND SOUTHWEST VIRGINIA. AMONG THE 50 STATES, TENNESSEE RANKS 42ND AND VIRGINIA RANKS 26TH IN TERMS OF HEALTH STATUS. HOWEVER, IT SHOULD BE NOTED THAT SOUTHWEST VIRGINIA (WHERE SOME OF MSHA FACILITIES ARE LOCATED) CLOSELY RESEMBLES THE HEALTH RANKINGS FOR TENNESSEE. SOME OF THE OVERWHELMING HEALTH ISSUES IN OUR SERVICE AREA INCLUDE:

1. HIGH PREVALENCE OF OBESITY
2. POOR CARDIOVASCULAR HEALTH
3. HIGH RATE OF CIGARETTE SMOKING
4. POOR AIR QUALITY
5. LOW RATE OF DIABETIC CARE
6. HIGH RATE OF UNINSURED
7. LOW LEVEL OF EDUCATION
8. HIGH RATE OF DEATHS DUE TO CARDIOVASCULAR CONDITIONS, CANCER AND DIABETES

GIVEN THIS HEALTH PROFILE, MSHA EXISTS TO IDENTIFY AND RESPOND TO THE HEALTHCARE NEEDS OF ALL INDIVIDUALS AND COMMUNITIES IN THE REGION AND TO ASSIST THEM IN ATTAINING THEIR HIGHEST POSSIBLE LEVEL OF HEALTH. MSHA LIVES ITS MISSION TO BRING LOVING CARE TO HEALTH

CARE IN OUR REGION. MSHA OPERATES ON A NON-DISCRIMINATORY BASIS, PROVIDING QUALITY HEALTH CARE TO ALL PATIENTS REGARDLESS OF RACE, RELIGION, GENDER, ETHNICITY, DISABILITY, AGE OR ABILITY TO PAY.

MSHA ADDED A HOSPITAL-BASED PHARMACY PROGRAM IN 2012. A YEAR LATER, AFTER SOME GROWING PAINS, THE PHARMACY IS 95% DEPLOYED AT JCMC. THIS COMPREHENSIVE SERVICE FOR PATIENTS ASSISTS THEM WITH INSURANCE AND PAYMENT OPTIONS AND ASSURES THEY HAVE ALL THE MEDICATIONS THEY NEED UPON DISCHARGE. THE MAIN REASON FOR ADDING THIS SERVICE WAS TO PROVIDE SAFER AND MORE EFFICIENT PATIENT CARE AS PATIENTS TRANSITION FROM HOSPITAL TO HOME. ONE OF THE PRIMARY REASONS FOR HOSPITAL READMISSION IS MEDICATION MISMANAGEMENT ONCE A PATIENT GOES HOME. PATIENTS CAN NOW LEAVE THE HOSPITAL WITH MEDICATIONS IN HAND AND AFTER RECEIVING CLEAR INSTRUCTION FROM A TRANSITION SPECIALIST THROUGHOUT THEIR HOSPITAL STAY. THE NEW PHARMACY HAS BEEN SUCCESSFUL WITH ITS GOAL OF LOWERING READMISSIONS – THE READMISSION RATE FOR PATIENTS WHO USE THE PHARMACY IS ABOUT 31% LOWER THAN FOR PATIENTS WHO DON'T USE IT. THE MSHA PHARMACY OFFERS AN OPTION FOR PATIENTS LEAVING LATE IN THE DAY, PATIENTS THAT ARE TIRED AND WANT TO GO STRAIGHT HOME; OR, THE PATIENT'S PHARMACY DOESN'T HAVE A NEEDED MEDICATION IN STOCK CAUSING A DELAY IN STARTING THE DRUG. PATIENTS ARE APPRECIATIVE OF THE CONVENIENCE THIS PHARMACY OPTION GIVES THEM. FOR EXAMPLE, A SAME-DAY SURGERY PATIENT THAT CHOOSES THIS PHARMACY OPTION WILL HAVE EVERYTHING READY FOR THEM BEFORE THEY ARE DISCHARGED.

BOTH IPMC AND JCMC EARNED CERTIFICATION BY THE JOINT COMMISSION AS CENTERS OF EXCELLENCE. IPMC'S CERTIFICATION WAS THE FIRST SUCH HONOR IN THE AREA, FOLLOWED CLOSELY BY JCMC. THERE ARE NO OTHER CERTIFIED JOINT REPLACEMENT CENTERS WITHIN A 75-MILE RADIUS TO THE TRI-CITIES. THE CERTIFICATION VALIDATES A COMMITMENT TO A HIGHER STANDARD OF SERVICE, PROVIDES

A FRAMEWORK FOR ORGANIZATIONAL STRUCTURE AND MANAGEMENT, ENHANCES STAFF RECRUITMENT AND DEVELOPMENT, AND IS RECOGNIZED BY INSURERS AND OTHER THIRD PARTIES.

AT THE END OF AUGUST, 2012, JCMC OPENED A CONGESTIVE HEART FAILURE CLINIC TO HELP PATIENTS MANAGE THEIR DISEASE. THE CLINIC IS STAFFED BY A NURSE PRACTITIONER WHO WORKS IN COLLABORATION WITH A CARDIOLOGIST. THE CLINIC IS PROVIDED FREE OF CHARGE. THE CLINIC'S PRIMARY FOCUS IS ON EVALUATION AND EDUCATION, TO PREVENT THE LIKELIHOOD OF ACUTE EPISODES OF HEART FAILURE AND TO HELP PEOPLE MANAGE HEART FAILURE AND IMPROVE THEIR CARDIAC FUNCTION. THE CLINIC'S MISSION IS TO PROVIDE CARE THAT WILL REDUCE THE NUMBER OF HOSPITALIZATIONS FOR PATIENTS WITH CONGESTIVE HEART FAILURE (CHF) THROUGH OUTPATIENT MANAGEMENT IN THE HEART FAILURE CLINIC. PATIENTS DISCHARGED FROM A MSHA HOSPITAL WILL HAVE A SCHEDULED APPOINTMENT WITH THE CLINIC AND CONTINUED FOLLOW-UP CARE WILL CONTINUE AS LONG AS THE INDIVIDUAL NEEDS IT. THE COST TO MSHA OF PROVIDING THIS FREE CLINIC WAS $84,034 DURING FY13 AND 270 PATIENTS WERE SEEN DURING THE FIRST 10 MONTHS THE CLINIC WAS OPEN.

AS HOSPITALS ACROSS THE NATION LOOK FOR NEW AND INNOVATIVE WAYS TO BATTLE DEADLY PATHOGENS AND KILL MULTI-DRUG RESISTANT ORGANISMS THAT PUT PATIENTS AT RISK, JCMC HAS TAKEN A LEAP INTO THE FUTURE WITH THE INSTALLATION OF TWO ROBOTS THAT ELIMINATE HARD-TO-KILL BUGS IN HARD-TO-CLEAN PLACES. THE TWO XENEX ROBOTS USE PULSED XENON ULTRAVIOLET LIGHT THAT IS 25,000 TIMES MORE POWERFUL THAN THE SUN TO DESTROY HARMFUL BACTERIA, VIRUSES, FUNGI, AND EVEN BACTERIAL SPORES. THE SYSTEM IS EFFECTIVE AGAINST EVEN THE MOST DANGEROUS PATHOGENS, INCLUDING CLOSTRIDIUM DIFFICILE, NOROVIRUS, INFLUENZA, AND STAPH BACTERIA, INCLUDING METHICILLIN-RESISTANT STAPHYLOCOCCUS AUREUS, BETTER KNOWN AS MRSA.

THE ROBOTS CAN DISINFECT A ROOM IN MINUTES AND ARE EASILY PORTABLE. JCMC IS THE FIRST HOSPITAL IN TENNESSEE TO IMPLEMENT THE XENEX SYSTEM.

CHARITY AND UNREIMBURSED COSTS

CHARITY CARE: WHILE REIMBURSEMENT FOR HEALTHCARE SERVICES RENDERED IS CRITICAL TO THE OPERATION AND SUSTAINABILITY OF THE ORGANIZATION, MSHA RECOGNIZES ITS OBLIGATION TO PROVIDE CARE TO INDIVIDUALS WHO CANNOT AFFORD ESSENTIAL MEDICAL SERVICES, INCLUDING EMERGENCY CARE. A PATIENT IS CLASSIFIED AS A CHARITY PATIENT BY REFERENCE TO ESTABLISHED POLICIES OF MSHA AND GUIDELINES OUTLINED BY THE FEDERAL GOVERNMENT. HOWEVER, FINANCIAL ASSISTANCE DECISIONS ARE NOT SOLELY BASED ON INCOME. UNIQUE FINANCIAL CIRCUMSTANCES ARE WEIGHED WITH VERIFIED PATIENT ASSETS WHICH CAN DETERMINE FINANCIAL ASSISTANCE ELIGIBILITY. IT IS NOT UNTIL AFTER VERIFICATION OF INCOME AND ASSETS THAT A DECISION AS TO THE AMOUNT OF WRITE-OFF WILL BE MADE. IN FISCAL YEAR 2013, MSHA INCURRED A LOSS OF $17,191,567 ATTRIBUTABLE TO THE PROVISION OF FREE CARE TO INDIGENT PATIENTS.

GOVERNMENTAL PROGRAM ENROLLEES: MSHA PROVIDES CARE TO PERSONS COVERED BY GOVERNMENTAL PROGRAMS, INCLUDING MEDICARE AND MEDICAID AND STATE-FUNDED TENNCARE. IN FY13, THE UNREIMBURSED COST OF SERVICES PROVIDED TO THIS PATIENT POPULATION WAS $5,715,993 (MEDICARE, BASED ON MEDICARE ALLOWABLE COSTS), $5,400,422 (MEDICAID) AND $23,779,759 (TENNCARE).

BAD DEBT: MSHA PROVIDES AN INCREASING LEVEL OF SERVICE TO SELF-PAY PATIENTS FOR WHICH IT RECEIVES LITTLE OR NO PAYMENT. DURING FY13, BAD DEBTS RESULTED IN BAD DEBT WRITE-OFFS OF $72,662,827. MSHA BELIEVES MANY OF THE ACCOUNTS CLASSIFIED AS BAD DEBT WOULD HAVE QUALIFIED FOR FINANCIAL ASSISTANCE IF THE PATIENTS ASSOCIATED WITH THESE ACCOUNTS HAD PROVIDED FINANCIAL DOCUMENTATION TO OUR HOSPITALS. EVEN WHEN MSHA HOSPITAL TEAM MEMBERS ENCOURAGE PATIENTS AND

TELL THEM IT IS LIKELY THEY WILL QUALIFY FOR ASSISTANCE, MANY PATIENTS REMAIN UNWILLING TO PROVIDE THE INFORMATION WE NEED TO DETERMINE ELIGIBILITY. THE VAST MAJORITY OF PATIENTS THAT SUPPLY FINANCIAL INFORMATION TO US DO, IN FACT, RECEIVE EITHER A COMPLETE ACCOUNT WRITE-OFF TO CHARITY OR A PARTIAL WRITE-OFF.

PROMOTE COMMUNITY HEALTH

MSHA OFFERS MANY REDUCED PRICE OR FREE SERVICES AND PROGRAMS YEAR-ROUND IN CARE SETTINGS THAT IT ESTABLISHED TO ACCOMMODATE THE WIDELY SCATTERED, AGING AND SOCIOECONOMICALLY DISADVANTAGED POPULATION. SUCH PROGRAMS SERVE BONA FIDE COMMUNITY HEALTH NEEDS AND RESULT IN FINANCIAL LOSSES TO THE ORGANIZATION.

WINGS AIR RESCUE (WINGS), THE REGION'S ONLY EMERGENCY MEDICAL HELICOPTER SERVICE, IS CONSIDERED BY MSHA TO BE A REGIONAL ASSET. LICENSED IN THE STATE OF TENNESSEE AND THE COMMONWEALTHS OF KENTUCKY AND VIRGINIA, WINGS PROVIDED AIR TRANSPORT OF CRITICALLY ILL AND INJURED PATIENTS TO THE CLOSEST TERTIARY FACILITIES, INCLUDING NON-MSHA FACILITIES. 40% OF THEIR PATIENTS ARE TRAUMA PATIENTS FROM SCENES OR EMERGENCY DEPARTMENTS TO TERTIARY CARE CENTERS, WITH OTHERS BEING CARDIAC, OB, PEDIATRIC AND MEDICAL. DURING FY13, WINGS TRANSPORTED 1,375 PATIENTS AND MADE 2 SEARCH AND RESCUE FLIGHTS AT A NET OPERATING LOSS OF $1,257,736. IN ADDITION TO AIR TRANSPORT SERVICE, WINGS DISPATCH SERVES AS THE STATE DESIGNATED REGIONAL MEDICAL COMMUNICATIONS CENTER FOR TENNESSEE REGION 1. THE COMMUNICATION CENTER IS OPERATIONAL 24 HOURS DAILY AND PROVIDES COMMUNICATION SERVICES TO BOTH AIR AND GROUND EMERGENCY TRANSPORT SYSTEMS IN THE REGION.

OUTLYING FACILITIES CALL MSHA FOR NEONATAL/PEDIATRIC PATIENT TRANSFERS. MSHA RESPONDS WITH NO-CHARGE GROUND AMBULANCE SERVICE TO PICK UP THE BABY/CHILD.

IN ADDITION TO THE EMT DRIVER, MSHA PROVIDES A REGISTERED NURSE AND RESPIRATORY THERAPIST FOR EACH TRANSPORT. THERE WERE 124 FREE NEONATAL/PEDIATRIC TRANSPORTS PROVIDED BY MSHA DURING FY13. THE COST FOR THIS SERVICE TO MSHA WAS $67,123.

NURSE LINK MEDICAL CALL CENTER IS A 24-HOUR TOLL-FREE MEDICAL INFORMATION PHONE LINE. EXPERIENCED REGISTERED NURSES SPEAK WITH CALLERS TO PROVIDE INVALUABLE CONFIDENTIAL HEALTH INFORMATION AND TRIAGE UTILIZING PHYSICIAN-APPROVED GUIDELINES. IN FY13, NURSELINK HANDLED 36,055 CALLS. MSHA INCURRED AN EXPENSE OF $367,761 TO PROVIDE THIS SERVICE AT NO COST TO THE COMMUNITY.

THE HEALTH RESOURCES CENTER (HRC) IS A COMMUNITY OUTREACH SERVICE PROVIDED BY MSHA. THE HRC LOCATED IN JOHNSON CITY IS CONVENIENTLY LOCATED IN THE REGION'S LARGEST SHOPPING MALL AND THE HRC IN KINGSPORT IS LOCATED IN THE KINGSPORT TOWN CENTER. THE HRC OFFERS FREE CLASSES, BLOOD PRESSURE CHECKS, INFORMATIONAL MATERIALS AND RESOURCES AS WELL AS A NUMBER OF OTHER SERVICES IN AN EFFORT TO MEET COMMUNITY MEMBERS' HEALTH AND HEALTH EDUCATION NEEDS. THE JOHNSON CITY HRC HAD 25,316 VISITS TO THEIR OFFICE AND PERFORMED 1,749 HEALTH SCREENINGS. THIS HRC ALSO HOSTED MORE THAN 7,946 ATTENDEES WHO PARTICIPATED IN MONTHLY HEALTH EDUCATION PROGRAMS. THE HRC ALSO PROVIDES OUTREACH SERVICES WHERE THEY REACHED AN ADDITIONAL 6,695 COMMUNITY MEMBERS. THE UNCOMPENSATED COST OF THE JOHNSON CITY HRC WAS $369,592. THE HRC IN KINGSPORT HAD 14,250 VISITS TO THE OFFICE AND PERFORMED 403 HEALTH SCREENINGS. THIS HRC HOSTED 3,498 ATTENDEES AT MONTHLY HEALTH EDUCATION PROGRAMS AND PROVIDED OUTREACH SERVICES TO ANOTHER 4,485 COMMUNITY MEMBERS. THE KINGSPORT HRC'S UNCOMPENSATED COST IN FY13 WAS $310,055.

MSHA'S MOUNTAIN STATES MOBILE HEALTH UNIT IS A MOBILE CARDIOVASCULAR SCREENING CENTER THAT IS OFFERED IN

EAST TENNESSEE AND SOUTHWEST VIRGINIA. DURING FY13, THE MOBILE UNIT PROVIDED 1,270 CARDIOVASCULAR SCREENINGS. 365 OF THESE SCREENINGS HAD ABNORMAL RESULTS FOR CARDIOVASCULAR ISSUES, GLUCOSE, BLOOD PRESSURE AND RESPONSES TO SLEEP QUESTIONNAIRES. THE STAFF OF THE MOBILE UNIT WAS ABLE TO PROVIDE REFERRALS FOR APPROPRIATE FOLLOW UP REGARDING PARTICIPANTS' CONDITIONS. IN FY13, THE MOBILE UNIT HAD UNREIMBURSED EXPENSES OF $212,933. THE MOBILE UNIT PROVIDED 45 FREE SCREENINGS AT A REMOTE AREA MEDICAL (RAM) CLINIC IN WISE COUNTY VIRGINIA. RAM, A KNOXVILLE, TN BASED CHARITABLE ORGANIZATION, PROVIDES FREE MEDICAL CARE TO PEOPLE IN REMOTE AREAS AND MSHA WAS PLEASED TO OFFER THE SERVICES OF OUR MOBILE UNIT TO THE RAM CLINIC.

BASED ON COMMUNITY NEEDS, MSHA INCURRED $125,456 OF PHYSICIAN RECRUITMENT EXPENSE TO PROVIDE PHYSICIAN SERVICES FOR A MEDICALLY UNDERSERVED AND FEDERALLY DESIGNATED CRITICAL ACCESS AREA. MSHA INCURRED AN ADDITIONAL EXPENSE OF $1,810,681 TO RECRUIT PHYSICIANS INTO OTHER CLINICAL/GEOGRAPHIC AREAS. ALL PHYSICIAN RECRUITMENT ACTIVITIES ARE BASED ON DOCUMENTED COMMUNITY NEED.

JOHNSON COUNTY COMMUNITY HOSPITAL (JCCH) IS A FEDERALLY DESIGNATED CRITICAL ACCESS HOSPITAL. THIS FACILITY IS LOCATED IN ONE OF TENNESSEE'S POOREST COUNTIES AND PROVIDES EMERGENCY, INPATIENT AND OUTPATIENT CARE TO THE COUNTY'S RESIDENTS, MANY OF WHOM ARE OVER 65 YEARS OLD. JCCH INCURRED A LOSS OF $445,296 DURING FY13, WHICH INCLUDES A LOSS OF $55,015 FOR A PHYSICIAN CLINIC LOCATED INSIDE THE HOSPITAL. JCCH CONTINUES TO BE DESIGNATED AS A PHYSICIAN SHORTAGE AREA FOR MANY SPECIALTIES. TO ADDRESS THIS ISSUE, JCCH OPERATES THE PHYSICIAN SPECIALTY CLINIC INSIDE THE HOSPITAL. THE SPECIALTY CLINIC INCLUDES GENERAL SURGERY, PODIATRY, CARDIOLOGY AND OTHER SPECIALTY SERVICES. THIS CONTINUES TO BE A VALUABLE RESOURCE TO THE RESIDENTS OF THE AREA BY AIDING WITH

TRANSPORTATION ISSUES (OTHER PHYSICIAN OFFICES ARE LOCATED MORE THAN AN HOUR AWAY), RESOLVING ACCESS LIMITATIONS FOR SPECIALTY SERVICES, AND PROVIDING RELIEF TO THE SPECIAL HEALTH PROBLEMS OF A LARGELY ELDERLY POPULATION. RURAL LIFE OFTEN INCLUDES HAZARDOUS OCCUPATIONS SUCH AS FARMING, WHICH INCREASES THE RISK FOR CHRONIC RESPIRATORY DISEASES AND CANCER-RELATED ILLNESSES CAUSED BY FERTILIZATION AND OTHER CHEMICALS. THIS RURAL POPULATION HAS A HIGHER INCIDENCE OF CARDIOVASCULAR DISEASE DUE TO DIET AND GENETIC PREDISPOSITION. GIVEN THESE FACTORS, RURAL HOSPITALS MUST REMAIN FLEXIBLE AND DIVERSE IN THEIR FACILITIES AND THE SERVICES THEY OFFER THE COMMUNITY. MSHA REMAINS FIRM IN THE BELIEF THAT FINANCIALLY SUPPORTING THE SERVICES OF JCCH AND THE SPECIALTY CLINIC TO ASSIST RESIDENTS IN ATTAINING A HIGH LEVEL OF HEALTH CONTINUES TO BE A CORE VALUE OF OUR BUSINESS AND COMMUNITY SUPPORT.

MSHA OPERATES A RURAL HEALTH CLINIC LOCATED IN ST. PAUL, VA ON THE BORDER OF WISE AND RUSSELL COUNTIES. THE ST. PAUL CLINIC FIRST OPENED IN 1991 TO PROVIDE PRIMARY CARE SERVICES TO THIS ELDERLY, UNDERSERVED POPULATION. THE CLINIC HAD 2,496 OUTPATIENT VISITS DURING THE YEAR. THE LARGEST PAYER IS MEDICARE, WHICH ACCOUNTS FOR 51% OF THE CLINIC'S REVENUE. RCMC PROVIDED A $221,246 SUBSIDY TO SUPPORT THE CLINIC'S FY13 OPERATIONS.

MSHA ALSO GIFTS A LAND LEASE TO THE RONALD MCDONALD HOUSE AT A FAIR MARKET VALUE OF $60,000. THE RONALD MCDONALD HOUSE IS LOCATED ON THE CAMPUS OF NISWONGER CHILDREN'S HOSPITAL AND JOHNSON CITY MEDICAL CENTER.

IN MARCH 2013 THE JOHNSON CITY MEDICAL CENTER (JCMC) FAMILY BIRTH CENTER WAS A RECIPIENT OF THE BREASTFEEDING SUPPORT FUNDING OPPORTUNITY GRANT THROUGH THE U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES OFFICE ON WOMEN'S HEALTH. THE GOAL OF THIS

PROGRAM IS TO INCREASE BREASTFEEDING RATES BY GIVING EXPECTANT MOTHERS MORE EDUCATION ABOUT THE BENEFITS OF BREASTFEEDING BEFORE THEY COME TO THE HOSPITAL FOR DELIVERY. THE TRIAL PROGRAM BEGAN IN MARCH WITH JCMC PROVIDING A LACTATION CONSULTANT AT TWO AREA OB/GYN PRACTICES TWICE A WEEK FOR A TOTAL OF SIX HOURS. AFTER ACHIEVING A 16.42 PERCENT INCREASE DURING THE FIVE MONTH FUNDING PERIOD IN THE NUMBER OF MOTHERS WHO EXCLUSIVELY BREASTFED THEIR INFANTS UPON DISCHARGE, JCMC DECIDED TO CONTINUE TO PROVIDE SALARY SUPPORT IN THE PROVISION OF LACTATION CONSULTANTS IN THESE OB/GYN PRACTICES.

MSHA OFFERS A VARIETY OF SCREENINGS, SUPPORT GROUPS, HEALTH EDUCATION, AND HEALTH FAIRS ON AN ONGOING BASIS THROUGHOUT THE YEAR. MOST OF THESE WERE FREE OF CHARGE. THE FEW THAT IMPOSED A CHARGE SET A LOW FEE OF $5 - $10. SOME OF THE FREE CLASSES AND SUPPORT GROUPS OFFERED TO THE PUBLIC BY MSHA INCLUDE: SMOKING CESSATION PROGRAMS; A VARIETY OF CLASSES FOR DIABETES EDUCATION AND MANAGEMENT; NUTRITION AND COOKING CLASSES; CPR CLASSES; CANCER EDUCATION CLASSES AND SUPPORT GROUPS; HEART HEALTH CLASSES; RELAXATION TRAINING; SAFE BABYSITTING TRAINING; BREASTFEEDING; BALANCE AND FALLS PREVENTION; MANY PROGRAMS AND CLASSES FOR CHILD ILLNESSES AND SPECIAL NEEDS; WEIGHT LOSS AND SUPPORT GROUPS; CLASSES TO EXPLAIN MEDICARE FOR SENIORS TURNING 65; SENIOR CAREGIVER SUPPORT GROUP; MANY OTHER DISEASE SPECIFIC CLASSES AND SUPPORT GROUPS; AND, MANY GENERAL HEALTH CLASSES.

THE HOSPICE PROGRAM OFFERS EXTENDED 13-MONTH BEREAVEMENT SUPPORT RATHER THAN THE REQUIRED 12-MONTH PERIOD, THUS SUPPORTING FAMILIES DURING THE ANNIVERSARY MONTH OF THE PATIENT'S DEATH, WHICH CAN BE A CHALLENGING TIME. ALSO PROVIDED IS A CELEBRATION OF LIFE PROGRAM FOR FAMILIES OF FORMER HOSPICE PATIENTS AND THE COMMUNITY AT LARGE.

THE PARISH NURSE PROGRAM IS SPONSORED BY MSHA'S HOME HEALTH ORGANIZATION, WITH GOALS OF RECRUITING AREA CHURCHES AND REGISTERED NURSES TO THE PROGRAM AND PROVIDING PARTICIPANTS WITH EDUCATION ABOUT PARISH NURSING. PARISH NURSING IS AN AMALGAM OF SOCIAL WORK, GOOD NEIGHBORING AND NURSING. THE PARISH NURSE PROVIDES SUPPORT, HEALTH EDUCATION AND COUNSELING TO THOSE WITH HEALTHCARE NEEDS WITHIN THEIR PLACE OF WORSHIP. OTHER SERVICES PROVIDED BY THE PARISH NURSE INCLUDE BLOOD DRIVES, HEALTH SCREENINGS, HEALTH FAIRS AND MONTHLY BLOOD PRESSURE CLINICS. THE NURSE ALSO MAINTAINS AN ACTIVE VISITATION TO PARISHIONERS WHO ARE HOMEBOUND, HOSPITALIZED, OR IN LONG TERM CARE FACILITIES. SEVERAL OF THE NURSES ARE CERTIFIED TO TEACH CPR AND FIRST AID AT NO COST TO PARISHIONERS. MSHA PROVIDES THE PARISH NURSE PROGRAM WITH A COORDINATOR, SPONSORED ORIENTATION, MONTHLY EDUCATIONAL PROGRAMS AND OTHER SUPPORT FUNCTIONS. CURRENTLY, THERE ARE 25 CHURCHES IN TENNESSEE AND FOUR IN SOUTHWEST VIRGINIA WITH PARISH NURSES ON STAFF. MSHA'S FY13 COST FOR THE PARISH NURSE PROGRAM WAS $56,947.

THE RESPOND DEPARTMENT AT WOODRIDGE HOSPITAL OFFERS ASSESSMENTS AND REFERRALS FOR INDIVIDUALS DEALING WITH MENTAL HEALTH ISSUES AND SUBSTANCE ABUSE. PROFESSIONAL STAFF INCLUDES BEHAVIORAL HEALTH COUNSELORS AND RNS WHO ARE AVAILABLE 24 HOURS A DAY, SEVEN DAYS A WEEK TO ANSWER CALLS FROM THE COMMUNITY CONCERNING TREATMENT. THROUGHOUT THE ASSESSMENT PROCESS, RESPOND COLLABORATES WITH A PSYCHIATRIST TO DETERMINE THE MOST APPROPRIATE LEVEL OF CARE. THE RESPOND DEPARTMENT INCURRED UNREIMBURSED COSTS OF $732,798 DURING FY13.

COMMUNITY CONTRIBUTIONS

AS THE SECOND LARGEST EMPLOYER IN THE REGION, MSHA IS ONE OF THE AREA'S PRINCIPAL BENEFACTORS AND HAS MADE CORPORATE CITIZENSHIP AN INTEGRAL PART OF ITS CULTURE.

FROM SYSTEM-WIDE INITIATIVES TO INDIVIDUAL EFFORTS OF CARING TEAM MEMBERS, ITS AIM IS TO ENRICH THE COMMUNITIES THAT THE ORGANIZATION SERVES. MSHA'S COMMITMENT INCLUDES FINANCIAL CONTRIBUTIONS, IN-KIND (NON-CASH) CONTRIBUTIONS AND LEADERSHIP RESOURCES WITHIN THREE BROAD CATEGORIES OF GIVING:

1) DIRECT CONTRIBUTIONS THAT SUPPORT COMMUNITY HEALTHCARE NEEDS AND THOSE NON-PROFIT AGENCIES THAT ADVOCATE THE HEALTH AND WELL-BEING OF COMMUNITY MEMBERS;
2) MSHA-RUN AND MSHA-SUPPORTED PROGRAMS THAT CONTRIBUTE TO THE HEALTH AND WELL-BEING OF AREA RESIDENTS; AND
3) EDUCATION/TRAINING; BOTH AS A COMMUNITY CITIZEN AND AS AN EMPLOYER.

1.) DIRECT CONTRIBUTIONS – IN-KIND AND CASH

MSHA LEADERS SUPPORT AND ENCOURAGE ALL TEAM MEMBERS TO VOLUNTEER TIME, MONEY AND SKILLS TO COMMUNITY SERVICE PROJECTS AND CHARITABLE ORGANIZATIONS. SENIOR LEADERS AND BOARD MEMBERS SET A POSITIVE EXAMPLE FOR MSHA TEAM MEMBERS, SERVING VOLUNTARILY ON COMMITTEES AND MANAGING BOARDS OF LOCAL SERVICE AND NON-PROFIT ORGANIZATIONS. MANY ALSO SERVE AS MEMBERS AND CONSULTANTS ON PROFESSIONAL COMMITTEES AND TASK FORCES THAT AFFECT REGIONAL DEVELOPMENT IN HEALTH CARE AND EDUCATION.

SUMMARY LIST OF CHARITABLE GIVING:

IN FY13, MSHA PROVIDED CASH AND IN-KIND SUPPORT TO NUMEROUS HEALTH AND HUMAN SERVICE ORGANIZATIONS, SOCIAL AND WELL-BEING NON-PROFITS, AND OTHERS WITHIN OUR SERVICE AREA:

- ETSU FOUNDATION FOR AN ECONOMIC DEVELOPMENT PROGRAM– $10,000

- NORTHEAST STATE COMMUNITY COLLEGE MEDICAL LAB - $11,000
- JOHNSON CITY PARKS & RECREATION FOUNDATION - $5,405
- VARIOUS DONATIONS TO THE ARTS - $43,193
- BRISTOL FAMILY YMCA - $5,000
- DONATIONS TO RESCUE SQUADS - $5,423
- SYCAMORE SHOALS STATE HISTORIC AREA - $4,237
- FRIENDS OF WARRIORS PATH STATE PARK - $1,000
- RUSSELL COUNTY CAREER & TECHNOLOGY CENTER (MEDICAL SUPPLIES) - $549
- KINGSPORT CHAMBER FOUNDATION FOR GREENBELT CLEAN-UP - $500
- LOCAL CHURCHES - $3,327
- VARIOUS ORGANIZATIONS TO ASSIST THOSE WITH LOW INCOMES AND THE POOR - $15,717
- OTHER HEALTH AND LITERACY PROGRAMS - $1,196

MSHA, IN COLLABORATION WITH AREA HEALTH AGENCIES AND PROVIDERS, MAY OFFER ASSISTANCE WITH COORDINATION, ADVOCACY AND PUBLICITY; PROVIDE SPACE; OR CONTRIBUTE SUPPLIES TO SUPPORT GROUPS FOR THEIR PROGRAM ACTIVITIES.

THROUGHOUT THE YEAR, MSHA MAKES CONTRIBUTIONS TO LOCAL SCHOOLS AND ORGANIZATIONS THAT PROVIDE EDUCATIONAL, HEALTH, AND SOCIAL SUPPORT FOR YOUNG PEOPLE. THE SIGNIFICANT MAJORITY OF OUR DONATIONS ARE DIRECTED TO PROGRAMS THAT FOCUS ON REDUCING CHILDHOOD OBESITY. SOME OF THE CONTRIBUTIONS TO YOUTH PROGRAMS INCLUDE:

- ETSU FIT KIDS PROGRAM - $11,500
- GRANTS TO AREA SCHOOLS FOR PROGRAMS THAT FOCUS ON CHILDHOOD OBESITY - $24,000
- OTHER LOCAL ORGANIZATIONS FOR PROGRAMS THAT FOCUS ON REDUCING CHILDHOOD OBESITY - $11,000
- COALITION FOR KIDS - $7,600

- KINGSPORT INITIATIVE FOR TRAINING & EMPLOYMENT (EXPAND A NUTRITION PROGRAM FOR KIDS LIVING IN PUBLIC HOUSING TO INCLUDE PHYSICAL ACTIVITY; PURCHASING BALLS, BATS, BASES, ETC.) - $2,000
- CLINCH VALLEY COMMUNITY ACTION (TEACH YOUNG CHILDREN ABOUT FOOD AND PROVIDE PLAYGROUND EQUIPMENT) - $5,000
- BRISTOL FAMILY YMCA (CHILDHOOD OBESITY PROGRAM) - $2,000
- KINGSPORT BALLET (TARGET AT-RISK YOUTH FOR FITNESS, AGILITY AND NUTRITION TRAINING) - $2,000
- JASON WITTEN SCORE FOUNDATION - $3,500
- KERMIT TIPTON SCHOLARSHIP FOUNDATION - $2,200
- JUNIOR ACHIEVEMENT OF TRI-CITIES - $1,093
- GIRLS, INCORPORATED - $726

MSHA CONTRIBUTES ANNUALLY TO LOCAL CHAPTERS OF SEVERAL NATIONAL NON-PROFIT ORGANIZATIONS WHOSE RESEARCH FOCUSES ON THOSE DISEASES AND CONDITIONS MOST PREVALENT IN THE REGION.

FY13:

- AMERICAN HEART ASSOCIATION - $66,952
- MARCH OF DIMES - $15,000
- SUSAN G. KOMEN BREAST CANCER FOUNDATION - $5,590
- AMERICAN CANCER SOCIETY - $20,100
- UNITED WAY - $2,394
- DOCTORS WITHOUT BORDERS USA - $500
- HEART & STROKE FOUNDATION - $205
- ALZHEIMER'S ASSOCIATION - $41

2.) COMMUNITY PROGRAMS

DEMOGRAPHIC ANALYSES INDICATE THE NECESSITY OF HAVING A WIDE ARRAY OF FREE AND PRICE-REDUCED SERVICES THAT ARE WELL-SITUATED FOR EASY ACCESS FROM RURAL, MOUNTAINOUS AREAS.

AMONG INITIATIVES AND ONGOING SERVICES THAT PROMOTE COMMUNITY HEALTH AND SOCIAL WELLBEING ARE DISEASE MANAGEMENT, WELLNESS PROGRAMS, HEALTH-RELATED EDUCATION SESSIONS BY MSHA NURSES, STAFF PHYSICIANS, NUTRITIONISTS, AND OTHER SPECIALISTS, HEALTH SCREENINGS AND SUPPORT. MSHA ALSO OFFERS SPECIAL PROGRAMS FOR YOUTH, THE ELDERLY, THE DISABLED AND THE MEDICALLY UNDERSERVED.

MSHA CONTINUED THE LARGEST COMMUNITY HEALTH NEEDS ASSESSMENT PERFORMED BY THE ORGANIZATION IN 2011 AND 2012 IN AN EFFORT TO PROFILE THE HEALTH OF THE RESIDENTS WITHIN THE LOCAL REGION. THIS ASSESSMENT SPECIFICALLY FOCUSED ON MSHA'S 13-COUNTY CORE SERVICE AREA, WHICH INCLUDES, BUT IS NOT LIMITED TO, ALL THE COUNTIES IN WHICH MSHA HAS A FACILITY. THE SEVEN TENNESSEE COUNTIES INCLUDED IN THIS NEEDS ASSESSMENT WERE: CARTER COUNTY; GREENE COUNTY; HAWKINS COUNTY; JOHNSON COUNTY; SULLIVAN COUNTY; UNICOI COUNTY; AND, WASHINGTON COUNTY. THE SIX VIRGINIA COUNTIES ARE LOCATED IN SOUTHWEST VIRGINIA AND INCLUDE: DICKENSON COUNTY; RUSSELL COUNTY; SMYTH COUNTY; BRISTOL CITY/WASHINGTON COUNTY; SCOTT COUNTY; AND, NORTON/WISE COUNTY. AFTER ANALYZING THE MANY HEALTH DISPARITIES IN THE REGION, MSHA CHOSE CHILDHOOD OBESITY AS ITS HEALTH PRIORITY.

MSHA COLLABORATED WITH EAST TENNESSEE STATE UNIVERSITY'S COLLEGE OF PUBLIC HEALTH TO DEVELOP THE MSHA-ETSU OBESITY COLLABORATIVE. THE FOCUS OF THIS COLLABORATIVE IS TO PULL TOGETHER MANY PARTNERS AND ORGANIZATIONS TO REDUCE THE LEVEL OF CHILDHOOD OBESITY THROUGHOUT NORTHEAST TENNESSEE AND SOUTHWEST VIRGINIA. MSHA AND ETSU NAMED THE OBESITY COLLABORATIVE "HEAL APPALACHIA" - HEAL, STANDING FOR "HEALTHY EATING ACTIVE LIVING".

MSHA PROVIDED FUNDING OF $50,000 FOR 19 COMMUNITY GRANTS OF $2,000 AND $5,000 EACH TO LOCAL COMMUNITY ORGANIZATIONS SUCH AS CHURCHES, COMMUNITY GROUPS,

SCHOOLS AND EMPLOYERS THAT WANT TO EXPLORE CHILDHOOD OBESITY REDUCTION EFFORTS. ANOTHER $10,420 WAS AWARDED TO TWO SCHOOLS, EACH FOR $5,210. THE GRANT AMOUNT REPRESENTING: 5 OR MORE SERVINGS OF FRUITS OR VEGETABLES, 2 HOURS OR LESS OF RECREATIONAL SCREEN TIME, 1 HOUR OR MORE OF VIGOROUS EXERCISE, AND 0 SUGARY DRINKS, AND MORE WATER AND LOW-FAT MILK. THE TWO SCHOOLS ARE USING THE GRANTS TO HELP WITH THEIR REDESIGN OF THE CAFETERIA MENUS TO PROMOTE HEALTHFUL FOODS THAT HAVE BEEN TASTE-TESTED AND APPROVED BY THEIR STUDENTS. OTHER CHANGES INCLUDE A SCHOOL-BASED GARDEN, REDUCTION OF SCREEN TIME AND ADDITIONAL SUPPORT OF THE "KIDS RUN THE NATION" STUDENT RUNNING PROGRAM. ONE OF THE SCHOOLS HAS PARTNERED WITH ITS LOCAL FARMERS MARKET TO PROVIDE WORKSHOPS ON CONTAINER GARDENING AND PREPARING HEALTHY FOODS FOR BOTH THE STUDENTS AND THEIR FAMILIES.

MANY INNOVATIVE PROGRAMS HAVE BEEN AIDED BY THE HEAL GRANTS. FOR EXAMPLE, PROGRAMS SUCH AS EDUCATION FOR YOUNG PARENTS AND THEIR CHILDREN TO FACILITATE NUTRITION AND WELLNESS AS WELL AS THE IMPORTANCE OF PLAY TIME WITH CHILDREN. OTHER POPULAR PROGRAMS INVOLVE VEGETABLE GARDENING; BEGINNING WITH PLANTING, THEN HARVESTING, AND ON TO COOKING AND EATING THE FRESH PRODUCE. THE "GROWING RESOURCES FOR OUTDOOR WELLNESS", OR G.R.O.W. PROGRAM, HAS BENEFITED FROM HEAL FUNDING. THE PROGRAM IS A COLLABORATION OF VARIOUS AGENCIES AND INCLUDES MASTER GARDENERS FROM THE UNIVERSITY OF TENNESSEE. KIDS MEET WITH A MASTER GARDENER TWICE A MONTH. RECIPES USE AS FEW INGREDIENTS AS POSSIBLE, MAKING FOR AN EASY RECIPE FOR KIDS TO TRY AT HOME. THE GOAL OF THE PROGRAM, LIKE MOST OF THESE PROGRAMS, IS TO ENGAGE KIDS IN HEALTHY LIFESTYLE CHOICES BY GETTING OUTDOORS AND LEARNING HOW FUN AND DELICIOUS FRESH FOODS CAN BE.

IN FY13, MSHA RECEIVED OVER 100 APPLICATIONS FOR THE COMMUNITY GRANTS. THE APPLICANTS AWARDED THE HEAL GRANTS WERE ANNOUNCED AT A REGIONAL HEALTH SYMPOSIUM FOCUSING ON OBESITY. THE HEAL APPALACHIA OBESITY SYMPOSIUM HELD DURING FY13 BROUGHT TOGETHER OVER 200 PEOPLE FROM NORTHEAST TENNESSEE AND SOUTHWEST VIRGINIA TO HEAR REGIONAL AND NATIONAL EXPERTS SPEAK. THE SYMPOSIUM IS A DAY OF LEARNING AND SHARING SUCCESSES IN HOW TO FIGHT CHILDHOOD OBESIY. MSHA'S COST TO ORGANIZE AND PRODUCE THE SYMPOSIUM AND TO COORDINATE THE HEAL PROGRAM WAS $36,434.

THE HEAL APPALACHIA COMMITTEE EVALUATES LOCAL PROGRAM GRANT RECIPIENTS AS TO THEIR ABILITY TO MAKE A MEASURABLE IMPACT ON THE LEVEL OF CHILDHOOD OBESITY THROUGHOUT THE REGION. THIS COMMITTEE THEN MAKES RECOMMENDATIONS TO EXECUTIVE LEADERSHIP AS TO HOW MSHA SHOULD DIRECT FINANCIAL SUPPORT FOR SUCCESSFUL PROGRAMS.

IN ADDITION TO THE HEAL APPALACHIA GRANTS AND SYMPOSIUM, MSHA DONATED $11,500 TO ETSU'S FIT KIDS PROGRAM, ANOTHER PROGRAM WITH A FOCUS ON REDUCING CHILDHOOD OBESITY AND IMPROVING THE HEALTH OF CHILDREN.

PROGRAMS FOR SPECIAL POPULATIONS

DUE TO THE USE OF EMERGENCY DEPARTMENTS AS WALK-IN CLINICS BY THE POOR AND UNDERSERVED, MSHA HAS HELPED ESTABLISH AND FINANCE ALTERNATIVE CARE SETTINGS SUCH AS THE ETSU COLLEGE OF NURSING'S JOHNSON CITY COMMUNITY HEALTH CENTER (JCCHC). THE JCCHC IS DEDICATED TO SERVING THE PRIMARY NEEDS OF THE HOMELESS, INDIGENT AND UNINSURED POPULATIONS, PROVIDING THEM WITH FREE LABORATORY TESTING AND ASSISTANCE WITH THEIR DIAGNOSIS AND TREATMENTS. MSHA GIFTS THE JCCHC RENT FOR THEIR DAY CENTER, A SATELLITE CLINIC OF THE JCCHC, LOCATED IN DOWNTOWN JOHNSON CITY, WHICH IS VALUED AT $35,000 ANNUALLY. MSHA ALSO

PROCESSED LAB SPECIMENS FOR THE JCCHC, MOSTLY FREE OF CHARGE, DURING FY13. THE UNREIMBURSED COST TO MSHA FOR THESE LAB TESTS WAS $125,060.

IN ADDITION TO CLINICAL WORK FOR THE JCCHC, JCMC PROVIDED LAB SERVICES TO OTHER ORGANIZATIONS THAT PROVIDE HEALTH SERVICES TO THE POOR. MSHA WROTE OFF $202,998 IN LAB CHARGES FOR THESE LAB TESTS.

WHEN A CHILD LOSES A LOVED ONE, THE GRIEVING PROCESS CAN BE COMPLEX AND SOMETIMES VERY DIFFERENT FROM THE WAY ADULTS COPE. TO HELP CHILDREN AND TEENS WHO HAVE RECENTLY LOST A LOVED ONE, MSHA OFFERED A FREE ONE-DAY CAMP. THE PROGRAM USED STORYTELLING, GAMES, ART AND RELAXATION TO HELP KIDS WORK THROUGH THEIR FEELINGS. THE CAMP COUNSELORS HELP THE KIDS TO EXPRESS THEIR EMOTIONS THROUGH DRAWINGS AND OTHER EXPRESSIVE MEDIA. PARENTS RECEIVED A TAKE-HOME PACKET WITH A LETTER DESCRIBING WHAT THEIR CHILD EXPERIENCED THAT DAY AND CONTACT INFORMATION FOR VARIOUS RESOURCES THAT CAN HELP WITH ONGOING COUNSELING IF NECESSARY. THE CAMP WAS LED BY PROFESSIONAL GRIEF COUNSELORS AND TRAINED PROFESSIONALS INCLUDING SOCIAL WORKERS, CHILD LIFE SPECIALISTS AND SPIRITUAL COUNSELORS.

DURING FY13, MSHA OPERATED A SATELLITE DISPENSARY OF HOPE. THE DISPENSARY OF HOPE PROVIDES PRESCRIPTION DRUGS TO THOSE WHO MAY NOT HAVE OTHERWISE BEEN ABLE TO AFFORD NEEDED MEDICATIONS. THE SITE HAS ITS OWN PHARMACIST AND PHARMACY TECH. THE LOCAL DISPENSARY OF HOPE IS STAFFED, IN PART, BY VOLUNTEER PHARMACISTS FROM THE COMMUNITY AND SERVES AS A TRAINING SITE FOR THE BILL GATTON COLLEGE OF PHARMACY AT EAST TENNESSEE STATE UNIVERSITY. DURING FY13, MSHA INCURRED UNREIMBURSED EXPENSES OF $169,971 FOR THIS PROGRAM.

MSHA ASSISTED SOME PATIENTS THAT COULD NOT PAY FOR THEIR PRESCRIPTIONS UPON DISCHARGE FROM THE HOSPITAL.

DURING FY13 MSHA'S UNREIMBURSED COST FOR THESE PRESCRIPTIONS WAS $4,554.

MSHA HAS PARTNERED WITH THE COMPANY, FIRSTSOURCE SOLUTIONS USA, TO WORK WITH SELF-PAYING PATIENTS WHO HAVE LIMITED FINANCIAL RESOURCES. DURING FY13, FIRSTSOURCE REPRESENTATIVES WERE AVAILABLE AT ALL MSHA FACILITIES. FIRSTSOURCE REPRESENTATIVES WERE ABLE TO DETERMINE GOVERNMENTAL MEDICAL ASSISTANCE (TENNCARE OR MEDICAID) ELIGIBILITY, AND TO HELP WITH THE APPLICATION PROCESS AND FOLLOW-UP. DURING FY13, 3,254 PATIENTS WERE APPROVED FOR COVERAGE. ONCE A PERSON IS APPROVED FOR TENNCARE OR MEDICAID THROUGH THIS PROGRAM OFFERED THROUGH MSHA, THEY RETAIN COVERAGE FOR FUTURE MEDICAL CARE. FIRSTSOURCE IS COMPENSATED BY MSHA. DURING FY13, MSHA'S COST FOR THIS PROGRAM WAS $701,718.

MSHA'S SERVICE AREA COMPRISES A STABLE, AGING POPULATION, SO THE ORGANIZATION HAS ESTABLISHED A NUMBER OF PROGRAMS TO SERVE THE NEEDS OF SENIOR CITIZENS. AN EXAMPLE OF A SENIOR PROGRAM IS THE PINNACLE CLUB – A COMMUNITY OUTREACH PROGRAM FOR SERVICE-AREA SENIORS. DURING FY13, MSHA INCURRED A NET OPERATING LOSS OF $5,088 ATTRIBUTABLE TO ITS SUPPORT OF THE PROGRAM. ANOTHER $2,658 IN FREE LAB TESTING WAS PERFORMED FOR PINNACLE CLUB MEMBERS.

COMMUNITY HEALTH EDUCATIONAL PROGRAMS

MSHA PROVIDED A VARIETY OF WELLNESS AND HEALTH INFORMATION TO HELP EDUCATE AREA RESIDENTS ABOUT COMMUNITY-SPECIFIC HEALTH ISSUES. INFORMATION WAS PROVIDED THROUGH PRINTED MATERIALS, SPEAKING ENGAGEMENTS, RADIO AND TELEVISION INTERVIEWS, AND HEALTH FAIRS AND EXPOS.

OUR NISWONGER CHILDREN'S HOSPITAL PRESENTED THEIR ANNUAL SCHOOL HEALTH CONFERENCE. THE TITLE THIS YEAR WAS "CRISIS AND LOSS IN THE SCHOOLS: IDENTIFYING

CHILDREN AT-RISK AND FACILITATING COPING". CHILDREN ARE EXPOSED TO MANY CRISIS SITUATIONS, SUCH AS THE DEATH OF A PARENT, BULLYING AND EXPOSURE TO UNHEALTHY CHOICES, SUCH AS DRUGS. WHILE A SCHOOL'S PRIMARY OBJECTIVE IS TO FACILITATE LEARNING, IT OFTEN IS THE FIRST PLACE THAT STUDENTS AND PARENTS TURN TO WHEN IN NEED OF SUPPORT. PREVENTING OR IDENTIFYING RISK SIGNS OF CHILDREN AT RISK AND KNOWING THE MOST APPROPRIATE WAY TO ADDRESS A CRISIS SITUATION WITH STUDENTS CAN MAKE A GREAT IMPACT IN HELPING THEM THROUGH DIFFICULT TIMES AND HELP THEM BACK ON A PATH TO LEARNING. NISWONGER CHILDREN'S HOSPITAL AND THE ETSU COLLEGE OF NURSING PRODUCED THIS CONFERENCE FOR ALL PROFESSIONALS WHO WORK WITH CHILDREN IN A LEARNING CAPACITY. THE CONFERENCE WAS HELD AT NISWONGER CHILDREN'S HOSPITAL WITH OVER 100 ATTENDEES, AT A COST TO THE HOSPITAL OF APPROXIMATELY $2,500.

MSHA'S AMERICAN HEART ASSOCIATION (AHA) TRAINING CENTER OFFERED SEVERAL COURSES TO HEALTHCARE PROVIDERS AND TO THE PUBLIC IN AN EFFORT TO EXPAND THE OUTREACH OF THE AMERICAN HEART ASSOCIATION AND MSHA IN PROMOTING WELLNESS AND SAVING LIVES. PROGRAMS INCLUDE: ADVANCED CARDIAC LIFE SUPPORT, BASIC CARDIAC LIFE SUPPORT, PEDIATRIC ADVANCED LIFE SUPPORT, FIRST AID AND LIFE SUPPORT INSTRUCTOR TRAINING. THE TRAINING CENTER RECORDED 7,410 COURSE ATTENDEES FROM THE COMMUNITY. THE FY13 UNREIMBURSED COST TO PROVIDE THE EDUCATIONAL COURSES TO THE PUBLIC WAS $232,812.

MSHA ALSO PROVIDES ACCESS TO SEVERAL ONLINE HEALTH INFORMATION SERVICES. "MY HEALTH NEWS" ALLOWS ACCESS TO HEALTH INFORMATION TOPICS AND SERVICES THAT MATTER TO THE USER. THIS SERVICE SENDS UP-TO-DATE INFORMATION FROM NATIONAL HEALTH RESOURCES TAILORED TO THE INDIVIDUAL'S NEEDS AND IS FREE OF CHARGE. MSHA PAYS $24,000 YEARLY FOR MY HEALTH NEWS. MSHA PROVIDES ACCESS TO "KIDSHEALTH", A SERVICE THAT PROVIDES PRACTICAL PARENTING INFORMATION AND NEWS.

THIS SERVICE ALSO PROVIDES HOMEWORK HELP FOR KIDS AND STRAIGHT TALK ANSWERS FOR TEENS. MSHA PAYS $15,750 ANNUALLY TO PROVIDE KIDSHEALTH. OTHER HEALTH INFORMATION LINKS ARE PROVIDED TO THE PUBLIC ON OUR WEBSITE, INCLUDING "VIRTUAL WOMEN'S CENTER" AND MANY OTHERS.

IN ADDITION, WE PROVIDE "YOUR HEALTH MATTERS" TELEVISION HEALTH NEWS FOR A COST OF APPROXIMATELY $13,000.

THE HEALTH RESOURCES CENTER HOSTED THREE MINUTE SEGMENTS COVERING VARIOUS HEALTH TOPICS WHICH AIRED THREE TIMES A WEEK ON LOCAL TV AND CONTRACTED FOR 30-SECOND ANNOUNCEMENTS TO INFORM THE PUBLIC ABOUT THE HRC CALENDAR EACH WEEK, MONDAY-SUNDAY. THE COST OF THE PROGRAMMING WAS $17,680.

Part IV Checklist of Required Schedules

			Yes	No
	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	1	X	
2	Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	2	X	
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		X
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	X	
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		X
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		X
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		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8		X
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		X
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		X
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	X	
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		X
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	X	
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	X	
e	Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	11e	X	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X	11f	X	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII	12a		X
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	X	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13		X
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		X
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		X
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Parts II and IV	15		X
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Parts III and IV	16		X
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		X
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		X
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		X
20a	Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H	20a	X	
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	X	

Part IV Checklist of Required Schedules (continued)

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V ☐

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a	665		
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	X	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	9102		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?		2b	X	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)				
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?		3a	X	
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O		3b	X	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		4a		X
b	If "Yes," enter the name of the foreign country: ▶ See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		5a		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		5b		X
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?		5c		
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?		6a		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		6b		
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?		7a		X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		7b		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		7c		X
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		7e		X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		7f		X
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		7g		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		7h		
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		8		
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?		9a		
b	Did the organization make a distribution to a donor, donor advisor, or related person?		9b		
10	**Section 501(c)(7) organizations.** Enter:				
a	Initiation fees and capital contributions included on Part VIII, line 12	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter:				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?		12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**				
a	Is the organization licensed to issue qualified health plans in more than one state?		13a		
	Note. See the instructions for additional information the organization must report on Schedule O.				
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b			
c	Enter the amount of reserves on hand	13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?		14a		X
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O		14b		

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

Check if Schedule O contains a response to any question in this Part VI ..... [X]

Section A. Governing Body and Management

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

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

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

Section C. Disclosure

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

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

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

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

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ▶ MARVIN EICHORN 303 MED TECH PARKWAY, SUITE 300 JOHNSON CITY TN 37604 423-302-3372

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

Check if Schedule O contains a response to any question in this Part VII X

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) DENNIS VONDERFECHT	57.00									
O	3.00	X		X				3,163,747	0	42,698
JEFF FARROW, M.D.	5.00									
DIRECTOR	0.00	X						41,413	0	0
(3) CLEM WILKES, JR.	11.00									
CHAIR	3.00	X						0	0	0
(4) GARY PEACOCK	7.00									
DIRECTOR	1.00	X						0	0	0
(5) SANDRA BROOKS, M.D.	6.00									
DIRECTOR	2.00	X						0	0	0
(6) RICK STOREY	6.00									
DIRECTOR	0.00	X						0	0	0
(7) THOMAS FOWLKES	5.00									
DIRECTOR	1.00	X						0	0	0
(8) LINDA GARCEAU	6.00									
DIRECTOR	0.00	X						0	0	0
(9) DONALD JEANES	1.00									
PAST CHAIR	0.00	X						0	0	0
(10) JOANNE GILMER	9.00									
E CHAIR	1.00	X						0	0	0
(11) DAVID MAY, M.D.	8.00									
DIRECTOR	0.00	X						0	0	0

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			
(12) ROBERT FEATHERS	6.00									
PAST CHAIR	3.00	X						0	0	0
(13) MICHAEL CHRISTIAN	10.00									
TREASURER	0.00	X						0	0	0
(14) BARBARA ALLEN	8.00									
SECRETARY	0.00	X						0	0	0
(15) MARVIN EICHORN	58.00									
SENIOR VP/CFO	2.00			X				620,102	0	39,538
(16) CANDACE JENNINGS	60.00									
SR. VP TN OPERATIONS	0.00				X			504,935	0	77,850
(17) ANN FLEMING	53.50									
SR. VP	6.50				X			426,280	0	66,282
(18) DAVID NICELY	55.00									
/CEO WASHINGTON CO	0.00				X			355,009	0	54,424
(19) MONTY MCLAURIN	55.00									
VP/IPMC CEO	0.00				X			326,159	0	58,687
1b Sub-total ▶								5,437,645		339,479
c Total from continuation sheets to Part VII, Section A ▶								3,459,707		407,314
d Total (add lines 1b and 1c) ▶								8,897,352		746,793

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 in reportable compensation from the organization ▶ 200

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
SKANSKA USA BUILDING, INC. 1633 LITTLETON ROAD PARSIPPANY NJ 07054	CONSTRUCTION	14,766,320
ETSU COLLEGE OF MEDICINE BOX 70732 JOHNSON CITY TN 37614	PRIMARILY PHYS.	9,545,066
MORRISON MANAGEMENT SPECIALISTS P.O. BOX 102289 ATLANTA GA 30368	DIETARY SERVICE	5,877,388
ANESTHESIA & PAIN CONSULTANTS STE. 4, 1113 SUNSET DRIVE OHNSON CITY TN 37605	PHYSICIAN SVC.	4,768,017
HOSPITAL HOUSEKEEPING SYSTEMS LTD P .O. BOX 826 SAN ANTONIO TX 78293	HOUSEKEEPING	3,769,628

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 ▶ 138

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			
(12) LYNN KRUTAK	55.00									
VP/CORP. CFO	0.00				X			252,982	0	34,227
(13) SHANE HILTON	55.00									
VP/TN CFO	0.00				X			239,117	0	36,111
(14) MORRIS SELIGMAN, M.D.	60.00									
SR. VP/CMO	0.00					X		547,923	0	93,706
(15) DOUGLAS EDEMA	55.00									
VP PRES./CEO MSPG	0.00					X		408,337	0	56,282
(16) JAMES PASKERT, M.D.	55.00									
VP/CMO WASHINGTON CO	0.00					X		403,873	0	55,967
(17) JOHN SCHARIO	57.00									
SVP	3.00					X		401,522	0	31,188
(18) KATHERINE BALL	50.00									
FORMER VP/CMIO	0.00					X		398,795	0	21,625
(19) DALE CLAYTORE	55.00									
VP	0.00						X	231,575	0	13,855
1b Sub-total ▶								2,884,124		342,961
c Total from continuation sheets to Part VII, Section A ▶										
d Total (add lines 1b and 1c) ▶										

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

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

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

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 ▶

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			
(12) PAT NIDAY	55.00									
FORMER CNO WASH. CO.	0.00						X	196,642	0	33,699
(13) BRAD NURKIN	55.00									
FORMER CEO JCMC	0.00						X	141,265	0	8,180
(14) CYNTHIA SALYER	0.00									
VP/CARDIO-PULMONARY	0.00						X	237,676	0	22,474
(15)										
(16)										
(17)										
(18)										
(19)										
1b Sub-total								575,583		64,353
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)										

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

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

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

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 ▶

Part VIII Statement of Revenue

Check if Schedule O contains a response to any question in this Part VIII. ☐

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, Gifts, Grants and Other Similar Amounts	1a Federated campaigns	1a				
	b Membership dues	1b				
	c Fundraising events	1c				
	d Related organizations	1d	1,599,266			
	e Government grants (contributions)	1e	760,280			
	f All other contributions, gifts, grants, and similar amounts not included above	1f	114,793			
	g Noncash contributions included in lines 1a-1f: $					
	h Total. Add lines 1a–1f		2,474,339			
Program Service Revenue		Busn. Code				
	2a PATIENT REVENUE-OTHER	622110	651,506,371	651,506,371		
	b WELLNESS PROGRAMS	622110	20,670,478	20,670,478		
	c P/S PROG. SERV. INCOME	622110	1,820,608	1,820,608		
	d LAB UBI REVENUE	622110	313,011		313,011	
	e PREMIER PYMT D'S BOARD SERVCE	541610	62,256		62,256	
	f All other program service revenue					
	g Total. Add lines 2a–2f		674,372,724			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		15,341,173			15,341,173
	4 Income from investment of tax-exempt bond proceeds		173,144			173,144
	5 Royalties					
		(i) Real	(ii) Personal			
	6a Gross rents	192,727				
	b Less: rental exps.	107,960				
	c Rental inc. or (loss)	84,767				
	d Net rental income or (loss)		84,767		40,519	44,248
	7a Gross amount from sales of assets other than inventory	(i) Securities 16,185,475	(ii) Other 126,692			
	b Less: cost or other basis & sales exps.		150,981			
	c Gain or (loss)	16,185,475	-24,289			
	d Net gain or (loss)		16,161,186	-24,408		16,185,594
	8a Gross income from fundraising events (not including $ ..... of contributions reported on line 1c). See Part IV, line 18 a					
	b Less: direct expenses b					
	c Net income or (loss) from fundraising events					
	9a Gross income from gaming activities. See Part IV, line 19 a					
	b Less: direct expenses b					
	c Net income or (loss) from gaming activities					
	10a Gross sales of inventory, less returns and allowances a					
	b Less: cost of goods sold b					
	c Net income or (loss) from sales of inventory					
	Miscellaneous Revenue	Busn. Code				
	11a CAFE' SALES	722210	4,331,346			4,331,346
	b DIETARY,SECURITY,ENGIN., ETC.	541900	3,104,282			3,104,282
	c DAY CARE	624410	1,010,159			1,010,159
	d All other revenue		829,834		829,834	
	e Total. Add lines 11a–11d		9,275,621			
	12 Total revenue. See instructions.		717,882,954	673,973,049	1,245,620	40,189,946

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 to any question in this Part IX X

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21	405,051	405,051		
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	6,462,311		6,462,311	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	233,351,875	224,273,412	8,239,250	839,213
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	11,164,364	10,670,589	453,847	39,928
9 Other employee benefits	35,505,904	31,443,556	4,027,745	34,603
10 Payroll taxes	18,572,983	16,436,281	2,087,586	49,116
11 Fees for services (non-employees):				
a Management				
b Legal	1,391,092		1,391,092	
c Accounting	291,270		291,270	
d Lobbying	139,937	139,937		
e Professional fundraising services. See Part IV, line 17				
f Investment management fees	1,157,590		1,157,590	
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.)	92,184,405	84,136,191	7,818,901	229,313
12 Advertising and promotion	2,824,684	2,192,837	618,937	12,910
13 Office expenses	8,187,946	8,071,791	27,997	88,158
14 Information technology	16,859,971	11,389,567	5,470,404	
15 Royalties				
16 Occupancy	14,034,081	11,033,941	2,938,607	61,533
17 Travel	2,102,709	1,509,361	560,910	32,438
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	198,260	131,485	62,957	3,818
20 Interest	41,651,661		41,651,661	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	51,656,821	27,443,317	24,208,361	5,143
23 Insurance	791,103	2,777	788,326	
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 MEDICAL SUPPLIES & DRUGS	120,184,686	119,991,972	190,589	2,125
b REPAIRS & MAINTENANCE	15,057,143	14,296,334	716,244	44,565
c DUES & SUBSCRIPTIONS	4,256,550	1,254,923	2,998,415	3,212
d ALL OTHER EXPENSES	1,954,364	1,942,493	-8,466	20,337
e All other expenses	1,916,977	1,279,297	625,167	12,513
25 Total functional expenses. Add lines 1 through 24e	682,303,738	568,045,112	112,779,701	1,478,925
Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

Check if Schedule O contains a response to any question in this Part X ☐

			(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest bearing		1	
	2	Savings and temporary cash investments	39,216,743	2	53,114,956
	3	Pledges and grants receivable, net	248,258	3	96,609
	4	Accounts receivable, net	103,299,284	4	117,265,071
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L	6,806,393	5	8,492,454
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L		6	
	7	Notes and loans receivable, net	15,373,693	7	17,189,476
	8	Inventories for sale or use	15,480,550	8	15,873,411
	9	Prepaid expenses and deferred charges	3,139,089	9	4,850,577
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D — 10a: 998,845,770			
	b	Less: accumulated depreciation — 10b: 480,937,560	494,025,566	10c	517,908,210
	11	Investments—publicly traded securities	271,118,030	11	285,653,065
	12	Investments—other securities. See Part IV, line 11		12	
	13	Investments—program-related. See Part IV, line 11	307,033,212	13	313,693,918
	14	Intangible assets	143,276,118	14	144,707,541
	15	Other assets. See Part IV, line 11	118,937,105	15	120,631,703
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)	1517954041	16	1599476991
Liabilities	17	Accounts payable and accrued expenses	85,554,685	17	69,022,047
	18	Grants payable		18	
	19	Deferred revenue	2,928,666	19	2,130,026
	20	Tax-exempt bond liabilities	813,947,753	20	882,984,693
	21	Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties	177,320,621	23	145,411,405
	24	Unsecured notes and loans payable to unrelated third parties	4,437,945	24	2,319,713
	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	85,155,390	25	100,026,944
	26	**Total liabilities.** Add lines 17 through 25	1169345060	26	1201894828
Net Assets or Fund Balances		**Organizations that follow SFAS 117 (ASC 958), check here ▶ ☒ and complete lines 27 through 29, and lines 33 and 34.**			
	27	Unrestricted net assets	348,411,488	27	397,408,151
	28	Temporarily restricted net assets	197,493	28	174,012
	29	Permanently restricted net assets		29	
		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 30 through 34.			
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
	33	Total net assets or fund balances	348,608,981	33	397,582,163
	34	Total liabilities and net assets/fund balances	1517954041	34	1599476991

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI ..... [X]

	Total revenue (must equal Part VIII, column (A), line 12)	1	717,882,954
2	Total expenses (must equal Part IX, column (A), line 25)	2	682,303,738
3	Revenue less expenses. Subtract line 2 from line 1	3	35,579,216
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	348,608,981
5	Net unrealized gains (losses) on investments	5	15,510,418
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	-2,116,452
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	397,582,163

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII ..... [ ]

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

SCHEDULE A
(Form 990 or 990-EZ)

artment of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047

2012

Open to Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

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 11, 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.)

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 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.)

10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**

11 ☐ 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 that describes the type of supporting organization and complete lines 11e through 11h.

a ☐ Type I b ☐ Type II c ☐ Type III–Functionally integrated d ☐ Type III–Non-functionally integrated

☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).

f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box ..... ☐

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

		Yes	No
(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?	11g(i)		
(ii) A family member of a person described in (i) above?	11g(ii)		
(iii) A 35% controlled entity of a person described in (i) or (ii) above?	11g(iii)		

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

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1–9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document?		(v) Did you notify the organization in col. (i) of your support?		(vi) Is the organization in col. (i) organized in the U.S.?		(vii) Amount of monetary support
			Yes	No	Yes	No	Yes	No	
(A)									
(B)									
(C)									
(D)									
(E)									
i									

Part II **Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**
(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 **Public support.** Subtract line 5 from line 4.						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(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 IV.)						
11 **Total support.** Add lines 7 through 10						

12 Gross receipts from related activities, etc. (see instructions) ... 12

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

Section C. Computation of Public Support Percentage

14 Public support percentage for 2012 (line 6, column (f) divided by line 11, column (f)) ... 14 %

15 Public support percentage from 2011 Schedule A, Part II, line 14 ... 15 %

16a **33 1/3% support test—2012.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ... ▶ ☐

b **33 1/3% support test—2011.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ... ▶ ☐

17a **10%-facts-and-circumstances test—2012.** 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 IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ... ▶ ☐

b **10%-facts-and-circumstances test—2011.** 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 IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ... ▶ ☐

18 **Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ... ▶ ☐

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

(Complete only if you checked the box on line 9 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) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(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) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(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 IV.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						

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

Section C. Computation of Public Support Percentage

15	Public support percentage for 2012 (line 8, column (f) divided by line 13, column (f))	15	%
16	Public support percentage from 2011 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17	Investment income percentage for **2012** (line 10c, column (f) divided by line 13, column (f))	17	%
18	Investment income percentage from **2011** Schedule A, Part III, line 17	18	%

19a **33 1/3% support tests—2012.** 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 ▶ ☐

33 1/3% support tests—2011. 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 ▶ ☐

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.
▶ See separate instructions.

OMB No. 1545-0047
2012
Open to Public Inspection

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

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

Name of organization	Employer identification number
MOUNTAIN STATES HEALTH ALLIANCE	62-0476282

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.
2 Political expenditures ▶ $
3 Volunteer hours

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)).**

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? ☐ Yes ☐ 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 instructions for lines 2a through 2f on page 4.)

Lobbying Expenditures During 4-Year Averaging Period

Calendar year (or fiscal year beginning in)	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(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 to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.	(a) Yes	(a) No	(b) Amount
1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a Volunteers?		X	
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?	X		
c Media advertisements?		X	
d Mailings to members, legislators, or the public?		X	
e Publications, or published or broadcast statements?		X	
f Grants to other organizations for lobbying purposes?		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body?	X		250,140
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		X	
i Other activities?		X	
j Total. Add lines 1c through 1i			250,140
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		X	
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

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

Complete this part to 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, line 2; and Part II-B, line 1. Also, complete this part for any additional information.

SCHEDULE C, PART II-B, LINE 1

THE COMMUNITY & GOVERNMENT RELATIONS VICE PRESIDENT AND/OR THE DEPARTMENT'S MANAGER OR DIRECTOR ATTENDED THE FOLLOWING LEGISLATIVE CONFERENCES:

- PREMIER FEDERAL AFFAIRS NETWORK MEETING

- AMERICAN HOSPITAL ASSOCIATION ANNUAL MEETING

- TENNESSEE HOSPITAL ASSOCIATION LEGISLATIVE ADVOCACY DAY

Part IV Supplemental Information (continued)

- TENNESSEE HOSPITAL ASSOCIATION ANNUAL MEETING

- HOSPITAL ALLIANCE OF TENNESSEE ANNUAL MEETING

- NATIONAL ASSOCIATION OF CHILDREN'S HOSPITALS AND RELATED INSTITUTIONS VIP ADVOCACY DAY

- TENNESSEE PUBLIC & TEACHING HOSPITALS ASSOCIATION ANNUAL MEETING

- VIRGINIA HOSPITAL & HEALTHCARE ASSOCIATION LEGISLATIVE ISSUES CONFERENCE

- ASSOCIATION OF AMERICAN MEDICAL COLLEGES GOVERNMENT RELATIONS MEETING

THE COMMUNITY & GOVERNMENT RELATIONS VICE PRESIDENT AND/OR DEPARTMENTAL STAFF ALSO CONTACTED CONGRESSIONAL OFFICES CONCERNING THE FOLLOWING ISSUES:

- SUPPORT FOR PROVISIONS TO EXPAND INSURANCE COVERAGE (HEALTH INSURANCE EXCHANGES AND MEDICAID EXPANSION)

SUPPORT FOR INITIATIVES TO IMPROVE PAYMENT DELIVERY REDESIGN; SUCH AS ACCOUNTABLE CARE ORGANIZATION DEVELOPMENT

- SUPPORT FOR CONTINUATION OF TENNESSEE MEDICAID DISPROPORTIONATE SHARE HOSPITAL PAYMENTS

- OPPOSITION TO ADDITIONAL CUTS IN MEDICARE/MEDICAID

- SUPPORT FOR REAUTHORIZATION AND FUNDING OF CHILDREN'S HOSPITAL GRADUATE MEDICAL EDUCATION

- SUPPORT FEDERAL FUNDING FOR TRAUMA CARE

- SUPPORT CONTINUATION OF GRADUATE MEDICAL EDUCATIONAL FUNDING

- SUPPORT OF STATE MEDICAID PROVIDER TAX PROVISIONS

- SUPPORT OF MEDICARE DEPENDENT HOSPITAL AND LOW-VOLUME DESIGNATIONS

THE COMMUNITY & GOVERNMENT RELATIONS VICE PRESIDENT AND/OR THE DEPARTMENTAL DIRECTOR OR MANAGER RESPONDED VIA LETTER, PHONE, OR IN PERSON TO THE

Part IV Supplemental Information (continued)

FOLLOWING TENNESSEE AND VIRGINIA LEGISLATIVE ISSUES:

- SUPPORT OF MEDICAID EXPANSION - TENNESSEE AND VIRGINIA
- SUPPORT OF STRONG CERTIFICATE OF NEED PROGRAMS IN TENNESSEE AND VIRGINIA
- SUPPORT FOR CONTINUATION OF HOSPITAL ASSESSMENT FEE IN TENNESSEE
- SUPPORT OF FUNDING FOR PERINATAL CENTERS IN TENNESSEE
- SUPPORT OF SAFETY NET FUNDING FOR PROJECT ACCESS
- SUPPORT OF STABLE MEDICAID RATES IN VIRGINIA
- SUPPORT "SAFE HARBOR" LEGISLATION FOR DRUG ADDICTED PREGNANT WOMEN
- SUPPORT HELMET REQUIREMENT FOR MOTORCYCLISTS

19340MSHA

SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2012

Open to Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

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

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate contributions to (during year)		
3	Aggregate 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" to 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)
☐ Protection of natural habitat
☐ Preservation of open space
☐ Preservation of an historically important land area
☐ Preservation of a certified historic structure

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

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

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

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

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

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

7 Amount of expenses incurred in monitoring, inspecting, 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" to 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) Revenues included in Form 990, Part VIII, line 1 ▶ $

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

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 Revenues included in Form 990, Part VIII, line 1 ▶ $

b Assets included in Form 990, Part X ▶ $

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

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

a ☐ Public exhibition
b ☐ Scholarly research
c ☐ Preservation for future generations
d ☐ Loan or exchange programs
e ☐ Other .....

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

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

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to 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? ☐ 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" to 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 in 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:

		Yes	No
(i) unrelated organizations	3a(i)		
(ii) related organizations	3a(ii)		
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b		

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

Part VI Land, Buildings, and Equipment. 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		43,542,989		43,542,989
b Buildings		514,167,381	158,971,778	355,195,603
c Leasehold improvements		952,503	482,065	470,438
d Equipment		440,182,897	321,483,717	118,699,180
e Other				
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).) ▶				517,908,210

Part VII Investments—Other Securities. 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)		
(I)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 12.) ▶		

Part VIII Investments—Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) INVESTMENT IN JMH	132,000,000	COST
(2) INVESTMENT IN BRMMC	100,273,634	COST
(3) INVESTMENT IN SCCH	67,400,494	COST
(4) INVESTMENT IN ISHN	14,387,897	COST
(5) INVESTMENT IN OTHER	-368,107	MARKET
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 13.) ▶	313,693,918	

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) AWUL-UNDER BOND INDENTURE AGREEMENT	70,092,718
(2) AWUL - CURRENT	20,386,338
(3) DEFERRED CHARGES AND OTHER	17,755,375
(4) LONG TERM COMPENSATION INVESTMENT	12,397,272
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	120,631,703

Part X Other Liabilities. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) ACCRUED SALARIES, ABSENCES & W/H	40,208,513
(3) DUE TO THIRD-PARTY PAYERS	25,496,463
(4) ACCRUED INTEREST	19,498,959
(5) EST. FAIR VALUE OF INT. RATE SWAP	8,219,935
(6) OTHER LONG-TERM LIABILITIES	6,603,074
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	100,026,944

2. FIN 48 (ASC 740) Footnote. 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 X

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

1	Total revenue, gains, and other support per audited financial statements			1	
	Amounts included on line 1 but not on Form 990, Part VIII, line 12:				
a	Net unrealized gains 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

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

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

PART X - FIN 48 FOOTNOTE

"THE ALLIANCE IS CLASSIFIED AS AN ORGANIZATION EXEMPT FROM INCOME TAXES PURSUANT TO SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE. AS SUCH, NO PROVISION FOR INCOME TAXES HAS BEEN MADE IN THE ACCOMPANYING CONSOLIDATED FINANCIAL STATEMENTS FOR THE ALLIANCE AND ITS TAX-EXEMPT SUBSIDIARIES. TAXABLE ENTITIES ACCOUNT FOR INCOME TAXES IN ACCORDANCE WITH FASB ASC740, "INCOME TAXES" (NOTE L). THE ALLIANCE HAS NO UNCERTAIN TAX POSITIONS AT JUNE 30, 2013 AND 2012. TAX RETURNS FOR FISCAL YEARS 2009 THROUGH 2013 ARE SUBJECT TO EXAMINATION BY THE INTERNAL REVENUE SERVICE".

SCHEDULE H (Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 20.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2012

Open to Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

Part I Financial Assistance and Certain Other Community Benefits at Cost

		Yes	No
1a Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	1a	X	
b If "Yes," was it a written policy?	1b	X	
2 If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year. [X] Applied uniformly to all hospital facilities [ ] Applied uniformly to most hospital facilities [ ] Generally tailored to individual hospital facilities			
3 Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year.			
a Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing free care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care: [ ] 100% [ ] 150% [X] 200% [ ] Other _____%	3a	X	
b Did the organization use FPG as a factor in determining eligibility for providing discounted care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care: [ ] 200% [ ] 250% [ ] 300% [ ] 350% [X] 400% [ ] Other _____%	3b	X	
c If the organization used factors other than FPG in determining eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care. Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care.			
4 Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	4	X	
5a Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a	X	
b If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	5b		X
If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?	5c		
6a Did the organization prepare a community benefit report during the tax year?	6a	X	
b If "Yes," does the organization make it available to the public?	6b	X	
Complete the following table using the worksheets provided in the Schedule H instructions. Do not submit these worksheets with the Schedule H.			

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)			17,191,567		17,191,567	2.52
b Medicaid (from Worksheet 3, column a)			21,036,012	15,635,590	5,400,422	0.79
c Costs of other means-tested government programs (from Worksheet 3, column b)			76,753,019	52,973,261	23,779,758	3.49
d Total Financial Assistance and Means-Tested Government Programs			114,980,598	68,608,851	46,371,747	6.80
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			4,884,433	447,464	4,436,969	0.65
f Health professions education (from Worksheet 5)			14,369,294	3,753,039	10,616,255	1.56
g Subsidized health services (from Worksheet 6)			17,414,583	7,191,389	10,223,194	1.50
h Research (from Worksheet 7)			347,164	212,960	134,204	0.02
i Cash and in-kind contributions for community benefit (from Worksheet 8)			186,718		186,718	0.03
j Total. Other Benefits			37,202,192	11,604,852	25,597,340	3.75
k Total. Add lines 7d and 7j			152,182,790	80,213,703	71,969,087	10.55

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

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1 Physical improvements and housing						
2 Economic development						
3 Community support						
4 Environmental improvements						
5 Leadership development and training for community members						
6 Coalition building						
7 Community health improvement advocacy						
8 Workforce development						
9 Other			229,332		229,332	0.03
10 Total			229,332		229,332	0.03

Part III **Bad Debt, Medicare, & Collection Practices**

Section A. Bad Debt Expense

			Yes	No
1	Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15?	1	X	
2	Enter the amount of the organization's bad debt expense. Explain in Part VI the methodology used by the organization to estimate this amount	2 72,662,827		
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy. Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit	3 55,223,749		
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements.			

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	178,094,047	
6	Enter Medicare allowable costs of care relating to payments on line 5	6	183,810,040	
7	Subtract line 6 from line 5. This is the surplus (or shortfall)	7	-5,715,993	
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: ☐ Cost accounting system ☐ Cost to charge ratio ☒ Other			

Section C. Collection Practices

9a	Did the organization have a written debt collection policy during the tax year?	9a	X	
b	If "Yes," did the organization's collection policy that applied to the largest number of its patients during the tax year contain provisions on the collection practices to be followed for patients who are known to qualify for financial assistance? Describe in Part VI	9b	X	

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

	(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %
1	MED'L SPEC OF JC LLC	MEDICAL SERVICES	51		49
2	EMMAUS COMM HLTHCR	MEDICAL SERVICES	75		25
3					
4					
5					
6					
7					
8					
9					
10					
12					
13					

Part V Facility Information

Section A. Hospital Facilities

(list in order of size, from largest to smallest—see instructions)
How many hospital facilities did the organization operate during the tax year? 6

Name, address, and primary website address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (describe)	Facility reporting group
1 JOHNSON CITY MEDICAL CENTER 400 N. STATE OF FRANKLIN ROAD JOHNSON CITY TN 37604	X	X	X	X		X	X		REHABILITATION & MENTAL HEALTH	
2 INDIAN PATH MEDICAL CENTER 2000 BROOKSIDE DRIVE KINGSPORT TN 37660	X	X		X			X			
3 FRANKLIN WOODS COMMUNITY HOSPITAL 300 MED TECH PARKWAY JOHNSON CITY TN 37604	X	X					X			
4 SYCAMORE SHOALS HOSPITAL 1501 W. ELK AVENUE ELIZABETHTON TN 37643	X	X					X			
RUSSELL COUNTY MEDICAL CENTER 58 CARROLL STREET LEBANON VA 24266	X	X					X			
6 JOHNSON COUNTY COMMUNITY HOSPITAL 16901 S. SHADY STREET MOUNTAIN CITY TN 37683	X				X		X			

Part V Facility Information (continued)

Section B. Facility Policies and Practices

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

Name of hospital facility or facility reporting group JOHNSON CITY MEDICAL CENTER

For single facility filers only: line number of hospital facility (from Schedule H, Part V, Section A) 1

Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)		Yes	No
1 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9	1	X	
If "Yes," indicate what the CHNA report describes (check all that apply):			
a [X] A definition of the community served by the hospital facility			
b [X] Demographics of the community			
c [X] Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d [X] How data was obtained			
e [X] The health needs of the community			
f [X] Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g [X] The process for identifying and prioritizing community health needs and services to meet the community health needs			
h [X] The process for consulting with persons representing the community's interests			
i [ ] Information gaps that limit the hospital facility's ability to assess the community's health needs			
j [ ] Other (describe in Part VI)			
2 Indicate the tax year the hospital facility last conducted a CHNA: 20 11			
3 In conducting its most recent CHNA, did the hospital facility take into account input from representatives of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3	X	
4 Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4	X	
5 Did the hospital facility make its CHNA report widely available to the public?	5	X	
If "Yes," indicate how the CHNA report was made widely available (check all that apply):			
a [X] Hospital facility's website			
b [X] Available upon request from the hospital facility			
c [ ] Other (describe in Part VI)			
6 If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply to date):			
a [X] Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA			
b [X] Execution of the implementation strategy			
c [X] Participation in the development of a community-wide plan			
d [ ] Participation in the execution of a community-wide plan			
e [X] Inclusion of a community benefit section in operational plans			
f [ ] Adoption of a budget for provision of services that address the needs identified in the CHNA			
g [X] Prioritization of health needs in its community			
h [X] Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i [ ] Other (describe in Part VI)			
7 Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	7		X
8a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	8a		X
b If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	8b		
c If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? $			

Part V Facility Information (continued)

Financial Assistance Policy		Yes	No
	Did the hospital facility have in place during the tax year a written financial assistance polity that:		
9	Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	9	X	
10	Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	10	X	
	If "Yes," indicate the FPG family income limit for eligibility for free care: 200 %			
	If "No," explain in Part VI the criteria the hospital facility used.			
11	Used FPG to determine eligibility for providing discounted care?	11	X	
	If "Yes," indicate the FPG family income limit for eligibility for discounted care: 400 %			
	If "No," explain in Part VI the criteria the hospital facility used.			
12	Explained the basis for calculating amounts charged to patients?	12	X	
	If "Yes," indicate the factors used in determining such amounts (check all that apply):			
a	[X] Income level			
b	[X] Asset level			
c	[X] Medical indigency			
d	[X] Insurance status			
e	[X] Uninsured discount			
f	[ ] Medicaid/Medicare			
g	[X] State regulation			
h	[ ] Other (describe in Part VI)			
13	Explained the method for applying for financial assistance?	13	X	
14	Included measures to publicize the policy within the community served by the hospital facility?	14	X	
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply):			
a	[X] The policy was posted on the hospital facility's website			
b	[ ] The policy was attached to billing invoices			
c	[X] The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d	[X] The policy was posted in the hospital facility's admissions offices			
	[ ] The policy was provided, in writing, to patients on admission to the hospital facility			
	[X] The policy was available on request			
g	[X] Other (describe in Part VI)			

Billing and Collections				
15	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	15	X	
16	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP:			
a	[ ] Reporting to credit agency			
b	[ ] Lawsuits			
c	[ ] Liens on residences			
d	[ ] Body attachments			
e	[ ] Other similar actions (describe in Part VI)			
17	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP?	17		X
	If "Yes," check all actions in which the hospital facility or a third party engaged:			
a	[ ] Reporting to credit agency			
b	[ ] Lawsuits			
c	[ ] Liens on residences			
d	[ ] Body attachments			
e	[ ] Other similar actions (describe in Part VI)			

Part V Facility Information (continued)

18 Indicate which efforts the hospital facility made before initiating any of the actions listed in line 17 (check all that apply):

a ☐ Notified individuals of the financial assistance policy on admission
b ☐ Notified individuals of the financial assistance policy prior to discharge
c ☐ Notified individuals of the financial assistance policy in communications with the patients regarding the patients' bills
d ☐ Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy
e ☐ Other (describe in Part VI)

Policy Relating to Emergency Medical Care

		Yes	No
19 Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?	19	X	

If "No," indicate why:

a ☐ The hospital facility did not provide care for any emergency medical conditions
b ☐ The hospital facility's policy was not in writing
c ☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)
d ☐ Other (describe in Part VI)

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

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

a ☐ The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged
b ☐ The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged
c ☐ The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged
d ☒ Other (describe in Part VI)

21 During the tax year, did the hospital facility charge any of its FAP-eligible individuals, to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care? If "Yes," explain in Part VI.	21		X
22 During the tax year, did the hospital facility charge any FAP-eligible individuals an amount equal to the gross charge for any service provided to that individual? If "Yes," explain in Part VI.	22		X

Part V Facility Information (continued)

Section B. Facility Policies and Practices

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

Name of hospital facility or facility reporting group INDIAN PATH MEDICAL CENTER

For single facility filers only: line number of hospital facility (from Schedule H, Part V, Section A) 2

Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)		Yes	No
1 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9	1	X	
If "Yes," indicate what the CHNA report describes (check all that apply):			
a [X] A definition of the community served by the hospital facility			
b [X] Demographics of the community			
c [X] Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d [X] How data was obtained			
e [X] The health needs of the community			
f [X] Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g [X] The process for identifying and prioritizing community health needs and services to meet the community health needs			
h [X] The process for consulting with persons representing the community's interests			
i [ ] Information gaps that limit the hospital facility's ability to assess the community's health needs			
j [ ] Other (describe in Part VI)			
2 Indicate the tax year the hospital facility last conducted a CHNA: 20 11			
3 In conducting its most recent CHNA, did the hospital facility take into account input from representatives of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3	X	
4 Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4	X	
5 Did the hospital facility make its CHNA report widely available to the public?	5	X	
If "Yes," indicate how the CHNA report was made widely available (check all that apply):			
a [X] Hospital facility's website			
b [X] Available upon request from the hospital facility			
c [ ] Other (describe in Part VI)			
6 If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply to date):			
a [X] Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA			
b [X] Execution of the implementation strategy			
c [X] Participation in the development of a community-wide plan			
d [ ] Participation in the execution of a community-wide plan			
e [X] Inclusion of a community benefit section in operational plans			
f [ ] Adoption of a budget for provision of services that address the needs identified in the CHNA			
g [X] Prioritization of health needs in its community			
h [X] Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i [ ] Other (describe in Part VI)			
7 Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	7		X
8a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	8a		X
b If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	8b		
c If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? $			

Part V Facility Information (continued)

Financial Assistance Policy		Yes	No
	Did the hospital facility have in place during the tax year a written financial assistance polity that:		
9	Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	9	X	
10	Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	10	X	
	If "Yes," indicate the FPG family income limit for eligibility for free care: 200 %			
	If "No," explain in Part VI the criteria the hospital facility used.			
11	Used FPG to determine eligibility for providing discounted care?	11	X	
	If "Yes," indicate the FPG family income limit for eligibility for discounted care: 400 %			
	If "No," explain in Part VI the criteria the hospital facility used.			
12	Explained the basis for calculating amounts charged to patients?	12	X	
	If "Yes," indicate the factors used in determining such amounts (check all that apply):			
a	[X] Income level			
b	[X] Asset level			
c	[X] Medical indigency			
d	[X] Insurance status			
e	[X] Uninsured discount			
f	[ ] Medicaid/Medicare			
g	[X] State regulation			
h	[ ] Other (describe in Part VI)			
13	Explained the method for applying for financial assistance?	13	X	
14	Included measures to publicize the policy within the community served by the hospital facility?	14	X	
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply):			
a	[X] The policy was posted on the hospital facility's website			
b	[ ] The policy was attached to billing invoices			
c	[X] The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d	[X] The policy was posted in the hospital facility's admissions offices			
	[ ] The policy was provided, in writing, to patients on admission to the hospital facility			
f	[X] The policy was available on request			
g	[X] Other (describe in Part VI)			

Billing and Collections				
15	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	15	X	
16	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP:			
a	[ ] Reporting to credit agency			
b	[ ] Lawsuits			
c	[ ] Liens on residences			
d	[ ] Body attachments			
e	[ ] Other similar actions (describe in Part VI)			
17	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP?	17		X
	If "Yes," check all actions in which the hospital facility or a third party engaged:			
a	[ ] Reporting to credit agency			
b	[ ] Lawsuits			
c	[ ] Liens on residences			
d	[ ] Body attachments			
e	[ ] Other similar actions (describe in Part VI)			

Part V Facility Information (continued)

18 Indicate which efforts the hospital facility made before initiating any of the actions listed in line 17 (check all that apply):

a ☐ Notified individuals of the financial assistance policy on admission
b ☐ Notified individuals of the financial assistance policy prior to discharge
c ☐ Notified individuals of the financial assistance policy in communications with the patients regarding the patients' bills
d ☐ Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy
e ☐ Other (describe in Part VI)

Policy Relating to Emergency Medical Care

		Yes	No
19 Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?	19	X	

If "No," indicate why:

a ☐ The hospital facility did not provide care for any emergency medical conditions
b ☐ The hospital facility's policy was not in writing
c ☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)
d ☐ Other (describe in Part VI)

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

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

a ☐ The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged
b ☐ The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged
c ☐ The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged
d ☒ Other (describe in Part VI)

21 During the tax year, did the hospital facility charge any of its FAP-eligible individuals, to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care? If "Yes," explain in Part VI.	21		X
22 During the tax year, did the hospital facility charge any FAP-eligible individuals an amount equal to the gross charge for any service provided to that individual? If "Yes," explain in Part VI.	22		X

Part V Facility Information (continued)

Section B. Facility Policies and Practices

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

Name of hospital facility or facility reporting group FRANKLIN WOODS COMMUNITY HOSPITAL

For single facility filers only: line number of hospital facility (from Schedule H, Part V, Section A) 3

		Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)			
1 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9	1	X	
If "Yes," indicate what the CHNA report describes (check all that apply):			
a [X] A definition of the community served by the hospital facility			
b [X] Demographics of the community			
c [X] Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d [X] How data was obtained			
e [X] The health needs of the community			
f [X] Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g [X] The process for identifying and prioritizing community health needs and services to meet the community health needs			
h [X] The process for consulting with persons representing the community's interests			
i [ ] Information gaps that limit the hospital facility's ability to assess the community's health needs			
j [ ] Other (describe in Part VI)			
2 Indicate the tax year the hospital facility last conducted a CHNA: 20 11			
3 In conducting its most recent CHNA, did the hospital facility take into account input from representatives of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3	X	
4 Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4	X	
5 Did the hospital facility make its CHNA report widely available to the public?	5	X	
If "Yes," indicate how the CHNA report was made widely available (check all that apply):			
a [X] Hospital facility's website			
b [X] Available upon request from the hospital facility			
c [ ] Other (describe in Part VI)			
6 If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply to date):			
a [X] Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA			
b [X] Execution of the implementation strategy			
c [X] Participation in the development of a community-wide plan			
d [ ] Participation in the execution of a community-wide plan			
e [X] Inclusion of a community benefit section in operational plans			
f [ ] Adoption of a budget for provision of services that address the needs identified in the CHNA			
g [X] Prioritization of health needs in its community			
h [X] Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i [ ] Other (describe in Part VI)			
7 Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	7		X
8a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	8a		X
b If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	8b		
c If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? $			

Part V Facility Information (continued)

Financial Assistance Policy		Yes	No
Did the hospital facility have in place during the tax year a written financial assistance polity that:			
9 Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	9	X	
10 Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	10	X	
If "Yes," indicate the FPG family income limit for eligibility for free care: 200 %			
If "No," explain in Part VI the criteria the hospital facility used.			
11 Used FPG to determine eligibility for providing discounted care?	11	X	
If "Yes," indicate the FPG family income limit for eligibility for discounted care: 400 %			
If "No," explain in Part VI the criteria the hospital facility used.			
12 Explained the basis for calculating amounts charged to patients?	12	X	
If "Yes," indicate the factors used in determining such amounts (check all that apply):			
a [X] Income level			
b [X] Asset level			
c [X] Medical indigency			
d [X] Insurance status			
e [X] Uninsured discount			
f [ ] Medicaid/Medicare			
g [X] State regulation			
h [ ] Other (describe in Part VI)			
13 Explained the method for applying for financial assistance?	13	X	
14 Included measures to publicize the policy within the community served by the hospital facility?	14	X	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply):			
a [X] The policy was posted on the hospital facility's website			
b [ ] The policy was attached to billing invoices			
c [X] The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d [X] The policy was posted in the hospital facility's admissions offices			
e [ ] The policy was provided, in writing, to patients on admission to the hospital facility			
f [X] The policy was available on request			
g [X] Other (describe in Part VI)			

Billing and Collections			
15 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	15	X	
16 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP:			
a [ ] Reporting to credit agency			
b [ ] Lawsuits			
c [ ] Liens on residences			
d [ ] Body attachments			
e [ ] Other similar actions (describe in Part VI)			
17 Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP?	17		X
If "Yes," check all actions in which the hospital facility or a third party engaged:			
a [ ] Reporting to credit agency			
b [ ] Lawsuits			
c [ ] Liens on residences			
d [ ] Body attachments			
e [ ] Other similar actions (describe in Part VI)			

Part V Facility Information (continued)

18 Indicate which efforts the hospital facility made before initiating any of the actions listed in line 17 (check all that apply):

- a ☐ Notified individuals of the financial assistance policy on admission
- b ☐ Notified individuals of the financial assistance policy prior to discharge
- c ☐ Notified individuals of the financial assistance policy in communications with the patients regarding the patients' bills
- d ☐ Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy
- e ☐ Other (describe in Part VI)

Policy Relating to Emergency Medical Care

		Yes	No
19 Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?	19	X	

If "No," indicate why:

- a ☐ The hospital facility did not provide care for any emergency medical conditions
- b ☐ The hospital facility's policy was not in writing
- c ☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)
- d ☐ Other (describe in Part VI)

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

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

- a ☐ The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged
- b ☐ The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged
- c ☐ The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged
- d ☒ Other (describe in Part VI)

21 During the tax year, did the hospital facility charge any of its FAP-eligible individuals, to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care? If "Yes," explain in Part VI.	21		X
22 During the tax year, did the hospital facility charge any FAP-eligible individuals an amount equal to the gross charge for any service provided to that individual? If "Yes," explain in Part VI.	22		X

Part V Facility Information (continued)

Section B. Facility Policies and Practices

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

Name of hospital facility or facility reporting group SYCAMORE SHOALS HOSPITAL

For single facility filers only: line number of hospital facility (from Schedule H, Part V, Section A) 4

		Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)			
1	During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9	X	
	If "Yes," indicate what the CHNA report describes (check all that apply):		
a	[X] A definition of the community served by the hospital facility		
b	[X] Demographics of the community		
c	[X] Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d	[X] How data was obtained		
e	[X] The health needs of the community		
f	[X] Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g	[X] The process for identifying and prioritizing community health needs and services to meet the community health needs		
h	[X] The process for consulting with persons representing the community's interests		
i	[ ] Information gaps that limit the hospital facility's ability to assess the community's health needs		
j	[ ] Other (describe in Part VI)		
2	Indicate the tax year the hospital facility last conducted a CHNA: 20 11		
3	In conducting its most recent CHNA, did the hospital facility take into account input from representatives of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	X	
4	Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	X	
5	Did the hospital facility make its CHNA report widely available to the public?	X	
	If "Yes," indicate how the CHNA report was made widely available (check all that apply):		
a	[X] Hospital facility's website		
b	[X] Available upon request from the hospital facility		
c	[ ] Other (describe in Part VI)		
6	If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply to date):		
a	[X] Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA		
b	[X] Execution of the implementation strategy		
c	[X] Participation in the development of a community-wide plan		
d	[ ] Participation in the execution of a community-wide plan		
e	[X] Inclusion of a community benefit section in operational plans		
f	[ ] Adoption of a budget for provision of services that address the needs identified in the CHNA		
g	[X] Prioritization of health needs in its community		
h	[X] Prioritization of services that the hospital facility will undertake to meet health needs in its community		
i	[ ] Other (describe in Part VI)		
7	Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs		X
8a	Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?		X
b	If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?		
c	If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? $		

Part V Facility Information (continued)

Financial Assistance Policy		Yes	No
Did the hospital facility have in place during the tax year a written financial assistance polity that:			
9 Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	9	X	
10 Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	10	X	
If "Yes," indicate the FPG family income limit for eligibility for free care: 200 %			
If "No," explain in Part VI the criteria the hospital facility used.			
11 Used FPG to determine eligibility for providing discounted care?	11	X	
If "Yes," indicate the FPG family income limit for eligibility for discounted care: 400 %			
If "No," explain in Part VI the criteria the hospital facility used.			
12 Explained the basis for calculating amounts charged to patients?	12	X	
If "Yes," indicate the factors used in determining such amounts (check all that apply):			
a [X] Income level			
b [X] Asset level			
c [X] Medical indigency			
d [X] Insurance status			
e [X] Uninsured discount			
f [ ] Medicaid/Medicare			
g [X] State regulation			
h [ ] Other (describe in Part VI)			
13 Explained the method for applying for financial assistance?	13	X	
14 Included measures to publicize the policy within the community served by the hospital facility?	14	X	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply):			
a [X] The policy was posted on the hospital facility's website			
b [ ] The policy was attached to billing invoices			
c [X] The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d [X] The policy was posted in the hospital facility's admissions offices			
e [ ] The policy was provided, in writing, to patients on admission to the hospital facility			
f [X] The policy was available on request			
g [X] Other (describe in Part VI)			

Billing and Collections			
15 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	15	X	
16 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP:			
a [ ] Reporting to credit agency			
b [ ] Lawsuits			
c [ ] Liens on residences			
d [ ] Body attachments			
e [ ] Other similar actions (describe in Part VI)			
17 Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP?	17		X
If "Yes," check all actions in which the hospital facility or a third party engaged:			
a [ ] Reporting to credit agency			
b [ ] Lawsuits			
c [ ] Liens on residences			
d [ ] Body attachments			
e [ ] Other similar actions (describe in Part VI)			

Part V Facility Information (continued)

18 Indicate which efforts the hospital facility made before initiating any of the actions listed in line 17 (check all that apply):

a ☐ Notified individuals of the financial assistance policy on admission
b ☐ Notified individuals of the financial assistance policy prior to discharge
c ☐ Notified individuals of the financial assistance policy in communications with the patients regarding the patients' bills
d ☐ Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy
e ☐ Other (describe in Part VI)

Policy Relating to Emergency Medical Care

		Yes	No
19 Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?	19	X	
If "No," indicate why:			
a ☐ The hospital facility did not provide care for any emergency medical conditions			
b ☐ The hospital facility's policy was not in writing			
c ☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)			
d ☐ Other (describe in Part VI)			

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

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

a ☐ The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged
b ☐ The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged
c ☐ The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged
d ☒ Other (describe in Part VI)

21 During the tax year, did the hospital facility charge any of its FAP-eligible individuals, to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care?	21		X
If "Yes," explain in Part VI.			
22 During the tax year, did the hospital facility charge any FAP-eligible individuals an amount equal to the gross charge for any service provided to that individual?	22		X
If "Yes," explain in Part VI.			

Part V Facility Information (continued)

Section B. Facility Policies and Practices

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

Name of hospital facility or facility reporting group RUSSELL COUNTY MEDICAL CENTER

For single facility filers only: line number of hospital facility (from Schedule H, Part V, Section A) 5

Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)		Yes	No
1 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9	1	X	
If "Yes," indicate what the CHNA report describes (check all that apply):			
a [X] A definition of the community served by the hospital facility			
b [X] Demographics of the community			
c [X] Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d [X] How data was obtained			
e [X] The health needs of the community			
f [X] Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g [X] The process for identifying and prioritizing community health needs and services to meet the community health needs			
h [X] The process for consulting with persons representing the community's interests			
i [ ] Information gaps that limit the hospital facility's ability to assess the community's health needs			
j [ ] Other (describe in Part VI)			
2 Indicate the tax year the hospital facility last conducted a CHNA: 20 11			
3 In conducting its most recent CHNA, did the hospital facility take into account input from representatives of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3	X	
4 Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4	X	
5 Did the hospital facility make its CHNA report widely available to the public?	5	X	
If "Yes," indicate how the CHNA report was made widely available (check all that apply):			
a [X] Hospital facility's website			
b [X] Available upon request from the hospital facility			
c [ ] Other (describe in Part VI)			
6 If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply to date):			
a [X] Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA			
b [X] Execution of the implementation strategy			
c [X] Participation in the development of a community-wide plan			
d [ ] Participation in the execution of a community-wide plan			
e [X] Inclusion of a community benefit section in operational plans			
f [ ] Adoption of a budget for provision of services that address the needs identified in the CHNA			
g [X] Prioritization of health needs in its community			
h [X] Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i [ ] Other (describe in Part VI)			
7 Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	7		X
8a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	8a		X
b If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	8b		
c If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? $			

Part V Facility Information (continued)

Financial Assistance Policy		Yes	No
	Did the hospital facility have in place during the tax year a written financial assistance policy that:		
9	Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	9	X	
10	Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	10	X	
	If "Yes," indicate the FPG family income limit for eligibility for free care: 200 %			
	If "No," explain in Part VI the criteria the hospital facility used.			
11	Used FPG to determine eligibility for providing discounted care?	11	X	
	If "Yes," indicate the FPG family income limit for eligibility for discounted care: 400 %			
	If "No," explain in Part VI the criteria the hospital facility used.			
12	Explained the basis for calculating amounts charged to patients?	12	X	
	If "Yes," indicate the factors used in determining such amounts (check all that apply):			
a	[X] Income level			
b	[X] Asset level			
c	[X] Medical indigency			
d	[X] Insurance status			
e	[X] Uninsured discount			
f	[ ] Medicaid/Medicare			
g	[X] State regulation			
h	[ ] Other (describe in Part VI)			
13	Explained the method for applying for financial assistance?	13	X	
14	Included measures to publicize the policy within the community served by the hospital facility?	14	X	
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply):			
a	[X] The policy was posted on the hospital facility's website			
b	[ ] The policy was attached to billing invoices			
c	[X] The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d	[X] The policy was posted in the hospital facility's admissions offices			
e	[ ] The policy was provided, in writing, to patients on admission to the hospital facility			
	[X] The policy was available on request			
g	[X] Other (describe in Part VI)			

Billing and Collections				
15	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	15	X	
16	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP:			
a	[ ] Reporting to credit agency			
b	[ ] Lawsuits			
c	[ ] Liens on residences			
d	[ ] Body attachments			
e	[ ] Other similar actions (describe in Part VI)			
17	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP?	17		X
	If "Yes," check all actions in which the hospital facility or a third party engaged:			
a	[ ] Reporting to credit agency			
b	[ ] Lawsuits			
c	[ ] Liens on residences			
d	[ ] Body attachments			
e	[ ] Other similar actions (describe in Part VI)			

Part V Facility Information (continued)

18 Indicate which efforts the hospital facility made before initiating any of the actions listed in line 17 (check all that apply):

- a ☐ Notified individuals of the financial assistance policy on admission
- b ☐ Notified individuals of the financial assistance policy prior to discharge
- c ☐ Notified individuals of the financial assistance policy in communications with the patients regarding the patients' bills
- d ☐ Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy
- e ☐ Other (describe in Part VI)

Policy Relating to Emergency Medical Care

		Yes	No
19 Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?	19	X	

If "No," indicate why:

- a ☐ The hospital facility did not provide care for any emergency medical conditions
- b ☐ The hospital facility's policy was not in writing
- c ☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)
- d ☐ Other (describe in Part VI)

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

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

- a ☐ The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged
- b ☐ The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged
- c ☐ The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged
- d ☒ Other (describe in Part VI)

21 During the tax year, did the hospital facility charge any of its FAP-eligible individuals, to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care? If "Yes," explain in Part VI.	21		X
22 During the tax year, did the hospital facility charge any FAP-eligible individuals an amount equal to the gross charge for any service provided to that individual? If "Yes," explain in Part VI.	22		X

Part V Facility Information (continued)

Section B. Facility Policies and Practices

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

Name of hospital facility or facility reporting group JOHNSON COUNTY COMMUNITY HOSPITAL

For single facility filers only: line number of hospital facility (from Schedule H, Part V, Section A) 6

		Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)			
1 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9	1	X	
If "Yes," indicate what the CHNA report describes (check all that apply):			
a [X] A definition of the community served by the hospital facility			
b [X] Demographics of the community			
c [X] Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d [X] How data was obtained			
e [X] The health needs of the community			
f [X] Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g [X] The process for identifying and prioritizing community health needs and services to meet the community health needs			
h [X] The process for consulting with persons representing the community's interests			
i [ ] Information gaps that limit the hospital facility's ability to assess the community's health needs			
j [ ] Other (describe in Part VI)			
2 Indicate the tax year the hospital facility last conducted a CHNA: 20 11			
3 In conducting its most recent CHNA, did the hospital facility take into account input from representatives of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3	X	
4 Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4	X	
5 Did the hospital facility make its CHNA report widely available to the public?	5	X	
If "Yes," indicate how the CHNA report was made widely available (check all that apply):			
a [X] Hospital facility's website			
b [X] Available upon request from the hospital facility			
c [ ] Other (describe in Part VI)			
6 If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply to date):			
a [X] Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA			
b [X] Execution of the implementation strategy			
c [X] Participation in the development of a community-wide plan			
d [ ] Participation in the execution of a community-wide plan			
e [X] Inclusion of a community benefit section in operational plans			
f [ ] Adoption of a budget for provision of services that address the needs identified in the CHNA			
g [X] Prioritization of health needs in its community			
h [X] Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i [ ] Other (describe in Part VI)			
7 Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	7		X
8a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	8a		X
b If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	8b		
c If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? $			

Part V Facility Information (continued)

Financial Assistance Policy		Yes	No
Did the hospital facility have in place during the tax year a written financial assistance polity that:			
9 Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	9	X	
10 Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	10	X	
If "Yes," indicate the FPG family income limit for eligibility for free care: 200 %			
If "No," explain in Part VI the criteria the hospital facility used.			
11 Used FPG to determine eligibility for providing discounted care?	11	X	
If "Yes," indicate the FPG family income limit for eligibility for discounted care: 400 %			
If "No," explain in Part VI the criteria the hospital facility used.			
12 Explained the basis for calculating amounts charged to patients?	12	X	
If "Yes," indicate the factors used in determining such amounts (check all that apply):			
a [X] Income level			
b [X] Asset level			
c [X] Medical indigency			
d [X] Insurance status			
e [X] Uninsured discount			
f [ ] Medicaid/Medicare			
g [X] State regulation			
h [ ] Other (describe in Part VI)			
13 Explained the method for applying for financial assistance?	13	X	
14 Included measures to publicize the policy within the community served by the hospital facility?	14	X	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply):			
a [X] The policy was posted on the hospital facility's website			
b [ ] The policy was attached to billing invoices			
c [X] The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d [X] The policy was posted in the hospital facility's admissions offices			
[ ] The policy was provided, in writing, to patients on admission to the hospital facility			
[X] The policy was available on request			
g [X] Other (describe in Part VI)			

Billing and Collections			
15 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	15	X	
16 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP:			
a [ ] Reporting to credit agency			
b [ ] Lawsuits			
c [ ] Liens on residences			
d [ ] Body attachments			
e [ ] Other similar actions (describe in Part VI)			
17 Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP?	17		X
If "Yes," check all actions in which the hospital facility or a third party engaged:			
a [ ] Reporting to credit agency			
b [ ] Lawsuits			
c [ ] Liens on residences			
d [ ] Body attachments			
e [ ] Other similar actions (describe in Part VI)			

Part V Facility Information (continued)

18 Indicate which efforts the hospital facility made before initiating any of the actions listed in line 17 (check all that apply):

- a ☐ Notified individuals of the financial assistance policy on admission
- b ☐ Notified individuals of the financial assistance policy prior to discharge
- c ☐ Notified individuals of the financial assistance policy in communications with the patients regarding the patients' bills
- d ☐ Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy
- e ☐ Other (describe in Part VI)

Policy Relating to Emergency Medical Care

		Yes	No
19 Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?	19	X	

If "No," indicate why:

- a ☐ The hospital facility did not provide care for any emergency medical conditions
- b ☐ The hospital facility's policy was not in writing
- c ☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)
- d ☐ Other (describe in Part VI)

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

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

- a ☐ The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged
- b ☐ The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged
- c ☐ The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged
- d ☒ Other (describe in Part VI)

e During the tax year, did the hospital facility charge any of its FAP-eligible individuals, to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care? If "Yes," explain in Part VI.	21		X
22 During the tax year, did the hospital facility charge any FAP-eligible individuals an amount equal to the gross charge for any service provided to that individual? If "Yes," explain in Part VI.	22		X

Part V Facility Information (continued)

Section C. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility

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

How many non-hospital health care facilities did the organization operate during the tax year? 10

	Name and address	Type of Facility (describe)
1	JCMC AMBULATORY SURGERY CENTER 400 N. STATE OF FRANKLIN ROAD JOHNSON CITY TN 37604	LICENSED AMBULATORY SURGERY CENTER
2	MOUNTAIN STATES IMAGING CENTER 301 MED TECH PARKWAY, SUITE 100 JOHNSON CITY TN 37604	LICENSED OUTPATIENT DIAGNOSTIC CENTER
3	PRINCETON TRANSITIONAL CARE 401 PRINCETON ROAD JOHNSON CITY TN 37601	LICENSED SKILLED NURSING FACILITY
4	INDIAN PATH TRANSITIONAL CARE 2000 BROOKSIDE DRIVE KINGSPORT TN 37660	LICENSED SKILLED NURSING FACILITY
5	MEDICAL CNTR HOME CARE-JOHNSON CITY 101 MED TECH PARKWAY, SUITE 100 JOHNSON CITY TN 37604	LICENSED HOME HEALTH AGENCY
	MEDICAL CNTR HOME CARE-KINGSPORT 2020 BROOKSIDE DRIVE, #28 KINGSPORT TN 37660	LICENSED HOME HEALTH AGENCY
7	RUSSELL CO. MEDICAL CNTR HOME HLTH 116 FLANNAGAN AVENUE LEBANON VA 24266	LICENSED HOME HEALTH AGENCY
8	MEDICAL CENTER HOSPICE 101 MED TECH PARKWAY, SUITE 100 JOHNSON CITY TN 37604	LICENSED HOSPICE AGENCY
9	JOHNSON COUNTY HOME HEALTH 1987 SOUTH SHADY STREET MOUNTAIN CITY TN 37683	LICENSED HOME HEALTH AGENCY
10	RUSSELL COUNTY MEDICAL CNTR HOSPICE 116 FLANNAGAN AVENUE LABANON VA 24266	LICENSED HOSPICE AGENCY

Part VI Supplemental Information

Complete this part to provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

8 **Facility reporting group(s).** If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

PART I, LINE 6A - RELATED ORGANIZATION INFORMATION

MOUNTAIN STATES HEALTH ALLIANCE HAS PREPARED AND MADE PUBLIC A COMMUNITY BENEFIT REPORT TO INCLUDE INFORMATION FOR ALL OF THE HOSPITALS WITHIN THE HEALTH SYSTEM.

PART I, LINE 7 - COSTING METHODOLOGY EXPLANATION

A COST TO CHARGE RATIO WAS USED TO CALCULATE LINES 7A AND B UTILIZING THE SCHEDULE H APPLICABLE WORKSHEETS, INCLUDING WORKSHEET 2, A "RATIO OF PATIENT CARE COST TO CHARGES". LINES 7E, F, G, AND H USED DIRECT COSTS OF SPECIFIC PROGRAMS. LINE 7I REFLECTS CHARITABLE CONTRIBUTIONS AT COST. WE SUBTRACTED LINES 7E-I, COLUMN (C) EXPENSE FROM WORKSHEET 2, LINE 4 SO THAT THE EXPENSE WOULD NOT BE DUBLICATED.

PART I, LINE 7G:

JOHNSON COUNTY COMMUNITY HOSPITAL, A FEDERALLY DESIGNATED CRITICAL ACCESS HOSPITAL, OPERATES A PHYSICIAN SPECIALTY CLINIC, WHICH INCURRED AN OPERATING LOSS OF $55,015 FOR THE TWELVE MONTHS ENDING JUNE 30, 2013. THE SPECIALTY CLINIC INCLUDES CARDIOLOGY, GENERAL SURGERY, PODIATRY AND OTHER SPECIALTY SERVICES. THIS CONTINUES TO BE A VALUABLE RESOURCE TO THE

Part VI Supplemental Information

Complete this part to provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

8 **Facility reporting group(s).** If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

RESIDENTS OF THE AREA BY AIDING WITH TRANSPORTATION ISSUES (OTHER PHYSICIAN OFFICES ARE MORE THAN AN HOUR AWAY), RESOLVING ACCESS LIMITATIONS FOR SPECIALTY SERVICES, AND PROVIDING RELIEF TO THE SPECIAL HEALTH PROBLEMS OF A LARGELY ELDERLY POPULATION.

RUSSELL COUNTY MEDICAL CENTER OPERATES A RURAL HEALTH CLINIC LOCATED IN ST. PAUL, VA, ON THE BORDER OF WISE AND RUSSELL COUNTIES. RIVERSIDE CLINIC FIRST OPENED IN 1991 TO PROVIDE PRIMARY CARE SERVICES TO THIS ELDERLY UNDERSERVED POPULATION. THE CLINIC'S LARGEST PAYOR IS MEDICARE, WHICH ACCOUNTS FOR 51% OF PATIENT SERVICES. DURING FY13, THE CLINIC INCURRED UNREIMBURSED EXPENSES OF $221,246. SOME OTHER SUBSIDIZED SERVICES WITHIN MSHA INCLUDE SKILLED NURSING FACILITIES WITHIN TWO HOSPITALS, OUR AIR TRANSPORT SERVICE ("WINGS"), BABY/CHILD GROUND TRANSPORT AND MENTAL HEALTH.

PART II - COMMUNITY BUILDING ACTIVITIES

MSHA LEADERS SUPPORT AND ENCOURAGE ALL TEAM MEMBERS TO VOLUNTEER TIME, MONEY AND SKILLS TO COMMUNITY SERVICE PROJECTS AND CHARITABLE ORGANIZATIONS. SENIOR LEADERS AND BOARD MEMBERS SET A POSITIVE EXAMPLE FOR MSHA TEAM MEMBERS, SERVING VOLUNTARILY ON COMMITTEES AND MANAGING BOARDS OF

Part VI Supplemental Information

Complete this part to provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

8 **Facility reporting group(s).** If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

LOCAL SERVICE AND NON-PROFIT ORGANIZATIONS. MANY ALSO SERVE AS MEMBERS AND CONSULTANTS ON PROFESSIONAL COMMITTEES AND TASK FORCES THAT AFFECT REGIONAL DEVELOPMENT IN HEALTHCARE AND EDUCATION. SOME OF THESE TEAM MEMBERS DEVOTE TWO WEEKS OF NORMAL WORK TIME TO OUTSIDE CHARITABLE ACTIVITIES.

MSHA, IN COLLABORATION WITH AREA HEALTH AGENCIES AND PROVIDERS, MAY OFFER ASSISTANCE WITH COORDINATION, ADVOCACY AND PUBLICITY; PROVIDE SPACE; OR CONTRIBUTE SUPPLIES TO SUPPORT GROUPS FOR THEIR PROGRAM ACTIVITIES.

MSHA INCURRED EXPENSES OF ALMOST $2 MILLION ON PHYSICIAN RECRUITMENT TO REPLACE PHYSICIANS RETIRING OR LEAVING OUR SERVICE AREAS, INCLUDING RECRUITMENT TO ONE OF OUR FEDERALLY DESIGNATED UNDERSERVED COMMUNITIES. WITHOUT MSHA'S DEDICATION TO RURAL HEALTH, THERE WOULD NOT BE AN ADEQUATE NUMBER OF PHYSICIANS TO SERVE THIS PATIENT POPULATION.

MSHA SUPPORTS THE ECONOMIC DEVELOPMENT OF THE REGION BY PROVIDING FINANCIAL SUPPORT TO ECONOMIC DEVELOPMENT PROGRAMS. EVIDENCE SHOWS THAT A HEALTHY ECONOMY RELATES TO A HEALTHIER POPULATION.

Part VI Supplemental Information

Complete this part to provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

2 Needs assessment. Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 Patient education of eligibility for assistance. Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 Community information. Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 Promotion of community health. Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 Affiliated health care system. If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 State filing of community benefit report. If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

8 Facility reporting group(s). If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

PART III, LINE 4 - BAD DEBT EXPENSE EXPLANATION

OUR VICE PRESIDENT OF PATIENT FINANCIAL SERVICES ESTIMATES THAT 76% OF BAD DEBT EXPENSE WAS ASSUMED ATTRIBUTABLE TO PATIENTS LIKELY ELIGIBLE FOR FINANCIAL ASSISTANCE. WE HAVE MANY INSTANCES DURING THE YEAR OF PATIENTS WITH LARGE ACCOUNT BALANCES AND NO HEALTH INSURANCE COVERAGE THAT WE ARE SURE WOULD QUALIFY FOR CHARITY CARE. ALTHOUGH HOSPITAL TEAM MEMBERS ENCOURAGE THESE INDIVIDUALS TO COMPLETE OUR FINANCIAL ASSISTANCE APPLICATION, MANY WILL NOT DO SO. EVEN WHEN THESE INDIVIDUALS ARE TOLD WE FEEL SURE THEY DO QUALIFY FOR FULL OR PARTIAL ASSISTANCE, THEY STILL REFUSE TO COMPLETE OUR FINANCIAL ASSISTANCE APPLICATION.

REGARDING LINE 3, IT IS IMPLAUSIBLE TO DETERMINE THE AMOUNT OF MSHA'S BAD DEBT ASSOCIATED WITH THOSE PATIENTS WHO MAY HAVE MET THE CRITERIA SET FORTH IN OUR FINANCIAL ASSISTANCE POLICY WITHOUT HAVING A COMPLETED FINANCIAL ASSESSMENT. WE ARE UNABLE TO DETERMINE OUR PATIENTS' FINANCIAL CIRCUMSTANCES UNLESS A COMPLETED FINANCIAL ASSESSMENT FORM IS VOLUNTARILY PROVIDED TO US. WE CAN ASSERT THAT MORE THAN 97% OF OUR PATIENTS WHO HAVE PROVIDED COMPLETED FINANCIAL ASSESSMENT FORMS HAVE BEEN APPROVED FOR AT LEAST PARTIAL FINANCIAL ASSISTANCE.

Part VI Supplemental Information

Complete this part to provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

8 **Facility reporting group(s).** If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

THE FOLLOWING TEXT IS INCLUDED IN MSHA'S FY13 AUDITED FINANCIAL STATEMENTS:

"FOR RECEIVABLES ASSOCIATED WITH SERVICES PROVIDED TO PATIENTS WHO HAVE THIRD-PARTY COVERAGE, THE ALLIANCE ANALYZES CONTRACTUALLY DUE AMOUNTS AND PROVIDES AN ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS AND A PROVISION FOR BAD DEBTS, IF NECESSARY, FOR EXPECTED UNCOLLECTIBLE DEDUCTIBLE ACCOUNTS FOR WHICH THE THIRD-PARTY PAYER HAS NOT PAID OR FOR PAYERS WHO ARE KNOWN TO BE HAVING FINANCIAL DIFFICULTIES THAT MAKE THE REALIZATION OF AMOUNTS DUE UNLIKELY. FOR RECEIVABLES ASSOCIATED WITH PATIENTS, WHICH INCLUDES BOTH PATIENTS WITHOUT INSURANCE AND PATIENTS WITH DEDUCTIBLES AND COPAYMENT BALANCES DUE FOR WHICH THIRD-PARTY COVERAGE EXISTS FOR PART OF THE BILL, THE ALLIANCE RECORDS A SIGNIFICANT PROVISION FOR BAD DEBTS IN THE PERIOD OF SERVICE ON THE BASIS OF ITS PAST EXPERIENCE, WHICH INDICATES THAT MANY PATIENTS ARE UNABLE OR UNWILLING TO PAY THE PORTION OF THEIR BILL FOR WHICH THEY ARE FINANCIALLY RESPONSIBLE".

THE FOOTNOTES TO THE AUDITED FINANCIAL STATEMENTS REPORT THE AMOUNT OF ESTIMATED UNCOLLECTIBLE SELF-PAY AND EXPLAIN THAT UNCOLLECTIBLE PATIENT ACCOUNTS RECEIVABLE ESTIMATED RESERVES ARE BASED UPON PRIOR COLLECTION

Part VI Supplemental Information

Complete this part to provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

2 Needs assessment. Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 Patient education of eligibility for assistance. Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 Community information. Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

6 Promotion of community health. Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 Affiliated health care system. If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 State filing of community benefit report. If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

8 Facility reporting group(s). If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

HISTORY FOR GROUPS OF RECEIVABLES, KNOWN COLLECTION RISKS AND OTHER ENVIRONMENTAL FACTORS, INCLUDING THE AGE OF THE RECEIVABLES.

PART III, LINE 8 - MEDICARE EXPLANATION

MEDICARE ALLOWABLE COSTS WERE REPORTED USING MSHA'S FILED MEDICARE COST REPORT (C/R). THE C/R USES A COST TO CHARGE RATIO BASED ON A STEP-DOWN ALLOCATION METHODOLOGY. IN CARING FOR THE PATIENT, THERE ARE SEVERAL SERVICES THAT ARE CONSIDERED NON-ALLOWABLE SUCH AS TRANSPORTATION OF A PATIENT, COMFORT ITEMS TO INCLUDE A TELEVISION, MAGAZINES, OR A TELEPHONE. ADDITIONAL NON-ALLOWABLE COSTS INCLUDE THE RECRUITMENT OF PHYSICIANS, PHYSICIAN GUARANTEES AND A PORTION OF THE BAD DEBT (12%) ASSOCIATED WITH THE CARE OF THE PATIENT.

MEDICARE LOSSES, INCLUDING SOME NON-ALLOWABLE COSTS, SHOULD BE COUNTED AS A COMMUNITY BENEFIT AS THIS IS THE COST OF CARE FOR SERVING THE AGING POPULATION. AS A NOT-FOR-PROFIT ORGANIZATION, WE EXIST TO IDENTIFY AND RESPOND TO THE HEALTH CARE NEEDS OF THE COMMUNITY AND THE INDIVIDUAL WHILE MAINTAINING A HIGH LEVEL OF HEALTH CARE SERVICES WITHOUT LOSSES. SINCE LOSSES DO OCCUR THROUGH THE CMS SYSTEM OF REIMBURSEMENT, THESE LOSSES ARE A

Part VI Supplemental Information

Complete this part to provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

2 Needs assessment. Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 Patient education of eligibility for assistance. Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 Community information. Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 Promotion of community health. Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 Affiliated health care system. If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 State filing of community benefit report. If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

8 Facility reporting group(s). If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

COST OF DOING BUSINESS FOR OUR COMMUNITY AND SHOULD BE CONSIDERED A COMMUNITY BENEFIT.

AS A PARTICIPATING PROVIDER IN THE MEDICARE PROGRAM, MSHA IS REQUIRED TO PROVIDE THE FULL REGIMEN OF CARE FOR OUR MEDICARE POPULATION. THERE ARE A NUMBER OF CARE REGIMENS THAT ARE COMPENSATED BY THE MEDICARE PROGRAM AT LEVELS BELOW OUR COST. THEREFORE IT IS ONLY LOGICAL TO ALLOW MSHA TO REPORT THESE UNCOMPENSATED SERVICES AS A COMMUNITY BENEFIT ON THIS DOCUMENT. BY MAKING THIS CHANGE, NON-PROFIT PROVIDERS WILL BE ENCOURAGED TO SUSTAIN IMPORTANT CARE DELIVERY MODELS FOR OUR AGING POPULATION IN SPITE OF THE FACT IT IS SOMETIMES ECONOMICALLY INJURIOUS.

PART III, LINE 9B - COLLECTION PRACTICES EXPLANATION

MSHA FOLLOWS A STRONG COLLECTION PROGRAM THAT COMMUNICATES FINANCIAL RESPONSIBILITY TO THE PATIENT. COLLECTION PRACTICES APPLY TO ALL PATIENTS, CHARITY AND NON-CHARITY CARE. IN ROUTINE CIRCUMSTANCES WHEN IT IS DETERMINED THAT A PATIENT HAS NOT RESPONDED TO REQUESTS FOR PAYMENT AND HAS NOT PROVIDED INFORMATION TO ASCERTAIN ABILITY TO PAY,

Part VI Supplemental Information

Complete this part to provide the following information.

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

8 **Facility reporting group(s).** If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

AN ACCOUNT CAN BE REFERRED TO AN OUTSIDE COLLECTION AGENCY FOR COLLECTION ASSISTANCE. MSHA ENSURES THAT OUTSIDE COLLECTION AGENCIES FOLLOW HOSPITAL BILLING AND COLLECTION GUIDELINES. ONCE A DELINQUENT PATIENT ACCOUNT HAS BEEN SUBMITTED TO AN OUTSIDE AGENCY, IT CAN BE ADJUSTED TO CHARITY IF THE DETERMINATION IS LATER MADE THAT THE PATIENT IS ELIGIBLE FOR FINANCIAL ASSISTANCE. ALL REQUESTS FOR FINANCIAL ASSISTANCE MUST BE ACCOMPANIED BY A COMPLETED FINANCIAL ASSESSMENT FORM AND SUPPORTING DOCUMENTATION.

JOHNSON CITY MEDICAL CENTER, LINE NUMBER 1 - PART V, LINE 3

MSHA MET WITH TEN FOCUS GROUPS EACH REPRESENTING ONE OF THE TEN HOSPITAL FACILITIES (INCLUDING ALL OF THE HOSPITALS INCLUDED IN THIS 990) LOCATED WITHIN THE CORE COUNTIES OF MSHA FACILITIES (16 COUNTIES). EACH GROUP CONSISTED OF PUBLIC HEALTH LEADERS, NURSES, NON-PROFIT DIRECTORS, COMMUNITY DEVELOPERS, FAITH BASED LEADERS, PUBLIC OFFICIALS AND SCHOOL REPRESENTATIVES. EACH GROUP RANGED IN ATTENDANCE FROM 6 TO 21 INDIVIDUALS. PARTICIPANTS WERE GIVEN SURVEYS TO DETERMINE A COUNTY'S HEALTH STATUS

Part VI Supplemental Information

Complete this part to provide the following information.

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

8 **Facility reporting group(s).** If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

RATING, AVAILABLE RESOURCES, TOP HEALTH PRIORITIES, AND SUGGESTIONS FOR IMPROVEMENT. OPEN DISCUSSION FOLLOWED. THE COLLECTED INFORMATION WAS THEN PAIRED WITH STATISTICAL DATA IN ORDER TO PRIORITIZE HEALTH NEEDS. THE SPECIFIC NEEDS FOR EACH COUNTY WERE INCLUDED IN THE APPROPRIATE FACILITY IMPLEMENTATION PLAN.

JOHNSON CITY MEDICAL CENTER, LINE NUMBER 1 - PART V, LINE 4

EACH HOSPITAL WITHIN THE MSHA SYSTEM COMPLETED A CHNA. FOR THOSE HOSPITALS THAT ARE LOCATED IN THE SAME COUNTY, ONLY ONE COMMUNITY GROUP WAS SURVEYED. FOR INSTANCE, JOHNSON CITY MEDICAL CENTER AND FRANKLIN WOODS COMMUNITY HOSPITAL ARE BOTH LOCATED IN WASHINGTON COUNTY, TENNESSEE. WE SURVEYED 21 INDIVIDUALS FROM WASHINGTON COUNTY IN ORDER TO DETERMINE HEALTH PRIORITIES. JCMC'S CHNA WAS CONDUCTED WITH ALL MSHA HOSPITALS TO INCLUDE: FRANKLIN WOODS COMMUNITY HOSPITAL, INDIAN PATH MEDICAL CENTER, SYCAMORE SHOALS HOSPITAL, JOHNSON COUNTY COMMUNITY HOSPITAL, RUSSELL COUNTY MEDICAL CENTER, JOHNSTON MEMORIAL HOSPITAL, SMYTH COUNTY COMMUNITY HOSPITAL, NORTON COMMUNITY HOSPITAL AND DICKENSON COMMUNITY HOSPITAL.

JOHNSON CITY MEDICAL CENTER, LINE NUMBER 1 - PART V, LINE 7

Part VI Supplemental Information

Complete this part to provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

8 **Facility reporting group(s).** If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

MSHA PUBLISHED ITS COMMUNITY HEALTH NEEDS ASSESSMENT ON JUNE 29 OF FY12. THE DATA INCLUDED WAS COLLECTED OVER THE COURSE OF 2011 AND 2012. AN IMPLEMENTATION PLAN WAS CREATED FOR EACH HOSPITAL, AND EACH HOSPITAL'S BOARD APPROVED THE IMPLEMENTATION PLAN DURING THE MONTHS OF MAY AND JUNE 2012. MSHA ANNUALLY TRACKS PROGRESS OF IMPLEMENTATION STRATEGIES FOR EACH HOSPITAL. DUE TO LACK OF RESOURCES, SOME OF MSHA FACILITIES WERE UNABLE TO ADDRESS ISSUES THAT WERE IDENTIFIED.

JOHNSON CITY MEDICAL CENTER, LINE NUMBER 1 - PART V, LINE 14G

THE MOUNTAIN STATES FINANCIAL ASSISTANCE POLICY HAS BEEN APPROVED BY THE BOARD OF DIRECTORS AND APPLIES TO ALL MSHA HOSPITALS. DURING THE ADMISSION PROCESS, PATIENTS ARE TOLD THAT THE HOSPITAL HAS A FINANCIAL ASSISTANCE POLICY AND ADMISSION PAPERS GIVEN TO EACH PATIENT ADVISES THEM OF THE POLICY. BILLING CORRESPONDENCE ALSO ADVISES THAT FINANCIAL ASSISTANCE MAY BE AVAILABLE. A COMMUNITY RESOURCE GUIDE REPORTS THAT THE HOSPITAL HAS A FINANCIAL ASSISTANCE POLICY.

JOHNSON CITY MEDICAL CENTER, LINE NUMBER 1 - PART V, LINE 20D

UNINSURED PATIENTS RECEIVE A 62% DISCOUNT; AND, BASED ON OTHER FACTORS SUCH

Part VI Supplemental Information

Complete this part to provide the following information.

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

8 **Facility reporting group(s).** If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

AS INCOME OR MEDICAL INDIGENCY, MAY QUALIFY FOR AN ADDITIONAL DISCOUNT.

INDIAN PATH MEDICAL CENTER, LINE NUMBER 2 - PART V, LINE 3

MSHA MET WITH TEN FOCUS GROUPS EACH REPRESENTING ONE OF THE TEN HOSPITAL FACILITIES (INCLUDING ALL OF THE HOSPITALS INCLUDED IN THIS 990) LOCATED WITHIN THE CORE COUNTIES OF MSHA FACILITIES (16 COUNTIES). EACH GROUP CONSISTED OF PUBLIC HEALTH LEADERS, NURSES, NON-PROFIT DIRECTORS, COMMUNITY DEVELOPERS, FAITH BASED LEADERS, PUBLIC OFFICIALS AND SCHOOL REPRESENTATIVES. EACH GROUP RANGED IN ATTENDANCE FROM 6 TO 21 INDIVIDUALS. PARTICIPANTS WERE GIVEN SURVEYS TO DETERMINE A COUNTY'S HEALTH STATUS RATING, AVAILABLE RESOURCES, TOP HEALTH PRIORITIES, AND SUGGESTIONS FOR IMPROVEMENT. OPEN DISCUSSION FOLLOWED. THE COLLECTED INFORMATION WAS THEN PAIRED WITH STATISTICAL DATA IN ORDER TO PRIORITIZE HEALTH NEEDS. THE SPECIFIC NEEDS FOR EACH COUNTY WERE INCLUDED IN THE APPROPRIATE FACILITY IMPLEMENTATION PLAN.

INDIAN PATH MEDICAL CENTER, LINE NUMBER 2 - PART V, LINE 4

EACH HOSPITAL WITHIN THE MSHA SYSTEM COMPLETED A CHNA. FOR THOSE HOSPITALS THAT ARE LOCATED IN THE SAME COUNTY, ONLY ONE COMMUNITY GROUP WAS SURVEYED.

Part VI Supplemental Information

Complete this part to provide the following information.

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

8 **Facility reporting group(s).** If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

FOR INSTANCE, JOHNSON CITY MEDICAL CENTER AND FRANKLIN WOODS COMMUNITY HOSPITAL ARE BOTH LOCATED IN WASHINGTON COUNTY, TENNESSEE. WE SURVEYED 21 INDIVIDUALS FROM WASHINGTON COUNTY IN ORDER TO DETERMINE HEALTH PRIORITIES. IPMC'S CHNA WAS CONDUCTED WITH ALL MSHA HOSPITALS TO INCLUDE: FRANKLIN WOODS COMMUNITY HOSPITAL, JCMC, SYCAMORE SHOALS HOSPITAL, JOHNSON COUNTY COMMUNITY HOSPITAL, RUSSELL COUNTY MEDICAL CENTER, JOHNSTON MEMORIAL HOSPITAL, SMYTH COUNTY COMMUNITY HOSPITAL, NORTON COMMUNITY HOSPITAL AND DICKENSON COMMUNITY HOSPITAL.

INDIAN PATH MEDICAL CENTER, LINE NUMBER 2 - PART V, LINE 7

MSHA PUBLISHED ITS COMMUNITY HEALTH NEEDS ASSESSMENT ON JUNE 29 OF FY12. THE DATA INCLUDED WAS COLLECTED OVER THE COURSE OF 2011 AND 2012. AN IMPLEMENTATION PLAN WAS CREATED FOR EACH HOSPITAL, AND EACH HOSPITAL'S BOARD APPROVED THE IMPLEMENTATION PLAN DURING THE MONTHS OF MAY AND JUNE 2012. MSHA ANNUALLY TRACKS PROGRESS OF IMPLEMENTATION STRATEGIES FOR EACH HOSPITAL. DUE TO LACK OF RESOURCES, SOME OF MSHA FACILITIES WERE UNABLE TO ADDRESS ISSUES THAT WERE IDENTIFIED.

INDIAN PATH MEDICAL CENTER, LINE NUMBER 2 - PART V, LINE 14G

Part VI Supplemental Information

Complete this part to provide the following information.

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

8 **Facility reporting group(s).** If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

DURING THE ADMISSION PROCESS, PATIENTS ARE TOLD THAT THE HOSPITAL HAS A FINANCIAL ASSISTANCE POLICY AND ADMISSION PAPERS GIVEN TO EACH PATIENT ADVISES THEM OF THE POLICY. BILLING CORRESPONDENCE ALSO ADVISES THAT FINANCIAL ASSISTANCE MAY BE AVAILABLE. A COMMUNITY RESOURCE GUIDE REPORTS THAT THE HOSPITAL HAS A FINANCIAL ASSISTANCE POLICY.

INDIAN PATH MEDICAL CENTER, LINE NUMBER 2 - PART V, LINE 20D

UNINSURED PATIENTS RECEIVE A 62% DISCOUNT; AND, BASED ON OTHER FACTORS SUCH AS INCOME OR MEDICAL INDIGENCY, MAY QUALIFY FOR AN ADDITIONAL DISCOUNT.

FRANKLIN WOODS COMMUNITY HOSPITAL, LINE NUMBER 3 - PART V, LINE 3

MSHA MET WITH TEN FOCUS GROUPS EACH REPRESENTING ONE OF THE TEN HOSPITAL FACILITIES (INCLUDING ALL OF THE HOSPITALS INCLUDED IN THIS 990) LOCATED WITHIN THE CORE COUNTIES OF MSHA FACILITIES (16 COUNTIES). EACH GROUP CONSISTED OF PUBLIC HEALTH LEADERS, NURSES, NON-PROFIT DIRECTORS, COMMUNITY DEVELOPERS, FAITH BASED LEADERS, PUBLIC OFFICIALS AND SCHOOL REPRESENTATIVES. EACH GROUP RANGED IN ATTENDANCE FROM 6 TO 21 INDIVIDUALS. PARTICIPANTS WERE GIVEN SURVEYS TO DETERMINE A COUNTY'S HEALTH STATUS RATING, AVAILABLE RESOURCES, TOP HEALTH PRIORITIES, AND SUGGESTIONS FOR

Part VI Supplemental Information

Complete this part to provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

8 **Facility reporting group(s).** If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

IMPROVEMENT. OPEN DISCUSSION FOLLOWED. THE COLLECTED INFORMATION WAS THEN PAIRED WITH STATISTICAL DATA IN ORDER TO PRIORITIZE HEALTH NEEDS. THE SPECIFIC NEEDS FOR EACH COUNTY WERE INCLUDED IN THE APPROPRIATE FACILITY IMPLEMENTATION PLAN.

FRANKLIN WOODS COMMUNITY HOSPITAL, LINE NUMBER 3 - PART V, LINE 4

EACH HOSPITAL WITHIN THE MSHA SYSTEM COMPLETED A CHNA. FOR THOSE HOSPITALS THAT ARE LOCATED IN THE SAME COUNTY, ONLY ONE COMMUNITY GROUP WAS SURVEYED. FOR INSTANCE, JOHNSON CITY MEDICAL CENTER AND FRANKLIN WOODS COMMUNITY HOSPITAL ARE BOTH LOCATED IN WASHINGTON COUNTY, TENNESSEE. WE SURVEYED 21 INDIVIDUALS FROM WASHINGTON COUNTY IN ORDER TO DETERMINE HEALTH PRIORITIES. FWCH'S CHNA WAS CONDUCTED WITH ALL MSHA HOSPITALS TO INCLUDE: JCMC, INDIAN PATH MEDICAL CENTER, SYCAMORE SHOALS HOSPITAL, JOHNSON COUNTY COMMUNITY HOSPITAL, RUSSELL COUNTY MEDICAL CENTER, JOHNSTON MEMORIAL HOSPITAL, SMYTH COUNTY COMMUNITY HOSPITAL, NORTON COMMUNITY HOSPITAL AND DICKENSON COMMUNITY HOSPITAL.

FRANKLIN WOODS COMMUNITY HOSPITAL, LINE NUMBER 3 - PART V, LINE 7

MSHA PUBLISHED ITS COMMUNITY HEALTH NEEDS ASSESSMENT ON JUNE 29 OF

Part VI Supplemental Information

Complete this part to provide the following information.

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

8 **Facility reporting group(s).** If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

FY12. THE DATA INCLUDED WAS COLLECTED OVER THE COURSE OF 2011 AND 2012. AN IMPLEMENTATION PLAN WAS CREATED FOR EACH HOSPITAL, AND EACH HOSPITAL'S BOARD APPROVED THE IMPLEMENTATION PLAN DURING THE MONTHS OF MAY AND JUNE 2012. MSHA ANNUALLY TRACKS PROGRESS OF IMPLEMENTATION STRATEGIES FOR EACH HOSPITAL. DUE TO LACK OF RESOURCES, SOME OF MSHA FACILITIES WERE UNABLE TO ADDRESS ISSUES THAT WERE IDENTIFIED.

FRANKLIN WOODS COMMUNITY HOSPITAL, LINE NUMBER 3 - PART V, LINE 14G

DURING THE ADMISSION PROCESS, PATIENTS ARE TOLD THAT THE HOSPITAL HAS A FINANCIAL ASSISTANCE POLICY AND ADMISSION PAPERS GIVEN TO EACH PATIENT ADVISES THEM OF THE POLICY. BILLING CORRESPONDENCE ALSO ADVISES THAT FINANCIAL ASSISTANCE MAY BE AVAILABLE. A COMMUNITY RESOURCE GUIDE REPORTS THAT THE HOSPITAL HAS A FINANCIAL ASSISTANCE POLICY.

FRANKLIN WOODS COMMUNITY HOSPITAL, LINE NUMBER 3 - PART V, LINE 20D

UNINSURED PATIENTS RECEIVE A 62% DISCOUNT; AND, BASED ON OTHER FACTORS SUCH AS INCOME OR MEDICAL INDIGENCY, MAY QUALIFY FOR AN ADDITIONAL DISCOUNT.

SYCAMORE SHOALS HOSPITAL, LINE NUMBER 4 - PART V, LINE 3

Part VI Supplemental Information

Complete this part to provide the following information.

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

8 **Facility reporting group(s).** If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

MSHA MET WITH TEN FOCUS GROUPS EACH REPRESENTING ONE OF THE TEN HOSPITAL FACILITIES (INCLUDING ALL OF THE HOSPITALS INCLUDED IN THIS 990) LOCATED WITHIN THE CORE COUNTIES OF MSHA FACILITIES (16 COUNTIES). EACH GROUP CONSISTED OF PUBLIC HEALTH LEADERS, NURSES, NON-PROFIT DIRECTORS, COMMUNITY DEVELOPERS, FAITH BASED LEADERS, PUBLIC OFFICIALS AND SCHOOL REPRESENTATIVES. EACH GROUP RANGED IN ATTENDANCE FROM 6 TO 21 INDIVIDUALS. PARTICIPANTS WERE GIVEN SURVEYS TO DETERMINE A COUNTY'S HEALTH STATUS RATING, AVAILABLE RESOURCES, TOP HEALTH PRIORITIES, AND SUGGESTIONS FOR IMPROVEMENT. OPEN DISCUSSION FOLLOWED. THE COLLECTED INFORMATION WAS THEN PAIRED WITH STATISTICAL DATA IN ORDER TO PRIORITIZE HEALTH NEEDS. THE SPECIFIC NEEDS FOR EACH COUNTY WERE INCLUDED IN THE APPROPRIATE FACILITY IMPLEMENTATION PLAN.

SYCAMORE SHOALS HOSPITAL, LINE NUMBER 4 - PART V, LINE 4

EACH HOSPITAL WITHIN THE MSHA SYSTEM COMPLETED A CHNA. FOR THOSE HOSPITALS THAT ARE LOCATED IN THE SAME COUNTY, ONLY ONE COMMUNITY GROUP WAS SURVEYED. FOR INSTANCE, JOHNSON CITY MEDICAL CENTER AND FRANKLIN WOODS COMMUNITY HOSPITAL ARE BOTH LOCATED IN WASHINGTON COUNTY, TENNESSEE. WE SURVEYED 21 INDIVIDUALS FROM WASHINGTON COUNTY IN ORDER TO DETERMINE HEALTH PRIORITIES.

Part VI Supplemental Information

Complete this part to provide the following information.

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

8 **Facility reporting group(s).** If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

SSH'S CHNA WAS CONDUCTED WITH ALL MSHA HOSPITALS TO INCLUDE: FRANKLIN WOODS COMMUNITY HOSPITAL, INDIAN PATH MEDICAL CENTER, JCMC, JOHNSON COUNTY COMMUNITY HOSPITAL, RUSSELL COUNTY MEDICAL CENTER, JOHNSTON MEMORIAL HOSPITAL, SMYTH COUNTY COMMUNITY HOSPITAL, NORTON COMMUNITY HOSPITAL AND DICKENSON COMMUNITY HOSPITAL.

SYCAMORE SHOALS HOSPITAL, LINE NUMBER 4 - PART V, LINE 7

MSHA PUBLISHED ITS COMMUNITY HEALTH NEEDS ASSESSMENT ON JUNE 29 OF FY12. THE DATA INCLUDED WAS COLLECTED OVER THE COURSE OF 2011 AND 2012. AN IMPLEMENTATION PLAN WAS CREATED FOR EACH HOSPITAL, AND EACH HOSPITAL'S BOARD APPROVED THE IMPLEMENTATION PLAN DURING THE MONTHS OF MAY AND JUNE 2012. MSHA ANNUALLY TRACKS PROGRESS OF IMPLEMENTATION STRATEGIES FOR EACH HOSPITAL. DUE TO LACK OF RESOURCES, SOME OF MSHA FACILITIES WERE UNABLE TO ADDRESS ISSUES THAT WERE IDENTIFIED.

SYCAMORE SHOALS HOSPITAL, LINE NUMBER 4 - PART V, LINE 14G

DURING THE ADMISSION PROCESS, PATIENTS ARE TOLD THAT THE HOSPITAL HAS A FINANCIAL ASSISTANCE POLICY AND ADMISSION PAPERS GIVEN TO EACH PATIENT ADVISES THEM OF THE POLICY. BILLING CORRESPONDENCE ALSO ADVISES THAT

Part VI Supplemental Information

Complete this part to provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

2 Needs assessment. Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 Patient education of eligibility for assistance. Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 Community information. Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 Promotion of community health. Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 Affiliated health care system. If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 State filing of community benefit report. If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

8 Facility reporting group(s). If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

FINANCIAL ASSISTANCE MAY BE AVAILABLE. A COMMUNITY RESOURCE GUIDE REPORTS THAT THE HOSPITAL HAS A FINANCIAL ASSISTANCE POLICY.

SYCAMORE SHOALS HOSPITAL, LINE NUMBER 4 - PART V, LINE 20D

UNINSURED PATIENTS RECEIVE A 62% DISCOUNT; AND, BASED ON OTHER FACTORS SUCH AS INCOME OR MEDICAL INDIGENCY, MAY QUALIFY FOR AN ADDITIONAL DISCOUNT.

RUSSELL COUNTY MEDICAL CENTER, LINE NUMBER 5 - PART V, LINE 3

MSHA MET WITH TEN FOCUS GROUPS EACH REPRESENTING ONE OF THE TEN HOSPITAL FACILITIES (INCLUDING ALL OF THE HOSPITALS INCLUDED IN THIS 990) LOCATED WITHIN THE CORE COUNTIES OF MSHA FACILITIES (16 COUNTIES). EACH GROUP CONSISTED OF PUBLIC HEALTH LEADERS, NURSES, NON-PROFIT DIRECTORS, COMMUNITY DEVELOPERS, FAITH BASED LEADERS, PUBLIC OFFICIALS AND SCHOOL REPRESENTATIVES. EACH GROUP RANGED IN ATTENDANCE FROM 6 TO 21 INDIVIDUALS. PARTICIPANTS WERE GIVEN SURVEYS TO DETERMINE A COUNTY'S HEALTH STATUS RATING, AVAILABLE RESOURCES, TOP HEALTH PRIORITIES, AND SUGGESTIONS FOR IMPROVEMENT. OPEN DISCUSSION FOLLOWED. THE COLLECTED INFORMATION WAS THEN PAIRED WITH STATISTICAL DATA IN ORDER TO PRIORITIZE HEALTH NEEDS. THE SPECIFIC NEEDS FOR EACH COUNTY WERE INCLUDED IN THE APPROPRIATE FACILITY

Part VI Supplemental Information

Complete this part to provide the following information.

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

8 **Facility reporting group(s).** If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

IMPLEMENTATION PLAN.

RUSSELL COUNTY MEDICAL CENTER, LINE NUMBER 5 - PART V, LINE 4

EACH HOSPITAL WITHIN THE MSHA SYSTEM COMPLETED A CHNA. FOR THOSE HOSPITALS THAT ARE LOCATED IN THE SAME COUNTY, ONLY ONE COMMUNITY GROUP WAS SURVEYED. FOR INSTANCE, JOHNSON CITY MEDICAL CENTER AND FRANKLIN WOODS COMMUNITY HOSPITAL ARE BOTH LOCATED IN WASHINGTON COUNTY, TENNESSEE. WE SURVEYED 21 INDIVIDUALS FROM WASHINGTON COUNTY IN ORDER TO DETERMINE HEALTH PRIORITIES. RCMC'S CHNA WAS CONDUCTED WITH ALL MSHA HOSPITALS TO INCLUDE: FRANKLIN WOODS COMMUNITY HOSPITAL, INDIAN PATH MEDICAL CENTER, SYCAMORE SHOALS HOSPITAL, JOHNSON COUNTY COMMUNITY HOSPITAL, JCMC, JOHNSTON MEMORIAL HOSPITAL, SMYTH COUNTY COMMUNITY HOSPITAL, NORTON COMMUNITY HOSPITAL AND DICKENSON COMMUNITY HOSPITAL.

RUSSELL COUNTY MEDICAL CENTER, LINE NUMBER 5 - PART V, LINE 7

MSHA PUBLISHED ITS COMMUNITY HEALTH NEEDS ASSESSMENT ON JUNE 29 OF FY12. THE DATA INCLUDED WAS COLLECTED OVER THE COURSE OF 2011 AND 2012. AN IMPLEMENTATION PLAN WAS CREATED FOR EACH HOSPITAL, AND EACH HOSPITAL'S BOARD APPROVED THE IMPLEMENTATION PLAN DURING THE MONTHS OF MAY AND JUNE

Part VI Supplemental Information

Complete this part to provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

8 **Facility reporting group(s).** If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

2012. MSHA ANNUALLY TRACKS PROGRESS OF IMPLEMENTATION STRATEGIES FOR EACH HOSPITAL. DUE TO LACK OF RESOURCES, SOME OF MSHA FACILITIES WERE UNABLE TO ADDRESS ISSUES THAT WERE IDENTIFIED.

RUSSELL COUNTY MEDICAL CENTER, LINE NUMBER 5 - PART V, LINE 14G

THE MOUNTAIN STATES FINANCIAL ASSISTANCE POLICY HAS BEEN APPROVED BY THE BOARD OF DIRECTORS AND APPLIES TO ALL MSHA HOSPITALS. DURING THE ADMISSION PROCESS, PATIENTS ARE TOLD THAT THE HOSPITAL HAS A FINANCIAL ASSISTANCE POLICY AND ADMISSION PAPERS GIVEN TO EACH PATIENT ADVISES THEM OF THE POLICY. BILLING CORRESPONDENCE ALSO ADVISES THAT FINANCIAL ASSISTANCE MAY BE AVAILABLE. A COMMUNITY RESOURCE GUIDE REPORTS THAT THE HOSPITAL HAS A FINANCIAL ASSISTANCE POLICY.

RUSSELL COUNTY MEDICAL CENTER, LINE NUMBER 5 - PART V, LINE 20D

UNINSURED PATIENTS RECEIVE A 62% DISCOUNT; AND, BASED ON OTHER FACTORS SUCH AS INCOME OR MEDICAL INDIGENCY, MAY QUALIFY FOR AN ADDITIONAL DISCOUNT.

JOHNSON COUNTY COMMUNITY HOSPITAL, LINE NUMBER 6 - PART V, LINE 3

MSHA MET WITH TEN FOCUS GROUPS EACH REPRESENTING ONE OF THE TEN HOSPITAL

Part VI Supplemental Information

Complete this part to provide the following information.

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

8 **Facility reporting group(s).** If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

FACILITIES (INCLUDING ALL OF THE HOSPITALS INCLUDED IN THIS 990) LOCATED WITHIN THE CORE COUNTIES OF MSHA FACILITIES (16 COUNTIES). EACH GROUP CONSISTED OF PUBLIC HEALTH LEADERS, NURSES, NON-PROFIT DIRECTORS, COMMUNITY DEVELOPERS, FAITH BASED LEADERS, PUBLIC OFFICIALS AND SCHOOL REPRESENTATIVES. EACH GROUP RANGED IN ATTENDANCE FROM 6 TO 21 INDIVIDUALS. PARTICIPANTS WERE GIVEN SURVEYS TO DETERMINE A COUNTY'S HEALTH STATUS RATING, AVAILABLE RESOURCES, TOP HEALTH PRIORITIES, AND SUGGESTIONS FOR IMPROVEMENT. OPEN DISCUSSION FOLLOWED. THE COLLECTED INFORMATION WAS THEN PAIRED WITH STATISTICAL DATA IN ORDER TO PRIORITIZE HEALTH NEEDS. THE SPECIFIC NEEDS FOR EACH COUNTY WERE INCLUDED IN THE APPROPRIATE FACILITY IMPLEMENTATION PLAN.

JOHNSON COUNTY COMMUNITY HOSPITAL, LINE NUMBER 6 - PART V, LINE 4

EACH HOSPITAL WITHIN THE MSHA SYSTEM COMPLETED A CHNA. FOR THOSE HOSPITALS THAT ARE LOCATED IN THE SAME COUNTY, ONLY ONE COMMUNITY GROUP WAS SURVEYED. FOR INSTANCE, JOHNSON CITY MEDICAL CENTER AND FRANKLIN WOODS COMMUNITY HOSPITAL ARE BOTH LOCATED IN WASHINGTON COUNTY, TENNESSEE. WE SURVEYED 21 INDIVIDUALS FROM WASHINGTON COUNTY IN ORDER TO DETERMINE HEALTH PRIORITIES. JCCH'S CHNA WAS CONDUCTED WITH ALL MSHA HOSPITALS TO INCLUDE: FRANKLIN

Part VI Supplemental Information

Complete this part to provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

8 **Facility reporting group(s).** If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

WOODS COMMUNITY HOSPITAL, INDIAN PATH MEDICAL CENTER, SYCAMORE SHOALS HOSPITAL, JCMC, RUSSELL COUNTY MEDICAL CENTER, JOHNSTON MEMORIAL HOSPITAL, SMYTH COUNTY COMMUNITY HOSPITAL, NORTON COMMUNITY HOSPITAL AND DICKENSON COMMUNITY HOSPITAL.

JOHNSON COUNTY COMMUNITY HOSPITAL, LINE NUMBER 6 - PART V, LINE 7

MSHA PUBLISHED ITS COMMUNITY HEALTH NEEDS ASSESSMENT ON JUNE 29 OF FY12. THE DATA INCLUDED WAS COLLECTED OVER THE COURSE OF 2011 AND 2012. AN IMPLEMENTATION PLAN WAS CREATED FOR EACH HOSPITAL, AND EACH HOSPITAL'S BOARD APPROVED THE IMPLEMENTATION PLAN DURING THE MONTHS OF MAY AND JUNE 2012. MSHA ANNUALLY TRACKS PROGRESS OF IMPLEMENTATION STRATEGIES FOR EACH HOSPITAL. DUE TO LACK OF RESOURCES, SOME OF MSHA FACILITIES WERE UNABLE TO ADDRESS ISSUES THAT WERE IDENTIFIED.

JOHNSON COUNTY COMMUNITY HOSPITAL, LINE NUMBER 6 - PART V, LINE 14G

THE MOUNTAIN STATES FINANCIAL ASSISTANCE POLICY HAS BEEN APPROVED BY THE BOARD OF DIRECTORS AND APPLIES TO ALL MSHA HOSPITALS. DURING THE ADMISSION PROCESS, PATIENTS ARE TOLD THAT THE HOSPITAL HAS A FINANCIAL ASSISTANCE POLICY AND ADMISSION PAPERS GIVEN TO EACH PATIENT ADVISES THEM OF THE

Part VI Supplemental Information

Complete this part to provide the following information.

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

8 **Facility reporting group(s).** If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

POLICY. BILLING CORRESPONDENCE ALSO ADVISES THAT FINANCIAL ASSISTANCE MAY BE AVAILABLE. A COMMUNITY RESOURCE GUIDE REPORTS THAT THE HOSPITAL HAS A FINANCIAL ASSISTANCE POLICY.

JOHNSON COUNTY COMMUNITY HOSPITAL, LINE NUMBER 6 - PART V, LINE 20D

UNINSURED PATIENTS RECEIVE A 62% DISCOUNT; AND, BASED ON OTHER FACTORS SUCH AS INCOME OR MEDICAL INDIGENCY, MAY QUALIFY FOR AN ADDITIONAL DISCOUNT.

NEEDS ASSESSMENT

PART VI, LINE 2

MSHA INCLUDED AMERICA'S HEALTH RANKINGS (AHR) IN ITS ASSESSMENT IN ORDER TO BETTER DEFINE THE HEALTH CARE NEEDS OF THE COMMUNITIES IT SERVES. TENNESSEE RANKS 42ND AND VIRGINIA RANKS 26TH; HOWEVER, IT SHOULD BE NOTED THAT SOUTHWEST VIRGINIA (WHERE SOME OF MSHA FACILITIES ARE LOCATED) CLOSELY RESEMBLES THE HEALTH RANKINGS FOR TENNESSEE. AMERICA'S HEALTH RANKINGS ARE BASED ON A SERIES OF MEASURES INCLUDING SEVERAL HEALTH OUTCOMES AND HEALTH FACTORS. A SURVEY WAS GIVEN TO 67 INDIVIDUALS REPRESENTING THE NINE COUNTIES IN WHICH MSHA OWNS A FACILITY. THESE INDIVIDUALS INCLUDED PHYSICIANS, PUBLIC HEALTH LEADERS, NON-PROFIT DIRECTORS, SCHOOL NURSES AND

Part VI Supplemental Information

Complete this part to provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

2 Needs assessment. Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 Patient education of eligibility for assistance. Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 Community information. Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 Promotion of community health. Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 Affiliated health care system. If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 State filing of community benefit report. If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

8 Facility reporting group(s). If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

OFFICIALS, AND BUSINESS LEADERS. A SURVEY WAS GIVEN TO EACH INDIVIDUAL SEEKING FEEDBACK REGARDING AVAILABLE RESOURCES IN EACH AREA, THE HEALTH STATUS, HEALTH PRIORITIES, AND SUGGESTIONS FOR IMPROVEMENT. THE MAJORITY OF RESPONSES SUGGESTED FOCUSING ON EDUCATION IN ORDER TO PROMOTE HEALTHY HABITS. OTHER RESPONSES INCLUDED: MAKE PHYSICAL EDUCATION A REQUIREMENT AS PART OF SCHOOL CURRICULUM, IMPROVE NATURAL TRAILS AND WALKWAYS, INCREASE COMMUNITY SUPPORT FOR SMOKE-FREE AREAS, PARTNER WITH LOCAL FARMER'S MARKETS, SHARE HEALTH INFORMATION BETWEEN PHARMACIES, NETWORK WITH SMALL BUSINESSES AND NON-PROFITS IN ORDER TO AVOID DUPLICATING RESOURCES, AND PROVIDE EARLY SCREENINGS FOR THE UNINSURED OR UNDERINSURED. OVERALL, THE COMMUNITY MEMBERS GAVE MSHA'S CORE SERVICE AREA A HEALTH STATUS RANKING OF 4.24 OUT OF 10 (1 BEING THE LOWEST, 10 BEING THE HIGHEST). ALSO, ALL 67 PARTICIPANTS AGREED THAT OBESITY, CANCER, HEART DISEASE AND DIABETES WERE THE TOP HEALTH PRIORITIES IN EACH COUNTY. AHR REPORTS THAT TENNESSEE AND VIRGINIA BOTH SAW AN INCREASE IN DIABETES AND OBESITY WITHIN THE PAST TEN YEARS. TENNESSEE ALSO RANKS 44TH FOR CARDIOVASCULAR DISEASE AND 45TH FOR CANCER DEATHS AND 46TH FOR DIABETES. VIRGINIA OVERALL HAS A BETTER RANKING IN THESE THREE CATEGORIES, BUT AS STATED EARLIER, SOUTHWEST VIRGINIA CLOSELY RESEMBLES TENNESSEE. SINCE COMPLETION OF THE CHNA AND ITS

Part VI Supplemental Information

Complete this part to provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

2 Needs assessment. Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 Patient education of eligibility for assistance. Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 Community information. Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 Promotion of community health. Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 Affiliated health care system. If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 State filing of community benefit report. If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

8 Facility reporting group(s). If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

IMPLEMENTATION PLAN, MSHA HAS PARTNERED WITH SCHOOLS, NON-PROFIT AGENCIES AND OTHERS ON VARIOUS INITIATIVES TO ADDRESS HEALTH ISSUES; CHILDHOOD OBESITY, IN PARTICULAR.

PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE

PART VI, LINE 3

MSHA PROVIDES COMMUNICATION OF FINANCIAL ASSISTANCE ON ITS WEBSITE AND ON POSTERS LOCATED IN PROMINENT AREAS OF THE HOSPITALS SUCH AS ADMITTING AND THE EMERGENCY DEPARTMENTS. PRINTED EDUCATIONAL MATERIALS INCLUDING FINANCIAL ASSISTANCE CONTACT INFORMATION ARE ALSO PROVIDED IN EACH PATIENT'S PAPERWORK. POSTERS AND REFERENCE MATERIALS ARE WRITTEN IN BOTH ENGLISH AND SPANISH. ADMITTING STAFF ARE TRAINED TO EDUCATE PATIENTS ON MSHA'S FINANCIAL ASSISTANCE POLICY. MSHA ALSO HAS FINANCIAL COUNSELORS TO PROVIDE FURTHER INFORMATION AND ASSISTANCE TO MSHA PATIENTS REGARDING MSHA'S FINANCIAL ASSISTANCE POLICY. THESE COUNSELORS ALSO HELP UNINSURED PATIENTS DETERMINE SOURCES OF PAYMENT FOR MEDICAL BILLS AND HELP PATIENTS DETERMINE ELIGIBILITY FOR PROGRAMS SUCH AS TNCARE/MEDICAID. IN ADDITION, MSHA CONTRACTS WITH THE COMPANY FIRSTSOURCE SOLUTIONS USA TO WORK WITH SELF-PAYING PATIENTS WHO HAVE LIMITED FINANCIAL RESOURCES. FIRSTSOURCE

Part VI Supplemental Information

Complete this part to provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

2 Needs assessment. Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 Patient education of eligibility for assistance. Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 Community information. Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 Promotion of community health. Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 Affiliated health care system. If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 State filing of community benefit report. If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

8 Facility reporting group(s). If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

SOLUTIONS DETERMINES A PATIENT'S ELIGIBILITY IN MEDICAL COVERAGE OPTIONS AND ASSISTS WITH THEIR ENROLLMENT. MSHA BEARS THE COST FOR THE FIRSTSOURCE SOLUTIONS PROGRAM.

COMMUNITY INFORMATION

PART VI, LINE 4:

MSHA SERVES THE HEALTHCARE NEEDS OF 29 APPALACHIAN COUNTIES IN TENNESSEE, SOUTHWEST VIRGINIA, KENTUCKY AND NORTH CAROLINA. SOME OF THE COUNTIES MSHA SERVES ARE FEDERALLY DESIGNATED MEDICALLY UNDERSERVED AREAS. MSHA OPERATES 2 CRITICAL ACCESS HOSPITALS: DICKENSON COMMUNITY HOSPITAL IN VIRGINIA AND JOHNSON COUNTY COMMUNITY HOSPITAL IN TENNESSEE. THESE TWO FACILITIES OPERATE IN FEDERALLY DESIGNATED MEDICALLY UNDERSERVED AREAS.

THE HEALTH STATUS OF THE POPULATION IN MSHA'S SERVICE AREA IS GENERALLY POOR. THE SERVICE AREA EXTENDS TO SOME OF THE POOREST RURAL COUNTIES IN THE REGION WITH A POVERTY RATE OF ALMOST 30%. SOME OF THE MOST WELL OFF COUNTIES IN MSHA'S SERVICE AREA STILL HAVE A MEDIAN HOUSEHOLD INCOME LOWER THAN STATE AND NATIONAL AVERAGES. RURAL SERVICE AREA COUNTIES SHARE COMMON CHALLENGES OF:

Part VI Supplemental Information

Complete this part to provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

8 **Facility reporting group(s).** If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

1. HIGH RATES OF UNINSURED

2. HIGH PREVALENCE OF OBESITY

3. HIGH PREVALENCE OF DIABETES

HEALTH OF COMMUNITY IN RELATION TO EXEMPT PURPOSE

PART VI, LINE 5

MSHA IS DEDICATED TO OPERATING EFFICIENTLY SO THAT WASTE IS MINIMIZED. MSHA'S LEADERSHIP REMAINS MINDFUL OF MANAGING THE ALLIANCE'S LIMITED RESOURCES SO THAT ADEQUATE FACILITIES AND EQUIPMENT ARE AVAILABLE FOR THE CARE OF OUR PATIENTS. VARIOUS CHECKS AND BALANCES ARE ESTABLISHED TO ENSURE THAT EXPENDITURES FOR OPERATING EXPENSES AND CAPITAL COSTS ARE REASONABLE AND NECESSARY. SURPLUS FUNDS ARE INVESTED IN IMPROVING HEALTHCARE WITHIN OUR COMMUNITIES.

THE MAJORITY OF MSHA'S GOVERNING BODY IS COMPRISED OF PERSONS WHO RESIDE IN THE ORGANIZATION'S PRIMARY SERVICE AREA.

PHYSICIANS THAT REQUEST PRIVILEGES WHO ARE QUALIFIED AND CREDENTIALED ARE EXTENDED PRIVILEGES BY MSHA.

Part VI Supplemental Information

Complete this part to provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

2 Needs assessment. Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 Patient education of eligibility for assistance. Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 Community information. Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 Promotion of community health. Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 Affiliated health care system. If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 State filing of community benefit report. If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

8 Facility reporting group(s). If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

AFFILIATED HEALTH CARE INFORMATION

PART VI, LINE 6:

MSHA PROVIDES CARE TO PEOPLE IN 29 COUNTIES IN TENNESSEE, VIRGINIA, KENTUCKY AND NORTH CAROLINA. EACH HOSPITAL IS FULLY ACCREDITED, MOST BY THE JOINT COMMISSION.

MSHA IS INTEGRATED BOTH VERTICALLY AND HORIZONTALLY AND IS THE LARGEST REGIONAL HEALTHCARE SYSTEM WITH 13 HOSPITALS. NINE FACILITIES ARE WHOLLY-OWNED FACILITIES: 8 FACILITIES IN TENNESSEE AND 1 IN VIRGINIA. EACH FACILITY IN THIS FORM 990 IS ACCREDITED BY THE JOINT COMMISSION WITH THE EXCEPTION OF JCCH. JCCH RECEIVES CERTIFICATION THROUGH THE STATE OF TENNESSEE SINCE IT IS A CRITICAL ACCESS HOSPITAL.

IN ADDITION TO THE WHOLLY-OWNED HOSPITALS WITHIN THIS FORM 990, MSHA ALSO HAS MAJORITY OWNERSHIP IN 4 HOSPITALS IN SOUTHWEST VIRGINIA. IN ADDITION TO OUR ACUTE CARE HOSPITALS, OUR SYSTEM ALSO INCLUDES SUCH SERVICES AS: PRIMARY/SPECIALTY PHYSICIAN PRACTICES, URGENT CARE CENTERS, EMERGENCY DEPARTMENTS, OCCUPATIONAL MEDICINE, REHABILITATION, OUTREACH LABORATORY,

Part VI Supplemental Information

Complete this part to provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

8 **Facility reporting group(s).** If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

MENTAL HEALTH, NEONATAL INTENSIVE CARE, A NACHRI-AFFILIATED CHILDREN'S HOSPITAL, RENAL DIALYSIS, ST. JUDE'S ONCOLOGY, INPATIENT/OUTPATIENT SURGERY, SKILLED NURSING, HOME HEALTH, AIR AMBULANCE TRANSPORT AND MORE.

WITH THESE ADDITIONAL FACILITIES AND SERVICES, MSHA EXTENDS A HIGHLY EFFECTIVE HEALTH CARE DELIVERY SYSTEM. SINCE OUR SYSTEM IS BOTH HORIZONTALLY AND VERTICALLY INTEGRATED, PATIENTS CAN BE EFFICIENTLY MOVED ALONG AN INTEGRATED, COMPREHENSIVE CONTINUUM OF CARE AS THEIR HEALTH STATUS DICTATES. OUR FLAGSHIP FACILITY, JOHNSON CITY MEDICAL CENTER IS AT THE CORE OF OUR SYSTEM OFFERING FULL SERVICE TERTIARY CARE.

IN ADDITION TO OUR HOSPITALS, MSHA IS THE SOLE MEMBER OF BLUE RIDGE MEDICAL MANAGEMENT CORPORATION (BRMMC). MSHA EXTENDS AN INTEGRATED HEALTHCARE DELIVERY SYSTEM THROUGH BRMMC TO INCLUDE MULTIPLE PRIMARY AND SPECIALTY CARE PATIENT ACCESS CENTERS AND NUMEROUS OUTPATIENT CARE SITES, INCLUDING URGENT CARE CENTERS, OCCUPATIONAL MEDICINE SERVICES, A SAME DAY SURGERY CENTER AND OUTPATIENT REHABILITATION.

MSHA COUNTY-SPECIFIC OPERATIONS ARE GOVERNED BY A COMMUNITY BOARD OF

Part VI Supplemental Information

Complete this part to provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

2 Needs assessment. Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 Patient education of eligibility for assistance. Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 Community information. Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 Promotion of community health. Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 Affiliated health care system. If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 State filing of community benefit report. If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

8 Facility reporting group(s). If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

DIRECTORS. COUNTY BOARDS REPORT TO A SYSTEM LEVEL BOARD OF DIRECTORS. ALL BOARDS ARE PRIMARILY COMPOSED OF LOCAL COMMUNITY RESIDENTS.

PART VI, LINE 8

MSHA SUBMITS COMMUNITY BENEFIT DATA TO THE VIRGINIA HEALTH AND HOSPITAL ASSOCIATION (VHHA) AND THE HOSPITAL ALLIANCE OF TENNESSEE (HAT). VHHA COMBINES DATA FROM ALL SOURCES TO DEMONSTRATE THE COMMUNITY BENEFITS PROVIDED BY BOTH FOR-PROFIT AND NOT-FOR-PROFIT HOSPITALS AND HEALTH SYSTEMS TO THE STATE OF VIRGINIA. HAT PROVIDES ITS MEMBERS AND TENNESSEE LEGISLATORS WITH COMMUNITY BENEFIT DATA IN AN EFFORT TO PROVIDE A CLEAR PICTURE OF NOT-FOR-PROFIT HEALTH SYSTEMS' INVESTMENT IN THE COMMUNITIES THEY SERVE.

LIST OF STATES WHERE COMMUNITY BENEFIT REPORT IS FILED

TENNESSEE, VIRGINIA

SCHEDULE I (Form 990)

Department of the Treasury
Internal Revenue Service

Grants and Other Assistance to Organizations, Governments, and Individuals in the United States

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

▶ Attach to Form 990.

OMB No. 1545-0047

2012

Open to Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

Part I General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ..... [X] Yes [ ] No

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Governments and Organizations in the United States.

Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than $5,000. Part II can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) AMERICAN CANCER SOCIETY 508 PRINCETON RD., SUITE 102 JOHNSON CITY TN 37601	64-0329009	501C3	20,100				PROGRAM SUPPORT
(2) AMERICAN HEART ASSOCIATION 208 SUNSET DRIVE. JOHNSON CITY TN 37604	13-5613797	501C3	66,250	702		PRINTING	PROGRAM SUPPORT
(3) BARTER THEATRE P.O. BOX 867 ABINGDON VA 24212	54-6000120	501C3	19,000			PRINTING	CONTRIBUTION
(4) BRISTOL FAMILY YMCA 400 ML KING JR. BLVD. BRISTOL TN 37620	62-0521204	501C3	7,000				PROGRAM SUPPORT
(5) COALITION FOR KIDS, INC. P.O. BOX 3156 JOHNSON CITY TN 37602	62-1765487	501C3	2,000	5,601		PRINTING	FIGHT CHILD OBESITY
(6) EAST TENNESSEE STATE UNIVERSITY P.O. BOX 70732 JOHNSON CITY TN 37614	62-6021046	501C3	11,500				SUPPORT FIT KIDS
(7) ETSU FOUNDATION P. O. BOX 70721 JOHNSON CITY TN 37614	23-7092731	501C3	10,000				ECONOMIC DEVELOPMENT
(8) GOOD SAMARITAN MINISTRY 100 NORTH ROAN STREET JOHNSON CITY TN 37601	62-1233320	501C3		5,657		PRINTING	PROGRAM SUPPORT
(9) JOHNSON CITY PARKS & RECREATION P.O. BOX 1535 JOHNSON CITY TN 37605	62-6000320	501C3	5,000	405		PRINTING	SPONSORSHIP

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table ..... ▶ 16

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

19340MSHA

SCHEDU.
(Form 990)

Department of the Treasury
Internal Revenue Service

Grants and Other Assistance to Organizations, Governments, and Individuals in the United States

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

▶ Attach to Form 990.

OMB No. 1545-0047

2012

Open to Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

Part I General Information on Grants and Assistance

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

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

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

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) JOHNSON CITY SYMPHONY ORCHESTRA P.O. BOX 533 JOHNSON CITY TN 37605	62-0910261	501C3		5,897		PRINTING	PROGRAM SUPPORT
(2) MARCH OF DIMES 2313 BROWNS MILL ROAD JOHNSON CITY TN 37604	13-1846366	501C3	15,000				PROGRAM SUPPORT
(3) MOUNTAIN STATES FOUNDATION 2335 KNOB CREEK ROAD, SUITE 101 JOHNSON CITY TN 37604	58-1418862	501C3	59,500				PROGRAM SUPPORT
(4) NORTHEAST STATE COMMUNITY COLLEGE 2425 HIGHWAY 75 BLOUNTVILLE TN 37617	62-1265326	501C3		11,000		LAB EQUIPMENT	
(5) PREMIER PURCHASING 13034 BALLANTYNE CORPORATE PLACE CHARLOTTE NC 28277	33-0387407	501C3	61,052				SUPPORT
(6) SUSAN KOMEN BREAST CANCER FOUND. P.O. BOX 5835 KINGSPORT TN 37663	84-1689067	501C3	5,000	590		PRINTING	SPONSORSHIP
(7) TOWN OF JONESBOROUGH 123 BOONE STREET JONESBOROUGH TN 37659	62-6000322	501C3		10,069		PRINTING	CONTRIBUTION
(8)							
(9)							

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

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

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

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

Part IV **Supplemental Information.** Complete this part to provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

PART I, LINE 2 - PROCEDURES FOR MONITORING THE USE OF GRANT FUNDS

MSHA ADHERED TO THE FOLLOWING CRITERIA FOR OUR CONTRIBUTIONS TO ORGANIZATIONS IN THE REGION:

HEALTHCARE: THE ORGANIZATION ENHANCED OR IMPROVED ACCESS FOR THE UNINSURED OR UNDERINSURED POPULATION OR SUPPORTED A PROGRAM TO IMPROVE THE HEALTH OF OUR CHILDREN (I.E., CHILDHOOD OBESITY PREVENTION).

EDUCATION: THE ORGANIZATION PROVIDED A PROGRAM TO IMPROVE EDUCATION OF THE RESIDENTS IN OUR REGION ALL THE WAY TO COLLEGE AGE STUDENTS (SUCH AS RN

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

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

Part IV **Supplemental Information.** Complete this part to provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

NURSING AND LAB TECHNOLOGY PROGRAMS).

QUALITY OF LIFE: THE ORGANIZATION SUPPORTED PROGRAMS TO ENHANCE THE QUALITY OF LIFE, WHICH IS IMPORTANT IN THE RECRUITMENT EFFORTS OF BUSINESSES IN THE REGION AS WE WORK TO ATTRACT AND RETAIN THE BEST TALENT.

FOR THE SUPPORTED PROGRAMS, METRICS WERE ESTABLISHED TO DETERMINE THE SUCCESS (OR FAILURE) OF EACH PROGRAM TO WHICH MSHA CONTRIBUTES. AS DOWNWARD REIMBURSEMENT CONTINUED DURING FY13, THE CRITERIA USED IN THE DECISION MAKING PROCESS FOR LARGER DONATIONS WAS REVISED TO SUPPORT THOSE PROGRAMS

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

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

Part IV **Supplemental Information.** Complete this part to provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

WHICH FOCUSED ON HEALTH AND WELLNESS INITIATIVES, PARTICULARLY THOSE FIGHTING CHILDHOOD OBESITY.

SCHEDULE J
(Form 990)

artment of the Treasury
Internal Revenue Service

Compensation Information

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

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 23.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2012

Open to Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

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 in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.			
	[X] First-class or charter travel	[ ] Housing allowance or residence for personal use		
	[ ] Travel for companions	[ ] Payments for business use of personal residence		
	[ ] Tax indemnification and gross-up payments	[ ] Health or social club dues or initiation fees		
	[ ] Discretionary spending account	[ ] Personal services (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	X	
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	2	X	
3	Indicate which, if any, of the following the filing organization uses 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.			
	[X] Compensation committee	[X] Written employment contract		
	[X] Independent compensation consultant	[X] Compensation survey or study		
	[ ] Form 990 of other organizations	[X] Approval by the board or compensation committee		
4	During the year, did any person listed in 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		X
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	X	
c	Participate in, or receive payment from, an equity-based compensation arrangement?	4c		X
	If "Yes" to any of lines 4a–c, list the persons and provide the applicable amounts for each item in Part III.			
	Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5–9.			
5	For persons listed in 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		X
b	Any related organization?	5b		X
	If "Yes" to line 5a or 5b, describe in Part III.			
6	For persons listed in 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		X
b	Any related organization?	6b		X
	If "Yes" to line 6a or 6b, describe in Part III.			
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7		X
8	Were any amounts reported in 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		X
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	9		

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

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

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

	(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)–(D)	(F) Compensation reported as deferred in prior Form 990
			(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
	DENNIS VONDERFECHT	(i)	777,545	1,900,431	485,771	20,000	22,698	3,206,445	125,000
1	CEO	(ii)	0	0	0	0	0	0	0
	MARVIN EICHORN	(i)	447,614	94,466	78,022	15,000	24,538	659,640	0
2	SENIOR VP/CFO	(ii)	0	0	0	0	0	0	0
	CANDACE JENNINGS	(i)	402,118	82,014	20,803	53,557	24,293	582,785	0
3	SR. VP TN OPERATIONS	(ii)	0	0	0	0	0	0	0
	ANN FLEMING	(i)	351,697	51,836	22,747	48,425	17,857	492,562	0
4	SR. VP	(ii)	0	0	0	0	0	0	0
	DAVID NICELY	(i)	291,022	52,219	11,768	28,073	26,351	409,433	0
5	VP/CEO WASHINGTON CO	(ii)	0	0	0	0	0	0	0
	MONTY MCLAURIN	(i)	260,109	51,174	14,876	28,444	30,243	384,846	0
6	VP/IPMC CEO	(ii)	0	0	0	0	0	0	0
	LYNN KRUTAK	(i)	213,083	37,903	1,996	15,089	19,138	287,209	0
7	VP/CORP. CFO	(ii)	0	0	0	0	0	0	0
	SHANE HILTON	(i)	198,625	36,612	3,880	12,794	23,317	275,228	0
8	VP/TN CFO	(ii)	0	0	0	0	0	0	0
	MORRIS SELIGMAN, M.D.	(i)	421,443	82,938	43,542	55,862	37,844	641,629	0
9	SR. VP/CMO	(ii)	0	0	0	0	0	0	0
	DOUGLAS EDEMA	(i)	327,718	62,141	18,478	29,188	27,094	464,619	0
10	VP PRES./CEO MSPG	(ii)	0	0	0	0	0	0	0
	JAMES PASKERT, M.D.	(i)	342,153	49,161	12,559	29,961	26,006	459,840	0
11	VP/CMO WASHINGTON CO	(ii)	0	0	0	0	0	0	0
	JOHN SCHARIO	(i)	326,339	68,681	6,502	6,630	24,558	432,710	0
12	SVP	(ii)	0	0	0	0	0	0	0
	KATHERINE BALL	(i)	124,094	41,113	233,588	4,897	16,728	420,420	0
13	FORMER VP/CMIO	(ii)	0	0	0	0	0	0	0
	DALE CLAYTORE	(i)	175,520	34,278	21,777	10,531	3,324	245,430	0
14	VP	(ii)	0	0	0	0	0	0	0
	PAT NIDAY	(i)	152,049	26,352	18,241	7,985	25,714	230,341	0
15	FORMER CNO WASH. CO.	(ii)	0	0	0	0	0	0	0
	BRAD NURKIN	(i)	0	0	141,265	0	8,180	149,445	0
16	FORMER CEO JCMC	(ii)	0	0	0	0	0	0	0

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

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

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

	(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)–(D)	(F) Compensation reported as deferred in prior Form 990
			(i) Base compensation	(ii) Bonus & Incentive compensation	(iii) Other reportable compensation				
1	CYNTHIA SALYER	(i)	63,790	19,891	153,995	4,206	18,268	260,150	0
	VP/CARDIO-PULMONARY	(ii)	0	0	0	0	0	0	0
2		(i)							
		(ii)							
3		(i)							
		(ii)							
4		(i)							
		(ii)							
5		(i)							
		(ii)							
6		(i)							
		(ii)							
7		(i)							
		(ii)							
8		(i)							
		(ii)							
9		(i)							
		(ii)							
10		(i)							
		(ii)							
11		(i)							
		(ii)							
12		(i)							
		(ii)							
13		(i)							
		(ii)							
14		(i)							
		(ii)							
15		(i)							
		(ii)							
16		(i)							
		(ii)							

Part III Supplemental Information

Complete this part to 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 III. Also complete this part for any additional information.

PART I, LINE 1A - FRINGE OR EXPENSE EXPLANATION

BOARD MEMBERS AND TEAM MEMBERS OF MSHA ARE NOT PERMITTED TO TRAVEL FIRST-CLASS WITH THE EXCEPTION OF MSHA'S CEO. AS SANCTIONED BY MSHA'S BOARD OF DIRECTORS, MSHA'S CEO IS PERMITTED TO TRAVEL FIRST-CLASS WHEN THE FLIGHT'S DURATION IS GREATER THAN TWO HOURS. DUE TO THE LENGTH OF SUCH FLIGHTS, THE BOARD BELIEVES IT IS IN THE BEST INTEREST OF MSHA FOR THE CEO TO TRAVEL FIRST-CLASS. CHARTER TRAVEL IS LIMITED TO MSHA BUSINESS TRIPS THAT INCLUDE NUMEROUS TRAVELERS AND WHICH CAN BE JUSTIFIED BASED UPON FINANCIAL AND/OR ESSENTIAL TIME SAVINGS. CHARTER FLIGHTS MUST BE APPROVED BY THE CEO PRIOR TO BOOKING THE FLIGHT.

PART I, LINE 4 - SEVERANCE, NONQUALIFIED, AND EQUITY-BASED PAYMENTS

	SEVERANCE	NONQUALIFIED	EQUITY-BASED
CANDACE JENNINGS	0	41,057	0
ANN FLEMING	0	35,925	0
DAVID NICELY	0	14,885	0
MONTY MCLAURIN	0	13,518	0
MORRIS SELIGMAN, M.D.	0	43,110	0

Part III Supplemental Information

Complete this part to 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.

DOUGLAS EDEMA	0	16,778	0
JAMES PASKERT, M.D.	0	17,385	0

PART III - OTHER ADDITIONAL INFORMATION

PART I, LINE 4B:

DENNIS VONDERFECHT RECEIVED PAYMENT OF $1,683,614 DURING THE REPORTING PERIOD FROM A 457(F) DEFERRED COMPENSATION PLAN THAT SPANNED A NUMBER OF YEARS. MR. VONDERFECHT MET THE CONDITIONS FOR PAYOUT FROM THE AT-RISK PLAN AND MSHA WITHHELD FEDERAL, STATE AND LOCAL TAXES AS REQUIRED BY LAW. MR. VONDERFECHT SERVED AS MSHA'S CEO FOR 24 YEARS AND RETIRED AT THE END OF 2013.

THE FOLLOWING EXECUTIVES LISTED IN SCHEDULE J, PART II PARTICIPATED IN A 457(F) RETIREMENT PLAN PROVIDED BY MOUNTAIN STATES HEALTH ALLIANCE (MSHA): DENNIS VONDERFECHT, ANN FLEMING, CANDACE JENNINGS, MONTY MCLAURIN, CINDY SALYER, MORRIS SELIGMAN, FRANK LAURO, DAVID NICELY, JAMES PASKERT, DOUGLAS EDEMA, AND CARL KILGORE. THE 457(F) PLAN IS A NONQUALIFIED TAX-DEFERRED COMPENSATION PLAN AVAILABLE TO A SELECT GROUP OF KEY EXECUTIVES FOR THE

Part II Supplemental Information

Complete this part to 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.

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 PARTICIPANT'S EMPLOYMENT WITH MSHA 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. (ELIGIBLE SERVICE IS OFFICER SERVICE THAT PERMITTED THE EXECUTIVE TO PARTICIPATE IN THE PLAN.) 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.

SCHEDULE K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax-Exempt Bonds

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

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2012

Open to Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

Part I Bond Issues

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pooled financing	
							Yes	No	Yes	No	Yes	No
A	HLTH & EDU. FACIL. BD. 2011A&B&C&D	62-1464028	478271JS9	10/19/11	195,840,000	CONSTRUCTION & EQUIP		X		X		X
B	HLTH & EDU. FACILITIES BD. 2010A&B	62-1464028	478271JH3	04/29/10	205,877,528	PARTIAL REFUNDING		X		X		X
C	HLTH & EDU. FACILIT. BD. 2009A,B&C	62-1464028	478271HT9	03/31/09	124,301,533	CONSTRUCTION & EQUIP		X		X		X
D	HLTH & EDU. FACILITIES BD. 2008A&B	62-1464028	478271HL6	02/20/08	127,000,000	ACQUIRE, CONSTRUCT		X		X		X

Part II Proceeds

	A	B	C	D
1 Amount of bonds retired	4,975,000	17,070,000	2,435,000	61,790,000
2 Amount of bonds legally defeased				
3 Total proceeds of issue	195,840,000	206,132,699	125,642,956	129,700,306
4 Gross proceeds in reserve funds				
5 Capitalized interest from proceeds				2,719,365
6 Proceeds in refunding escrows				
7 Issuance costs from proceeds	2,353,905	3,474,644	2,481,706	1,953,563
8 Credit enhancement from proceeds				324,975
9 Working capital expenditures from proceeds				
10 Capital expenditures from proceeds	157,897,590		99,702,968	77,394,022
11 Other spent proceeds	34,166,505	197,461,005	15,096,666	47,308,380
12 Other unspent proceeds	1,422,000	8,297,792	8,361,616	
13 Year of substantial completion				2012

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
14 Were the bonds issued as part of a current refunding issue?	X		X			X		X
15 Were the bonds issued as part of an advance refunding issue?		X		X		X		X
16 Has the final allocation of proceeds been made?		X		X		X	X	
17 Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X		X		X	

Part III Private Business Use

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

SCHEDULE K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax-Exempt Bonds

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

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2012

Open to Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

Part I Bond Issues

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pooled financing	
							Yes	No	Yes	No	Yes	No
A	HLTH & EDU. FACILITIES BD. 2006A	62-1464028	478271GX1	02/14/06	178,614,171	CONSTRUCTION & EQUIP		X		X		X
B	HLTH & EDU. FACILIL. BD. 2012A&B&C	62-1464028	478271JV2	09/18/12	94,745,050	CONSTRUCTION & EQUIP		X		X		X
C												
D												

Part II Proceeds

	A	B	C	D
1 Amount of bonds retired	4,680,000			
2 Amount of bonds legally defeased				
3 Total proceeds of issue	185,088,311	94,966,384		
4 Gross proceeds in reserve funds				
5 Capitalized interest from proceeds				
6 Proceeds in refunding escrows				
7 Issuance costs from proceeds	2,383,533	1,889,366		
8 Credit enhancement from proceeds				
9 Working capital expenditures from proceeds				
10 Capital expenditures from proceeds	101,295,664	61,626,548		
11 Other spent proceeds	64,193,008			
12 Other unspent proceeds	17,216,106	31,450,470		
13 Year of substantial completion	2011			

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
14 Were the bonds issued as part of a current refunding issue?	X			X				
15 Were the bonds issued as part of an advance refunding issue?	X			X				
16 Has the final allocation of proceeds been made?	X			X				
17 Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X					

Part III Private Business Use

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

Part III Private Business Use (Continued)

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

Part IV Arbitrage

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Has the issuer filed Form 8038-T?		X		X		X		X
2 If "No" to line 1, did the following apply?								
a Rebate not due yet?	X		X		X			X
b Exception to rebate?		X		X		X		X
c No rebate due?		X		X		X	X	
If you checked "No rebate due" in line 2c, provide in Part VI the date the rebate computation was performed								
3 Is the bond issue a variable rate issue?	X			X		X	X	
4a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X		X		X	X	
b Name of provider							MERRILL LYNCH	
c Term of hedge								30.4
d Was the hedge superintegrated?								X
e Was the hedge terminated?								X

Part III Private Business Use (Continued)

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

Part IV Arbitrage

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Has the issuer filed Form 8038-T?		X		X				
2 If "No" to line 1, did the following apply?								
a Rebate not due yet?		X	X					
b Exception to rebate?		X		X				
c No rebate due?	X			X				
If you checked "No rebate due" in line 2c, provide in Part VI the date the rebate computation was performed								
3 Is the bond issue a variable rate issue?		X	X					
4a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?	X			X				
b Name of provider	MERRILL LYNCH,							
c Term of hedge	0.2							
d Was the hedge superintegrated?		X						
e Was the hedge terminated?		X						

Part IV Arbitrage (Continued)

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

Part V Procedures To Undertake Corrective Action

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

Part VI Supplemental Information. Complete this part to provide additional information for responses to questions on Schedule K (see instructions).

SCHEDULE K - PURPOSE OF ISSUE DESCRIPTION

HLTH & EDU. FACIL. BD. 2011A&B&C&D
(LINE A) CONSTRUCT AND EQUIP HOSPITAL FACILITIES,INCLUDING REFINANCING TAXABLE DEBT RELATING THERETO, REFUND BONDS ISSUED 12/01/2001; REFINANCING LOANS AND EQUIPMENT LEASES.

HLTH & EDU. FACILITIES BD. 2010A&B
(LINE B) PARTIAL REFUNDING OF BONDS ISSUED 12/14/2007 (2007A) AND (2007C) AND 2/20/2008 (2008A).

HLTH & EDU. FACILIT. BD. 2009A,B&C
(LINE C) CONSTRUCT AND EQUIP HOSPITAL FACILITIES,INCLUDING REFINANCING OF TAXABLE INDEBTEDNESS RELATING THERETO.

HLTH & EDU. FACILITIES BD. 2008A&B
(LINE D) ACQUIRE, CONSTRUCT AND EQUIP HOSPITAL FACILITIES, INCLUDING REFINANCING OF TAXABLE INDEBTEDNESS RELATING THERETO AND WORKING CAPITAL EXPENDITURES RELATING TO CAPITAL EXPENDITURES.

HLTH & EDU. FACILITIES BD. 2006A
(LINE E) CONSTRUCT AND EQUIP HOSPITAL FACILITIES,INCLUDING REFINANCING TAXABLE DEBT RELATING THERETO, AND COST OF INTEREST RATE HEDGE, REFUND BONDS ISSUED 3/28/01, 7/01/03, 7/08/04, 11/23/04, 9/7/05 AND 11/23/05.

HLTH & EDU. FACILIL. BD. 2012A&B&C
(LINE F) CONSTRUCT AND EQUIP SURGERY CENTER AT JCMC; CONSTRUCT AND EQUIP HOSPITAL FACILITIES, INCLUDING REFINANCING OF INDEBTEDNESS RELATING

Part IV Arbitrage (Continued)

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

Part V Procedures To Undertake Corrective Action

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

Part VI Supplemental Information. Complete this part to provide additional information for responses to questions on Schedule K (see instructions).

Part VI Supplemental Information. Complete this part to provide additional information for responses to questions on Schedule K (see instructions) (Continued)

THERETO.

SCHEDULE K - DATE REBATE COMPUTATION PERFORMED
HLTH & EDU. FACILITIES BD. 2008A&B 02/20/13
HLTH & EDU. FACILITIES BD. 2006A 02/17/10

SCHEDULE K - ADDITIONAL INFORMATION
HLTH & EDU. FACILITIES BD. 2006A

SCHEDULE K PART VI:
1.COMMENT ON SCHEDULE K, PART I, LINES A, B, C, D, AND F. MOUNTAIN STATES HEALTH ALLIANCE OWNS AND/OR OPERATES HOSPITALS IN A NUMBER OF DIFFERENT LOCATIONS BOTH IN TENNESSEE AND IN VIRGINIA. AS A RESULT, MOUNTAIN STATES HEALTH ALLIANCE MUST UTILIZE CONDUIT GOVERNMENTAL BOND ISSUERS IN A NUMBER OF JURISDICTIONS IN ORDER TO FINANCE IMPROVEMENTS TO ITS HOSPITAL FACILITIES. IN 2008, 2009, 2010, 2011 AND 2012, MOUNTAIN STATES HEALTH ALLIANCE WAS THE CONDUIT BORROWER OF TAX-EXEMPT BONDS ISSUED BY MULTIPLE ISSUERS IN TENNESSEE AND VIRGINIA. FOR FEDERAL TAX PURPOSES, EVEN THOUGH DIFFERENT GOVERNMENT ISSUERS WERE INVOLVED, THESE MULTIPLE ISSUES IN EACH YEAR WERE REQUIRED TO BE TREATED, AND WERE TREATED, AS A SINGLE "ISSUE" BECAUSE THEY MET THE SINGLE "ISSUE" TEST UNDER THE APPLICABLE FEDERAL TAX REGULATIONS. THEREFORE, MULTIPLE ISSUERS ARE LISTED UNDER LINES A, B, C, D AND F BECAUSE THE BONDS THAT WERE ISSUED WERE PART OF A SINGLE "ISSUE" FOR FEDERAL TAX PURPOSES.

2.COMMENT ON SCHEDULE K, PART II. LINE 3 FOR THE BOND ISSUES LISTED IN LINES B, C, D, E AND F DOES NOT MATCH THE APPLICABLE ISSUE PRICE FOR EACH SUCH BOND ISSUE BECAUSE OF INTEREST EARNINGS EARNED ON THE SALE PROCEEDS OF EACH SERIES OF BONDS.

3.COMMENT ON SCHEDULE K, PART II, LINES 9 THROUGH 11. THE INSTRUCTIONS ARE UNCLEAR AS TO WHETHER AMOUNTS USED TO REFINANCE SHORT-TERM TAXABLE LOANS INCURRED TO TEMPORARILY FINANCE ELIGIBLE COSTS SHOULD BE SHOWN AS CAPITAL EXPENDITURES AND WORKING CAPITAL (LINES 9 AND 10) OR AS OTHER SPENT PROCEEDS (LINE 11). BASED UPON A REVIEW OF OTHER 990 FILINGS, IT APPEARS THAT MOST REPORTING ENTITIES HAVE LISTED THE APPLICATION OF PROCEEDS FOR SUCH PURPOSE UNDER OTHER SPENT PROCEEDS (LINE 11). THIS FILING TAKES THAT APPROACH.

4.COMMENT ON SCHEDULE K, PART II, LINE 12. IT IS UNCLEAR UNDER THE INSTRUCTIONS WHETHER TRANSFERRED PROCEEDS SHOULD BE TREATED AS OTHER UNSPENT PROCEEDS FOR REPORTING PURPOSES ON LINE 12. AS AN ABUNDANCE OF CAUTION, TRANSFERRED PROCEEDS HAVE BEEN INCLUDED ON LINE 12 FOR EACH ISSUE

Part VI Supplemental Information. Complete this part to provide additional information for responses to questions on Schedule K (see instructions) (Continued)

TO THE EXTENT APPLICABLE. DURING THE FISCAL YEAR AS TO WHICH THIS SCHEDULE RELATES, MOUNTAIN STATES HEALTH ALLIANCE WAS ABLE TO REMOVE THE REQUIREMENT THAT CERTAIN DEBT SERVICE RESERVE FUNDS BE MAINTAINED. AS A RESULT, MOUNTAIN STATES HEALTH ALLIANCE WAS ABLE TO TRANSFER PROCEEDS FROM DEBT SERVICE RESERVE FUNDS FOR CERTAIN ISSUES TO BOND SINKING FUNDS FOR THOSE ISSUES TO PAY PRINCIPAL ON THE ISSUE AND TO REDUCE THE AMOUNT OF TAX-EXEMPT BONDS OUTSTANDING IN THE MARKET. AS A RESULT, UNSPENT PROCEEDS HAVE INCREASED FOR CERTAIN ISSUES WHILE SUCH FUNDS ARE HELD IN THE BOND SINKING FUNDS, AND THE AMOUNTS PREVIOUSLY HELD IN DEBT SERVICE RESERVE FUNDS FOR SUCH ISSUES HAVE BEEN REDUCED. MOUNTAIN STATES HEALTH ALLIANCE IS USING SUCH PROCEEDS TO PAY PRINCIPAL AS QUICKLY ON THOSE ISSUES AS THE BOND DOCUMENTS PERMIT.

5.COMMENT ON SCHEDULE K, PART IV, LINE 1. PRIOR TO JUNE 30, 2013 THE REPORTING DATE OF THE 990, THE ONLY ARBITRAGE REBATE CALCULATIONS THAT WERE REQUIRED RELATED TO THE BONDS DESCRIBED IN LINES D AND E OF PART I (THE SERIES 2006 AND 2008 BONDS). MOUNTAIN STATES HEALTH ALLIANCE RETAINED A REBATE CALCULATION AGENT TO CALCULATE WHETHER ANY ARBITRAGE REBATE WAS DUE WITH RESPECT TO THOSE BONDS, AND THERE WAS NEGATIVE ARBITRAGE REBATE LIABILITY IN A SIGNIFICANT AMOUNT. THEREFORE, NO FORM 8038-T WAS REQUIRED TO BE FILED WITH RESPECT TO THOSE BOND ISSUES.

6.COMMENT ON SCHEDULE K, PART IV, LINE 4D. PART IV, LINE 4D RELATIVE TO THE BOND ISSUE DESCRIBED ON LINE E SHOWS THAT THE REGULATORY SAFE HARBOR FOR ESTABLISHING FAIR MARKET VALUE OF THE GIC DESCRIBED IN LINE 4A WAS NOT SATISFIED. DUE TO MARKET CONDITIONS AT THE TIME, MOUNTAIN STATES HEALTH ALLIANCE DID NOT RECEIVE THREE BIDS FOR THIS GIC. HOWEVER, THE YIELD ON THE GIC WAS SO SUBSTANTIALLY BELOW THE YIELD ON THE RELEVANT BONDS THAT THERE WAS NO DOUBT THAT THE YIELD ON THE GIC DID NOT EXCEED THE APPROPRIATE YIELD ON THE RELEVANT BONDS.

7.COMMENT ON SCHEDULE K, PART IV, LINE 5. THE BOND ISSUES DESCRIBED IN LINES B, C AND D OF PART I FINANCED SIGNIFICANT CAPITAL IMPROVEMENTS TO HOSPITAL FACILITIES. THERE HAVE BEEN UNEXPECTED DELAYS IN THE CONSTRUCTION AND EQUIPPING OF CERTAIN OF THESE HOSPITAL FACILITIES, AND THEREFORE NOT ALL OF THE BOND PROCEEDS WERE SPENT WITHIN THE THREE-YEAR TEMPORARY PERIOD RELATIVE TO CONSTRUCTION PROJECTS. HOWEVER, MOUNTAIN STATES HEALTH ALLIANCE HAS YIELD RESTRICTED THESE PROCEEDS AFTER THE END OF THE APPLICABLE TEMPORARY PERIOD AND/OR WILL BE MAKING A YIELD REDUCTION PAYMENT WITH RESPECT TO THOSE PROCEEDS, IF REQUIRED

19340MSHA

SCHEDULE L (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions With Interested Persons

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

OMB No. 1545-0047

2012

Open To Public Inspection

e of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

Part I Excess Benefit Transactions (section 501(c)(3) and section 501(c)(4) 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	(d) Corrected? No
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					

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 org.? To	(d) Loan to or from the org.? From	(e) Original principal amount	(f) Balance due	(g) In default? Yes	(g) In default? No	(h) Approved by board or committee? Yes	(h) Approved by board or committee? No	(i) Written agreement? Yes	(i) Written agreement? No
(1)	DENNIS VONDERFECHT	SPLIT $ LIFE INSUR.LOAN,INCL.PR.YRS			X	6,444,805	7,367,035		X	X		X	
(2)	MARVIN EICHORN	SPLIT DOLLAR LIFE INSURANCE LOAN			X	350,000	360,710		X	X		X	
	MARVIN EICHORN	SPLIT DOLLAR LIFE INSURANCE LOAN			X	304,332	304,332		X	X		X	
(4)	MARVIN EICHORN	SPLIT DOLLAR LIFE INSURANCE LOAN			X	272,483	272,483		X	X		X	
(5)	MARVIN EICHORN	SPLIT DOLLAR LIFE INSURANCE LOAN			X	91,682	93,947		X	X		X	
(6)	MARVIN EICHORN	SPLIT DOLLAR LIFE INSURANCE LOAN			X	91,682	93,947		X	X		X	
(7)													
(8)													
(9)													
(10)													
Total						▶ $	8,492,454						

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
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					
(8)					
(9)					
(10)					

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 org. revenues? Yes	(e) Sharing of org. revenues? No
(1) WATAUGA PATHOLOGY ASSOC., P.C.	M.D. SERVICES	340,304	SEE PART V		X
(2) MATTHEW MARTIN	FAMILY MEMBER	18,268	SEE PART V		X
(3) MITCH HATHAWAY	FAMILY MEMBER	98,315	SEE PART V		X
(4) SYCAMORE SHOALS ANESTHESIA ASSOC.	M.D. SERVICES	819,996	SEE PART V		X
(5) PAULA CLAYTORE	FAMILY MEMBER	272,107	SEE PART V		X
(6) CLEM WILKES, III	FAMILY MEMBER	65,040	SEE PART V		X
(7) JAMES TEIXEIRA	FAMILY MEMBER	76,017	SEE PART V		X
(8) WORKSPACE INTERIORS, INC.	VENDOR	645,484	SEE PART V		X
(9)					
(10)					

Part V Supplemental Information

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

SCHEDULE L, PART V - ADDITIONAL INFORMATION

(1) SANDRA BROOKS, M.D., MSHA BOARD MEMBER, IS A PARTNER WITH OWNERSHIP INTEREST IN WATAUGA PATHOLOGY ASSOCIATES, P.C., WATAUGA PATHOLOGY ASSOCIATES, P.C. PROVIDES MEDICAL SERVICES TO MSHA.

(2) JOANNE GILMER, VICE-CHAIR MSHA BOARD OF DIRECTORS, IS A FAMILY MEMBER OF MATTHEW MARTIN, AN EMPLOYEE OF MSHA.

(3) JOANNE GILMER, VICE-CHAIR MSHA BOARD OF DIRECTORS, IS A FAMILY MEMBER OF MITCH HATHAWAY, AN EMPLOYEE OF MSHA.

(4) DAVID MAY, M.D., MSHA BOARD MEMBER, SERVES AS BOARD CHAIR FOR SYCAMORE SHOALS ANESTHESIA ASSOCIATES, P.C., AND HAS AN OWNERSHIP SHARE IN THE PROFESSIONAL CORPORATION. SYCAMORE SHOALS ANESTHESIA ASSOCIATES, P.C. PROVIDES MEDICAL SERVICES TO MSHA.

(5) DALE CLAYTORE, FORMER KEY EMPLOYEE OF MSHA, IS A FAMILY MEMBER OF PAULA CLAYTORE, AN EMPLOYEE OF MSHA.

(6) CLEM WILKES, JR., TREASURER OF THE MSHA BOARD OF DIRECTORS, IS A FAMILY MEMBER OF CLEM WILKES III, AN EMPLOYEE OF MSHA.

(7) PAT NIDAY, FORMER KEY EMPLOYEE OF MSHA, IS A FAMILY MEMBER OF JAMES TEIXEIRA, AN EMPLOYEE OF MSHA.

(8) ROBERT FEATHERS, MSHA BOARD MEMBER, IS OWNER OF WORKSPACE INTERIORS, INC. WHICH PROVIDES COMMERCIAL FURNISHINGS AND DESIGN SERVICES TO MSHA.

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 org. revenues? Yes	(e) Sharing of org. revenues? No
(1)						
(2)						
(3)						
(4)						
(5)						
(6)						
(7)						
(8)						
(9)						
(10)						

Part V Supplemental Information

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

TRANSACTIONS ARE CONDUCTED AT ARMS-LENGTH.

SCHEDULE O (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

OMB No. 1545-0047

2012

Open to Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

DOING BUSINESS AS - ADDITIONAL NAMES

NISWONGER CHILDREN'S HOSPITAL;

QUILLEN REHABILITATION HOSPITAL;

FRANKLIN WOODS COMMUNITY HOSPITAL;

INDIAN PATH MEDICAL CENTER;

SYCAMORE SHOALS HOSPITAL;

WOODRIDGE HOSPITAL FOR BEHAVIORAL

HEALTH SERVICES;

JOHNSON COUNTY COMMUNITY HOSPITAL;

RUSSELL COUNTY MEDICAL CENTER

FORM 990 - ORGANIZATION'S MISSION OR MOST SIGNIFICANT ACTIVITIES

PART I, LINE 1: MOUNTAIN STATES HEALTH ALLIANCE (MSHA) IS COMMITTED TO OUR MISSION OF BRINGING LOVING CARE TO HEALTH CARE. WE EXIST TO IDENTIFY AND RESPOND TO THE HEALTHCARE NEEDS OF INDIVIDUALS AND COMMUNITIES IN THE 29-COUNTY AREA WE SERVE, HELPING THEM ATTAIN THEIR HIGHEST LEVEL OF HEALTH. MSHA DELIVERS THIS CARE THROUGH THE PHILOSOPHY OF PATIENT-CENTERED CARE, AND THE DEVELOPMENT OF COMPREHENSIVE STRATEGIC PLANNING AND IMPLEMENTATION.

FORM 990, PART VI, LINE 4 - SIGNIFICANT CHANGES TO ORGANIZATIONAL DOCUMENTS

BY OPERATION OF THE CHARTER OF THE ORGANIZATION, THE VOTING MEMBERSHIP OF THE ORGANIZATION CEASED TO EXIST DURING THIS FISCAL YEAR. AS A RESULT OF THIS OCCURRENCE, THE ORGANIZATION BECAME A NON-MEMBERSHIP CORPORATION UNDER TENNESSEE LAW, AND THE BOARD OF DIRECTORS BECAME A SELF PERPETUATING OARD. AS A RESULT, THE CHARTER AND BYLAWS OF THE ORGANIZATION WERE

MODIFIED TO REFLECT THE CURRENT STRUCTURE OF THE ORGANIZATION.

FORM 990, PART VI, LINE 6 - CLASSES OF MEMBERS OR STOCKHOLDERS

DURING A PORTION OF THIS FISCAL YEAR, THE ORGANIZATION DID HAVE MEMBERS, BUT THE MEMBERSHIP CEASED TO EXIST DURING THE YEAR, AND THE ORGANIZATION BECAME A NON-MEMBERSHIP CORPORATION.

FORM 990, PART VI, LINE 7A - ELECTION OF MEMBERS AND THEIR RIGHTS

DURING A PORTION OF THE YEAR, THE ORGANIZATION HAD MEMBERS. AS A RESULT, THE ANSWER TO THIS QUESTION IS YES, BUT FOR ONLY A PORTION OF THE YEAR. DURING THE PERIOD WHEN MSHA HAD MEMBERS, THE CLASS A MEMBERS ANNUALLY ELECTED MEMBERS TO THE BOARD OF DIRECTORS.

FORM 990, PART VI, LINE 7B - DECISIONS SUBJECT TO APPROVAL OF MEMBERS

DURING A PORTION OF THE YEAR, THE ORGANIZATION HAD MEMBERS. CERTAIN DECISIONS OF THE BOARD ARE, PURSUANT TO TENNESSEE STATUTE, SUBJECT TO APPROVAL BY THE CLASS A MEMBERS. THESE DECISIONS INCLUDE: DISSOLUTION OF THE CORPORATION; MERGER OF THE CORPORATION; NON-ORDINARY COURSE OF BUSINESS SALE OF ASSETS, ETC. NO ORDINARY DAY-TO-DAY DECISIONS ARE SUBJECT TO MEMBER APPROVAL.

FORM 990, PART VI, LINE 11B - ORGANIZATION'S PROCESS TO REVIEW FORM 990

THE CFO AND SENIOR VP REVIEWED THE FORM 990 WITH THE BOARD OF DIRECTORS PRIOR TO FILING AND THE RETURN WAS MADE AVAILABLE TO EACH BOARD MEMBER IN AN ELECTRONIC FORMAT PRIOR TO THE REVIEW.

ORM 990, PART VI, LINE 12C - ENFORCEMENT OF CONFLICTS POLICY

ANNUALLY, THE CORPORATE AUDIT AND COMPLIANCE DEPARTMENT OF MSHA FORWARDS THE CONFLICT OF INTEREST POLICY AND DISCLOSURE FORM TO ALL MSHA MANAGEMENT TEAM MEMBERS AND BOARD MEMBERS. EMPLOYEES AND BOARD MEMBERS MUST NOTE ANY CONFLICTS OR ATTEST THEY HAVE "NONE", AND RETURN THE FORM TO THE AUDIT AND COMPLIANCE DEPARTMENT. ANY NOTED DISCLOSURES ARE FORWARDED TO THE APPROPRIATE MANAGEMENT OR BOARD PERSONNEL TO EVALUATE AND UTILIZE WHEN A TRANSACTION INVOLVING A CONFLICTED PERSON ARISES. ADDITIONALLY, PERSONNEL WHO HAVE A CONFLICT ARISE BETWEEN THE ANNUAL DISTRIBUTION OF THE POLICY AND FORMS ARE REQUIRED TO DISCLOSE THE CONFLICT AND WOULD BE DISCIPLINED IN ANY INSTANCE WHERE THEY HAVE NOT DISCLOSED AND ENGAGED IN A CONFLICTED TRANSACTION.

FORM 990, PART VI, LINE 15A - COMPENSATION PROCESS FOR TOP OFFICIAL

THE CEO'S COMPENSATION AND BENEFITS ARE SUBJECT TO THE EXECUTIVE COMPENSATION POLICY OF MOUNTAIN STATES HEALTH ALLIANCE (MSHA). THE POLICY WAS ESTABLISHED BY MSHA'S BOARD OF DIRECTORS AND IS ALLIGNED WITH THE MSHA MISSION, VISION, AND VALUES, SUPPORTING THE ACHIEVEMENT OF THE HEALTH SYSTEM'S STRATEGIC PLANS AND ANNUAL GOALS AND OBJECTIVES. THE POLICY ENSURES THAT MSHA'S EXECUTIVE COMPENSATION IS COMPLIANT WITH THE LEGAL, REGULATORY, AND STATUTORY ENVIRONMENT AFFECTING COMPENSATION.

MSHA'S PRESIDENT AND CEO MAKES RECOMMENDATIONS TO THE EXECUTIVE COMMITTEE OF THE MSHA BOARD FOR ALL ELEMENTS OF COMPENSATION FOR THE SENIOR MANAGEMENT TEAM. THE BOARD OF DIRECTORS MONITORS THE PERFORMANCE OF THE SENIOR MANAGEMENT TEAM ON AN ONGOING BASIS, BUT AT LEAST ANNUALLY.

ORM 990, PART VI, LINE 15B - COMPENSATION PROCESS FOR OFFICERS

SIMILAR TO THE CEO'S COMPENSATION, THE CFO RECEIVES COMPENSATION AND BENEFITS THAT COMPLY WITH MSHA'S SALARY POLICY. HIS PAY IS SET AT A MARKET PERCENTILE SPECIFIC TO HIS POSITION.

FORM 990, PART VI, LINE 19 - GOVERNING DOCUMENTS DISCLOSURE EXPLANATION

GOVERNING DOCUMENTS AND CONFLICT OF INTEREST POLICY ARE MADE AVAILABLE UPON REQUEST TO 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.

FORM 990, PART VII - GROUP RETURN EXPLANATION

OFFICER, KEY EMPLOYEE & HIGHEST PAID COMPENSATION:

LYNN KRUTAK, CFO AND MSHA KEY EMPLOYEE, IS PAID BY MSHA. BLUE RIDGE MEDICAL MANAGEMENT CORPORATION (BRMMC) REIMBURSES MSHA FOR 50% OF KRUTAK'S SALARY AND BENEFITS. MSHA IS THE SOLE MEMBER OF BRMMC. KRUTAK DEVOTES AN EQUAL AMOUNT OF TIME BETWEEN MSHA AND BRMMC. DR. DOUGLAS EDEMA, REPORTABLE AS A HIGHEST COMPENSATED EMPLOYEE, IS PAID BY MSHA AND HIS SALARY AND BENEFITS ARE FULLY REIMBURSED TO MSHA BY BRMMC. CERTAIN EXECUTIVES OF THE ORGANIZATION, SUCH AS THE CEO AND SR VP/CFO, PROVIDE SERVICES TO SOME OR ALL OF THE ORGANIZATIONS RELATED TO MSHA.

FORM 990, PART IX, LINE 11G - OTHER FEES FOR SERVICES

DESCRIPTION

PROGRAM SERVICE	MGT & GENERAL	FUNDRAISING
$ 84,136,191	$ 7,818,901	$ 229,313

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

FORM 990, PART XI, LINE 9 - OTHER CHANGES IN NET ASSETS EXPLANATION

PARTNERSHIP CHARITABLE CONTRIBUTION NOT ON BOOKS	$ 61,080
PORTFOLIO EXPENSES NOT ON BOOKS	$ 5
PARTNERSHIP GAIN NOT ON BOOKS	$ -119
CHANGE IN FAIR VALUE OF DERIVATIVES	$ -29,805
P/S ORDINARY INCOME/LOSS-NOT ON BOOKS	$ -2,104,308
P/S INTEREST INCOME-NOT ON BOOKS	$ -19,823
TEMPORARILY RESTRICTED GRANTS	$ 23,482
TOTAL TO FORM 990, PART XI, LINE 9	$ -2,116,452

19340MSHA

SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2012

Open to Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

Part I Identification of Disregarded Entities (Complete if the organization answered "Yes" to 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
(1)						
(2)						
(3)						
(4)						
(5)						

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

	(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	(g) Section 512(b)(13) controlled entity? No
(1)	JOHNSTON MEMORIAL HOSPITAL 16000 JOHNSTON MEMORIAL DRIVE 54-0544705 ABINGDON VA 24211	HOSPITAL	VA	501C3	3	N/A		X
(2)	ABINGDON PHYSICIAN PARTNERS 16000 JOHNSTON MEMORIAL DRIVE 20-5485346 ABINGDON VA 24211	MED. SERV.	VA	501C3	11A	JMH		X
(3)	APPALACHIAN EMERGENCY PHYSICIANS 1021 W. OAKLAND AVENUE; STE. 207 80-0592504 JOHNSON CITY TN 37604	MED. SERV	VA	501C3	11A	N/A		X
(4)								
(5)								

SCHEDU[illegible] R
(Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2012

Open to Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

Part I Identification of Disregarded Entities (Complete if the organization answered "Yes" to 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
(1)						
(2)						
(3)						
(4)						
(5)						

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

	(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	(g) Section 512(b)(13) controlled entity? No
(1)	DICKENSON COMMUNITY HOSPITAL ONE HOSPITAL DRIVE 77-0599553 CLINTWOOD VA 24228	HOSPITAL	VA	501C3	3	NCH		X
(2)	MOUNTAIN STATES FOUNDATION 2335 KNOB CREEK ROAD, STE. 101 58-1418862 JOHNSON CITY TN 37604	FUNDRAISER	TN	501C3	11A	N/A		X
(3)	MSHA AUXILIARY 400 N. STATE OF FRANKLIN ROAD 58-1418345 JOHNSON CITY TN 37604	SUPPORT	TN	501C3	11A	N/A		X
(4)	SMYTH COUNTY COMMUNITY HOSPITAL 245 MEDICAL PARK DRIVE 54-0794913 MARION VA 24354	HOSPITAL	VA	501C3	3	MSHA		X
(5)	NORTON COMMUNITY HOSPITAL 100 15TH STREET NW 54-0566029 NORTON VA 24273	HOSPITAL	VA	501C3	3	N/A		X

Part III **Identification of Related Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" to 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) Dispro-portionate alloc.? Yes	(h) Dispro-portionate alloc.? No	(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) General or managing partner? No	(k) Percentage ownership
(1) INTEGRATED SOLUTIONS HEALTH NETWORK 400 N. STATE OF FRANKLIN ROAD JOHNSON CITY TN 37604 62-1711997	INVESTMENT	TN	N/A	EXCLUDED	-17,985	5,942,091		X			X	99.17
(2) EMMAUS COMMUNITY HEALTHCARE, LLC 6070 HWY 11E PINEY FLATS TN 37686 20-0577483	MED. SERV.	TN	N/A					X			X	
(3) MEDICAL SPECIALISTS OF J.C., LLC 2528 WESLEY STREET, SUITE. 2 JOHNSON CITY TN 37601 27-2199037	MED. SERV.	TN	N/A	EXCLUDED	-234,419	81,508		X			X	51.00
(4)												

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity? Yes	(i) Section 512(b)(13) controlled entity? No
(1) BLUE RIDGE MEDICAL MANAGEMENT CORP. 1021 W. OAKLAND AVENUE, STE. 207 JOHNSON CITY TN 37604 62-1490616	MED. SERV.	TN	N\A	C	105,058,961	203,141,889	100.000000		X
(2) MEDISERVE MEDICAL EQUIPMENT 1021 W. OAKLAND AVENUE, SUITE 207 JOHNSON CITY TN 37604 62-1212286	DME	TN	BRMMC	C	5,065,565	4,279,186	100.000000		X
(3) MOUNTAIN STATES PROPERTIES 1021 W. OAKLAND AVENUE, SUITE 207 JOHNSON CITY TN 37604 62-1845895	PROP. MGMT	TN	BRMMC	C	14,786,575	149,156,249	100.000000		X
(4) MOUNTAIN STATES PHYSICIAN GROUP 1021 W. OAKLAND AVENUE, SUITE 207 JOHNSON CITY TN 37604 62-1700412	MED. SERV.	TN	BRMMC	C	59,446,917	6,131,411	100.000000		X

Part III **Identification of Related Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" to 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) Dispro-portionate alloc.? Yes	(h) No	(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
(1)												
(2)												
(3)												
(4)												

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity? Yes	(i) No
(1) COMMUNITY HOME CARE INC. 1460 PARK AVENUE NORTON VA 24273 54-1453810	DME	VA	NCH	C	375,002	382,370	50.100000		X
(2) SOUTHWEST COMMUNITY HEALTH SERV. P.O. BOX 880 MARION VA 24354 54-1460695	MED. SERV.	VA	SCCH	C	190,852	1,098,214	80.000000		X
(3) WILSON PHARMACY, INC. P.O. BOX 5289 JOHNSON CITY TN 37604 62-0329587	PHARMACY	TN	BRMMC	C	4,782,181	2,903,651	100.000000		X
(4) CRESTPOINT HEALTH INSURANCE COMPANY 208 SUNSET DRIVE, SUITE 101 JOHNSON CITY TN 37604 62-0381170	INSURANCE	TN	ISHN	C			99.170000		X

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

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

		Yes	No
1	During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II–IV?		
a	Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity	X	
b	Gift, grant, or capital contribution to related organization(s)	X	
c	Gift, grant, or capital contribution from related organization(s)	X	
d	Loans or loan guarantees to or for related organization(s)	X	
e	Loans or loan guarantees by related organization(s)		X
f	Dividends from related organization(s)		X
g	Sale of assets to related organization(s)	X	
h	Purchase of assets from related organization(s)	X	
i	Exchange of assets with related organization(s)		X
j	Lease of facilities, equipment, or other assets to related organization(s)	X	
k	Lease of facilities, equipment, or other assets from related organization(s)	X	
l	Performance of services or membership or fundraising solicitations for related organization(s)	X	
m	Performance of services or membership or fundraising solicitations by related organization(s)	X	
n	Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	X	
o	Sharing of paid employees with related organization(s)	X	
p	Reimbursement paid to related organization(s) for expenses	X	
q	Reimbursement paid by related organization(s) for expenses	X	
r	Other transfer of cash or property to related organization(s)	X	
s	Other transfer of cash or property from related organization(s)		X

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

	(a) Name of other organization	(b) Transaction type (a–s)	(c) Amount involved	(d) Method of determining amount involved
(1)	MSHA AUXILIARY	P	71,464	
(2)	MSHA AUXILIARY	Q	279,988	
(3)	BLUE RIDGE MEDICAL MANAGMENT CORP.	L	10,728,044	
(4)	BLUE RIDGE MEDICAL MANAGEMENT CORP.	M	37,124,494	
(5)	BLUE RIDGE MEDICAL MANAGEMENT CORP.	O	1,980,659	
(6)	BLUE RIDGE MEDICAL MANAGEMENT CORP.	Q	8,844,230	

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

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

			Yes	No
1	During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II–IV?			
a	Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity	1a	X	
b	Gift, grant, or capital contribution to related organization(s)	1b	X	
c	Gift, grant, or capital contribution from related organization(s)	1c	X	
d	Loans or loan guarantees to or for related organization(s)	1d	X	
e	Loans or loan guarantees by related organization(s)	1e		X
f	Dividends from related organization(s)	1f		X
g	Sale of assets to related organization(s)	1g	X	
h	Purchase of assets from related organization(s)	1h	X	
i	Exchange of assets with related organization(s)	1i		X
j	Lease of facilities, equipment, or other assets to related organization(s)	1j	X	
k	Lease of facilities, equipment, or other assets from related organization(s)	1k	X	
l	Performance of services or membership or fundraising solicitations for related organization(s)	1l	X	
m	Performance of services or membership or fundraising solicitations by related organization(s)	1m	X	
n	Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n	X	
o	Sharing of paid employees with related organization(s)	1o	X	
p	Reimbursement paid to related organization(s) for expenses	1p	X	
q	Reimbursement paid by related organization(s) for expenses	1q	X	
r	Other transfer of cash or property to related organization(s)	1r	X	
s	Other transfer of cash or property from related organization(s)	1s		X

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

	(a) Name of other organization	(b) Transaction type (a–s)	(c) Amount involved	(d) Method of determining amount involved
(1)	HEALTH PLUS	J	57,281	
(2)	HEALTHPLUS	L	408,335	
(3)	HEALTHPLUS	M	332,150	
(4)	HEALTHPLUS	O	103,659	
(5)	HEALTHPLUS	P	68,399	
(6)	HEALTHPLUS	Q	12,333,583	

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

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

			Yes	No
1	During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II–IV?			
a	Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity	1a	X	
b	Gift, grant, or capital contribution to related organization(s)	1b	X	
c	Gift, grant, or capital contribution from related organization(s)	1c	X	
d	Loans or loan guarantees to or for related organization(s)	1d	X	
e	Loans or loan guarantees by related organization(s)	1e		X
f	Dividends from related organization(s)	1f		X
g	Sale of assets to related organization(s)	1g	X	
h	Purchase of assets from related organization(s)	1h	X	
i	Exchange of assets with related organization(s)	1i		X
j	Lease of facilities, equipment, or other assets to related organization(s)	1j	X	
k	Lease of facilities, equipment, or other assets from related organization(s)	1k	X	
l	Performance of services or membership or fundraising solicitations for related organization(s)	1l	X	
m	Performance of services or membership or fundraising solicitations by related organization(s)	1m	X	
n	Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n	X	
o	Sharing of paid employees with related organization(s)	1o	X	
p	Reimbursement paid to related organization(s) for expenses	1p	X	
q	Reimbursement paid by related organization(s) for expenses	1q	X	
r	Other transfer of cash or property to related organization(s)	1r	X	
s	Other transfer of cash or property from related organization(s)	1s		X

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

	(a) Name of other organization	(b) Transaction type (a–s)	(c) Amount involved	(d) Method of determining amount involved
(1)	HEALTHPLUS	R	621,612	
(2)	MEDISERVE	K	179,587	
(3)	MEDISERVE	L	169,719	
(4)	MEDISERVE	O	53,550	
(5)	MEDISERVE	P	193,553	
(6)	MEDISERVE	Q	2,441,200	

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

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.		Yes	No
1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II–IV?			
a Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity	1a	X	
b Gift, grant, or capital contribution to related organization(s)	1b	X	
c Gift, grant, or capital contribution from related organization(s)	1c	X	
d Loans or loan guarantees to or for related organization(s)	1d	X	
e Loans or loan guarantees by related organization(s)	1e		X
f Dividends from related organization(s)	1f		X
g Sale of assets to related organization(s)	1g	X	
h Purchase of assets from related organization(s)	1h	X	
i Exchange of assets with related organization(s)	1i		X
j Lease of facilities, equipment, or other assets to related organization(s)	1j	X	
k Lease of facilities, equipment, or other assets from related organization(s)	1k	X	
l Performance of services or membership or fundraising solicitations for related organization(s)	1l	X	
m Performance of services or membership or fundraising solicitations by related organization(s)	1m	X	
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n	X	
o Sharing of paid employees with related organization(s)	1o	X	
p Reimbursement paid to related organization(s) for expenses	1p	X	
q Reimbursement paid by related organization(s) for expenses	1q	X	
r Other transfer of cash or property to related organization(s)	1r	X	
s Other transfer of cash or property from related organization(s)	1s		X

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

	(a) Name of other organization	(b) Transaction type (a–s)	(c) Amount involved	(d) Method of determining amount involved
(1)	MOUNTAIN STATES PROPERTIES	G	941,514	
(2)	MOUNTAIN STATES PROPERTIES	K	2,070,952	
(3)	MOUNTAIN STATES PROPERTIES	L	249,140	
(4)	MOUNTAIN STATES PROPERTIES	O	73,430	
(5)	MOUNTAIN STATES PROPERTIES	Q	745,635	
(6)	MOUNTAIN STATES PROPERTIES	R	736,347	

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

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.		Yes	No
1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II–IV?			
a Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity	1a	X	
b Gift, grant, or capital contribution to related organization(s)	1b	X	
c Gift, grant, or capital contribution from related organization(s)	1c	X	
d Loans or loan guarantees to or for related organization(s)	1d	X	
e Loans or loan guarantees by related organization(s)	1e		X
f Dividends from related organization(s)	1f		X
g Sale of assets to related organization(s)	1g	X	
h Purchase of assets from related organization(s)	1h	X	
i Exchange of assets with related organization(s)	1i		X
j Lease of facilities, equipment, or other assets to related organization(s)	1j	X	
k Lease of facilities, equipment, or other assets from related organization(s)	1k	X	
l Performance of services or membership or fundraising solicitations for related organization(s)	1l	X	
m Performance of services or membership or fundraising solicitations by related organization(s)	1m	X	
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n	X	
o Sharing of paid employees with related organization(s)	1o	X	
p Reimbursement paid to related organization(s) for expenses	1p	X	
q Reimbursement paid by related organization(s) for expenses	1q	X	
r Other transfer of cash or property to related organization(s)	1r	X	
s Other transfer of cash or property from related organization(s)	1s		X

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

	(a) Name of other organization	(b) Transaction type (a–s)	(c) Amount involved	(d) Method of determining amount involved
(1)	MOUNTAIN STATES FOUNDATION	B	58,000	
(2)	MOUNTAIN STATES FOUNDATION	C	1,513,427	
(3)	NORTON COMMUNITY HOSPITAL	D	21,238,380	
(4)	NORTON COMMUNITY HOSPITAL	L	5,850,147	
(5)	NORTON COMMUNITY HOSPTIAL	N	482,656	
(6)	NORTON COMMUNITY HOSPITAL	P	6,856,647	

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

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

			Yes	No
1	During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II–IV?			
a	Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity	1a	X	
b	Gift, grant, or capital contribution to related organization(s)	1b	X	
c	Gift, grant, or capital contribution from related organization(s)	1c	X	
d	Loans or loan guarantees to or for related organization(s)	1d	X	
e	Loans or loan guarantees by related organization(s)	1e		X
f	Dividends from related organization(s)	1f		X
g	Sale of assets to related organization(s)	1g	X	
h	Purchase of assets from related organization(s)	1h	X	
i	Exchange of assets with related organization(s)	1i		X
j	Lease of facilities, equipment, or other assets to related organization(s)	1j	X	
k	Lease of facilities, equipment, or other assets from related organization(s)	1k	X	
l	Performance of services or membership or fundraising solicitations for related organization(s)	1l	X	
m	Performance of services or membership or fundraising solicitations by related organization(s)	1m	X	
n	Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n	X	
o	Sharing of paid employees with related organization(s)	1o	X	
p	Reimbursement paid to related organization(s) for expenses	1p	X	
q	Reimbursement paid by related organization(s) for expenses	1q	X	
r	Other transfer of cash or property to related organization(s)	1r	X	
s	Other transfer of cash or property from related organization(s)	1s		X

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

	(a) Name of other organization	(b) Transaction type (a–s)	(c) Amount involved	(d) Method of determining amount involved
(1)	NORTON COMMUNITY HOSPITAL	Q	691,339	
(2)	DICKENSON COMMUNITY HOSPITAL	P	982,689	
(3)	ISHN	A	50,000	
(4)	ISHN	B	6,882,150	
(5)	ISHN	L	232,591	
(6)	ISHN	M	2,158,748	

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

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

			Yes	No
1	During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II–IV?			
a	Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity	1a	X	
b	Gift, grant, or capital contribution to related organization(s)	1b	X	
c	Gift, grant, or capital contribution from related organization(s)	1c	X	
d	Loans or loan guarantees to or for related organization(s)	1d	X	
e	Loans or loan guarantees by related organization(s)	1e		X
f	Dividends from related organization(s)	1f		X
g	Sale of assets to related organization(s)	1g	X	
h	Purchase of assets from related organization(s)	1h	X	
i	Exchange of assets with related organization(s)	1i		X
j	Lease of facilities, equipment, or other assets to related organization(s)	1j	X	
k	Lease of facilities, equipment, or other assets from related organization(s)	1k	X	
l	Performance of services or membership or fundraising solicitations for related organization(s)	1l	X	
m	Performance of services or membership or fundraising solicitations by related organization(s)	1m	X	
n	Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n	X	
o	Sharing of paid employees with related organization(s)	1o	X	
p	Reimbursement paid to related organization(s) for expenses	1p	X	
q	Reimbursement paid by related organization(s) for expenses	1q	X	
r	Other transfer of cash or property to related organization(s)	1r	X	
s	Other transfer of cash or property from related organization(s)	1s		X

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

	(a) Name of other organization	(b) Transaction type (a–s)	(c) Amount involved	(d) Method of determining amount involved
(1)	ISHN	P	133,333	
(2)	ISHN	Q	1,351,630	
(3)	SMYTH COUNTY COMMUNITY HOSPITAL	D	16,208,216	
(4)	SMYTH COUNTY COMMUNITY HOSPITAL	L	4,757,932	
(5)	SMYTH COUNTY COMMUNITY HOSPITAL	Q	67,367	
(6)	JOHNSTON MEMORIAL HOSPITAL	L	10,436,254	

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

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

			Yes	No
1	During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II–IV?			
a	Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity	1a	X	
b	Gift, grant, or capital contribution to related organization(s)	1b	X	
c	Gift, grant, or capital contribution from related organization(s)	1c	X	
d	Loans or loan guarantees to or for related organization(s)	1d	X	
e	Loans or loan guarantees by related organization(s)	1e		X
f	Dividends from related organization(s)	1f		X
g	Sale of assets to related organization(s)	1g	X	
h	Purchase of assets from related organization(s)	1h	X	
i	Exchange of assets with related organization(s)	1i		X
j	Lease of facilities, equipment, or other assets to related organization(s)	1j	X	
k	Lease of facilities, equipment, or other assets from related organization(s)	1k	X	
l	Performance of services or membership or fundraising solicitations for related organization(s)	1l	X	
m	Performance of services or membership or fundraising solicitations by related organization(s)	1m	X	
n	Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n	X	
o	Sharing of paid employees with related organization(s)	1o	X	
p	Reimbursement paid to related organization(s) for expenses	1p	X	
q	Reimbursement paid by related organization(s) for expenses	1q	X	
r	Other transfer of cash or property to related organization(s)	1r	X	
s	Other transfer of cash or property from related organization(s)	1s		X

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

	(a) Name of other organization	(b) Transaction type (a–s)	(c) Amount involved	(d) Method of determining amount involved
(1)	JOHNSTON MEMORIAL HOSPTIAL	O	887,811	
(2)	JOHNSTON MEMORIAL HOSPITAL	P	72,637	
(3)	JOHNSTON MEMORIAL HOSPITAL	R	216,014	
(4)	APP	M	1,078,900	
(5)	APP	L	1,927,539	
(6)				

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

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

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under section 512-514)	(e) Are all partners section 501(c)(3) organizations? Yes	(e) No	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
(1)													
(2)													
(3)													
(4)													
(5)													
(6)													
(7)													
(8)													
(9)													
(10)													
(11)													

Part VII **Supplemental Information**

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

19340MSHA

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

▶ Do not enter Social Security numbers on this form as it may be made public.
▶ Information about Form 990 and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2013

Open to Public Inspection

For the 2013 calendar year, or tax year beginning 07/01/13 , and ending 06/30/14

Check if applicable:
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Terminated
- ☐ Amended return
- ☐ Application pending

C Name of organization: MOUNTAIN STATES HEALTH ALLIANCE
Doing Business As: JOHNSON CITY MEDICAL CENTER;

D Employer identification number: 62-0476282

Number and street (or P.O. box if mail is not delivered to street address): 400 N. STATE OF FRANKLIN ROAD
Room/suite:

E Telephone number: 423-302-3372

City or town, state or province, country, and ZIP or foreign postal code: JOHNSON CITY TN 37604

G Gross receipts $ 707,518,372

F Name and address of principal officer:
ALAN LEVINE
303 MED TECH PARKWAY, STE. 300
JOHNSON CITY TN 37604

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)

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

J Website: ▶ WWW.MSHA.COM

H(c) Group exemption number ▶

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

L Year of formation: 1945

M State of legal domicile: TN

Part I Summary

1 Briefly describe the organization's mission or most significant activities:
SEE SCHEDULE O

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

3 Number of voting members of the governing body (Part VI, line 1a)	3	13
4 Number of independent voting members of the governing body (Part VI, line 1b)	4	6
5 Total number of individuals employed in calendar year 2013 (Part V, line 2a)	5	8659
6 Total number of volunteers (estimate if necessary)	6	2619
7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	916,236
b Net unrelated business taxable income from Form 990-T, line 34	7b	222,370

	Prior Year	Current Year
8 Contributions and grants (Part VIII, line 1h)	2,474,339	4,260,554
9 Program service revenue (Part VIII, line 2g)	674,372,724	670,231,172
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	31,675,503	28,617,401
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	9,360,388	4,204,431
12 Total revenue – add lines 8 through 11 (must equal Part VIII, column (A), line 12)	717,882,954	707,313,558
13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)	405,051	705,491
14 Benefits paid to or for members (Part IX, column (A), line 4)		0
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	305,057,437	295,522,740
16a Professional fundraising fees (Part IX, column (A), line 11e)		0
b Total fundraising expenses (Part IX, column (D), line 25) ▶ 1,088,082		
17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	376,841,250	378,145,629
18 Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	682,303,738	674,373,860
19 Revenue less expenses. Subtract line 18 from line 12	35,579,216	32,939,698

	Beginning of Current Year	End of Year
20 Total assets (Part X, line 16)	1599476991	1603260990
21 Total liabilities (Part X, line 26)	1201894828	1166845910
22 Net assets or fund balances. Subtract line 21 from line 20	397,582,163	436,415,080

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

▶ Signature of officer — Date

▶ LYNN KRUTAK — SENIOR VP & CFO
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN

Firm's name ▶ THIS TAX RETURN PREPARED BY A NON-PAID PREPARER.

Firm's EIN ▶

Firm's address ▶

Phone no.

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

Part III Statement of Program Service Accomplishments

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

Briefly describe the organization's mission:

SEE SCHEDULE O

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 [X] 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 [X] 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 $ 552,836,339 including grants of $ 705,491) (Revenue $ 675,626,593)

SEE ATTACHED DOCUMENT: MSHA - PROGRAM SERVICE ACCOMPLISHMENTS FOR GUIDESTAR READERS, OUR PROGRAM SERVICE ACCOMPLISHMENTS MAY BE FOUND AT THE END.

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

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 ▶ 552,836,339

Part IV Checklist of Required Schedules

			Yes	No
	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	1	X	
2	Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	2	X	
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		X
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	X	
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		X
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		X
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		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8		X
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		X
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		X
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	X	
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		X
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	X	
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	X	
e	Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	11e	X	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X	11f	X	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII	12a		X
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	X	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13		X
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		X
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		X
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		X
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		X
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		X
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		X
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		X
20a	Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H	20a	X	
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	X	

Part IV Checklist of Required Schedules (continued)

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check 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	637		
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	X	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	8659		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?		2b	X	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)				
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?		3a	X	
b	If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O		3b	X	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		4a		X
b	If "Yes," enter the name of the foreign country: ▶ See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		5a		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		5b		X
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?		5c		
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?		6a		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		6b		
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?		7a		X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		7b		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		7c		X
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		7e		X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		7f		X
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		7g		X
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		7h		X
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		8		
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?		9a		
b	Did the organization make a distribution to a donor, donor advisor, or related person?		9b		
10	**Section 501(c)(7) organizations.** Enter:				
a	Initiation fees and capital contributions included on Part VIII, line 12	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter:				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?		12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**				
a	Is the organization licensed to issue qualified health plans in more than one state?		13a		
	Note. See the instructions for additional information the organization must report on Schedule O.				
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b			
c	Enter the amount of reserves on hand	13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?		14a		X
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O		14b		

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

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

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	1a	13		
	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	6		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2			X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?	3			X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4			X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5			X
6	Did the organization have members or stockholders?	6			X
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a			X
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b			X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:				
a	The governing body?	8a		X	
b	Each committee with authority to act on behalf of the governing body?	8b		X	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9			X

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

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

Section C. Disclosure

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

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

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

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

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ▶ LYNN KRUTAK 303 MED TECH PARKWAY JOHNSON CITY TN 37604 423-302-3374

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

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) DENNIS VONDERFECHT	51.00									
CEO	9.00	X		X				1,058,195	0	68,381
(2) JEFF FARROW, M.D.	4.00									
DIRECTOR	0.00	X						36,835	475	0
(3) CLEM WILKES, JR.	8.00									
CHAIR	0.50	X						0	0	0
(4) GARY PEACOCK	5.00									
DIRECTOR	8.00	X						0	0	0
(5) SANDRA BROOKS, M.D.	4.50									
DIRECTOR	1.00	X						0	0	0
(6) RICK STOREY	5.00									
DIRECTOR	0.00	X						0	0	0
(7) THOMAS FOWLKES	4.50									
DIRECTOR	6.00	X						0	0	0
(8) LINDA GARCEAU	5.00									
DIRECTOR	0.00	X						0	0	0
(9) JOANNE GILMER	6.00									
VICE CHAIR	13.00	X						0	0	0
(10) DAVID MAY, M.D.	5.50									
SECTOR	0.00	X						0	0	0
(11) ROBERT FEATHERS	6.00									
PAST CHAIR	0.50	X						0	0	0

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			
(12) MICHAEL CHRISTIAN	4.50									
TREASURER	0.00	X						0	0	0
(13) BARBARA ALLEN	7.00									
SECRETARY	4.00	X						0	0	0
(14) ALAN LEVINE	60.00									
PRESIDENT & CEO	0.00	X		X				0	0	0
(15) MARVIN EICHORN	59.00									
SENIOR VP/CFO	1.00			X				626,635	0	47,303
(16) ANN FLEMING	45.00									
SR. VP	15.00				X			753,909	0	73,411
(17) CANDACE JENNINGS	60.00									
SR. VP TN OPERATIONS	0.00				X			523,529	0	85,889
(18) DAVID NICELY	55.00									
/CEO WASHINGTON CO	0.00				X			342,553	0	54,931
(19) MONTY MCLAURIN	55.00									
VP/IPMC CEO	0.00				X			317,642	0	57,151
1b Sub-total ▶								3,659,298	475	387,066
c Total from continuation sheets to Part VII, Section A ▶								3,704,782		450,772
d Total (add lines 1b and 1c) ▶								7,364,080	475	837,838

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 in reportable compensation from the organization ▶ 195

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
SKANSKA USA BUILDING INC 5000 MERIDIAN BLVD., SUITE 100 FRANKLIN TN 37067	CONSTRUCTION	27,432,371
ANESTHESIA & PAIN CONSULTANTS STE. 4, 1113 SUNSET DR. PO BOX 3727 JOHNSON CITY TN 37602-3727	PHYSICIAN SVCS.	4,571,599
PREMIER ANESTHESIA SERVICES P.O. BOX 4653 JOHNSON CITY TN 37602-4653	PHYSICIAN SVCS.	2,845,196
PHILIPS HEALTHCARE P.O. BOX 100355 ATLANTA GA 30384	EQUIPMENT SVCS.	2,695,286
CROTHALL SERVICES EAST TN 13028 COLLECTIONS CENTER DRIVE CHICAGO IL 60693	LAUNDRY SVCS.	2,674,201

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 ▶ 108

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			
(12) TONY BENTON	55.00									
INTERIM CEO WASH. CO	0.00				X			299,304	0	37,624
(13) SHANE HILTON	55.00									
VP/TN CFO	0.00				X			286,898	0	38,039
(14) LYNN KRUTAK	55.00									
VP/CORP. CFO	0.00				X			265,010	0	36,445
(15) PATRICK BOLANDER	55.00									
JCMC CFO	0.00				X			206,144	0	28,052
(16) STEVE SAWYER	0.00									
IPMC CFO	55.00				X			153,220	0	21,317
(17) MORRIS SELIGMAN, M.D.	60.00									
SR. VP/CMO	0.00					X		533,796	0	84,703
(18) BERT SMITH, M.D.	55.00									
HOSP. PRGM.	0.00					X		395,458	0	22,368
(19) DOUGLAS EDEMA	55.00									
VP PRES./CEO MSPG	0.00					X		391,873	0	36,180
1b Sub-total ▶								2,531,703		304,728
c Total from continuation sheets to Part VII, Section A ▶										
d Total (add lines 1b and 1c) ▶										

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

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

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

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 ▶

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			
(12) STEVE KILGORE	54.00									
PRESIDENT BRMMC	1.00					X		377,168	0	55,429
(13) MARK WILKINSON	55.00									
CMO	0.00					X		371,159	0	37,078
(14) DALE CLAYTORE	55.00									
VP	0.00						X	233,706	0	13,560
(16) PAT NIDAY	55.00									
FORMER CNO WASH. CO.	0.00						X	191,046	0	39,977
(16)										
(17)										
(18)										
(19)										
1b Sub-total								1,173,079		146,044
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)										

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

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

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

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 ▶

Part VIII Statement of Revenue

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

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts	1a Federated campaigns	1a				
	b Membership dues	1b				
	c Fundraising events	1c				
	d Related organizations	1d	3,515,325			
	e Government grants (contributions)	1e	667,665			
	f All other contributions, gifts, grants, and similar amounts not included above	1f	77,564			
	g Noncash contributions included in lines 1a-1f: $					
	h Total. Add lines 1a–1f		4,260,554			
Program Service Revenue		Busn. Code				
	2a PATIENT REVENUE-OTHER	622110	648,737,836	648,737,836		
	b WELLNESS PROGRAMS	622110	18,193,332	18,193,332		
	c P/S INCOME PREMIER-ISHN-MSJC	900099	3,107,986	3,136,588	-28,602	
	d LAB UBI REVENUE	621500	177,267		177,267	
	e RENTAL TO EXEMPT AFFILIATE	531120	14,751	14,751		
	f All other program service revenue					
	g Total. Add lines 2a–2f		670,231,172			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		13,157,320		21,781	13,135,539
	4 Income from investment of tax-exempt bond proceeds		227,071			227,071
	5 Royalties					
		(i) Real	(ii) Personal			
	6a Gross rents	213,236				
	b Less: rental exps.	83,196				
	c Rental inc. or (loss)	130,040				
	d Net rental income or (loss)		130,040		42,772	87,268
	7a Gross amount from sales of assets other than inventory	(i) Securities 9,837,589	(ii) Other 5,517,039			
	b Less: cost or other basis & sales exps.		121,618			
	c Gain or (loss)	9,837,589	5,395,421			
	d Net gain or (loss)		15,233,010	5,395,421		9,837,589
	8a Gross income from fundraising events (not including $ ..... of contributions reported on line 1c). See Part IV, line 18 a					
	b Less: direct expenses b					
	c Net income or (loss) from fundraising events					
	9a Gross income from gaming activities. See Part IV, line 19 a					
	b Less: direct expenses b					
	c Net income or (loss) from gaming activities					
	10a Gross sales of inventory, less returns and allowances a					
	b Less: cost of goods sold b					
	c Net income or (loss) from sales of inventory					
	Miscellaneous Revenue	Busn. Code				
	11a CAFE' SALES	722210	3,943,462			3,943,462
	b PREMIER IPO VENDOR INCENTIVE	900099	2,202,302			2,202,302
	c DAY CARE	624410	1,080,183			1,080,183
	d All other revenue		-3,151,556		703,018	-3,854,574
	e Total. Add lines 11a–11d		4,074,391			
	12 Total revenue. See instructions.		707,313,558	675,477,928	916,236	26,658,840

Part IX Statement of Functional Expenses

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

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21	705,491	705,491		
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	5,535,708	38,163	5,497,545	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	227,756,974	215,290,820	11,677,610	788,544
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	9,821,500	9,365,543	421,656	34,301
9 Other employee benefits	34,490,957	31,001,196	3,480,662	9,099
10 Payroll taxes	17,917,601	15,610,114	2,262,804	44,683
11 Fees for services (non-employees):				
a Management				
b Legal	1,606,661		1,606,661	
c Accounting	312,624	5,100	288,404	19,120
d Lobbying	147,043	147,043		
e Professional fundraising services. See Part IV, line 17				
f Investment management fees	966,844		966,844	
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.)	93,864,907	83,187,817	10,670,853	6,237
12 Advertising and promotion	2,312,231	121,029	2,183,296	7,906
13 Office expenses	6,415,775	6,258,731	139,107	17,937
14 Information technology	20,867,730	12,775,200	8,092,530	
15 Royalties				
16 Occupancy	14,843,361	11,311,738	3,466,484	65,139
17 Travel	1,850,759	1,347,658	501,750	1,351
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	81,434	61,345	19,465	624
20 Interest	42,471,912		42,471,912	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	43,713,910	24,394,217	19,314,751	4,942
23 Insurance	2,714,095	2,114	2,711,981	
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 MEDICAL SUPPLIES & DRUGS	123,908,206	123,590,299	317,907	
b REPAIRS & MAINTENANCE	15,117,008	14,004,298	1,071,399	41,311
c DUES & SUBSCRIPTIONS	3,927,018	1,533,282	2,390,539	3,197
d UBI TAXES	77,000	0	77,000	0
e All other expenses	2,947,111	2,085,141	818,279	43,691
25 Total functional expenses. Add lines 1 through 24e	674,373,860	552,836,339	120,449,439	1,088,082
Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

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

				(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest bearing			1	
	2	Savings and temporary cash investments		53,114,956	2	78,251,832
	3	Pledges and grants receivable, net		96,609	3	99,629
	4	Accounts receivable, net		117,265,071	4	111,736,791
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		8,492,454	5	8,988,974
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L			6	
	7	Notes and loans receivable, net		17,189,476	7	29,866,592
	8	Inventories for sale or use		15,873,411	8	15,723,351
	9	Prepaid expenses and deferred charges		4,850,577	9	4,344,835
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 1043477462			
	b	Less: accumulated depreciation	10b 516,925,448	517,908,210	10c	526,552,014
	11	Investments—publicly traded securities		285,653,065	11	261,766,810
	12	Investments—other securities. See Part IV, line 11			12	
	13	Investments—program-related. See Part IV, line 11		313,693,918	13	324,481,069
	14	Intangible assets		144,707,541	14	144,707,541
	15	Other assets. See Part IV, line 11		120,631,703	15	96,741,552
	16	Total assets. Add lines 1 through 15 (must equal line 34)		1599476991	16	1603260990
Liabilities	17	Accounts payable and accrued expenses		69,022,047	17	63,659,832
	18	Grants payable			18	
	19	Deferred revenue		2,130,026	19	1,273,627
	20	Tax-exempt bond liabilities		882,984,693	20	981,126,646
	21	Escrow or custodial account liability. Complete Part IV of Schedule D			21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L			22	
	23	Secured mortgages and notes payable to unrelated third parties		145,411,405	23	25,846,994
	24	Unsecured notes and loans payable to unrelated third parties		2,319,713	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		100,026,944	25	94,938,811
	26	Total liabilities. Add lines 17 through 25		1201894828	26	1166845910
Net Assets or Fund Balances		Organizations that follow SFAS 117 (ASC 958), check here ▶ ☒ and complete lines 27 through 29, and lines 33 and 34.				
	27	Unrestricted net assets		397,408,151	27	436,180,033
	28	Temporarily restricted net assets		174,012	28	235,047
	29	Permanently restricted net assets			29	
		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building, or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		397,582,163	33	436,415,080
	34	Total liabilities and net assets/fund balances		1599476991	34	1603260990

Part XI Reconciliation of Net Assets

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

	Total revenue (must equal Part VIII, column (A), line 12)	1	707,313,558
2	Total expenses (must equal Part IX, column (A), line 25)	2	674,373,860
3	Revenue less expenses. Subtract line 2 from line 1	3	32,939,698
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	397,582,163
5	Net unrealized gains (losses) on investments	5	12,207,644
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	-6,314,425
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	436,415,080

Part XII Financial Statements and Reporting

Check 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: ☐ Cash ☒ Accrual ☐ 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: ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis	2a		X
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: ☐ Separate basis ☒ Consolidated basis ☐ Both consolidated and separate basis	2b	X	
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.	2c	X	
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a	X	
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.	3b	X	

SCHEDULE A (Form 990 or 990-EZ)

Department of the Treasury Internal Revenue Service

Public Charity Status and Public Support

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

▶ Attach to Form 990 or Form 990-EZ.

▶ Information about Schedule A (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2013

Open to Public Inspection

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

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 11, 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.)

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 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.)

10 ☐ An organization organized and operated exclusively to test for public safety. See section 509(a)(4).

11 ☐ 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 that describes the type of supporting organization and complete lines 11e through 11h.

a ☐ Type I b ☐ Type II c ☐ Type III–Functionally integrated d ☐ Type III–Non-functionally integrated

e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).

f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box ..... ☐

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

		Yes	No
(i)	A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?	11g(i)	
(ii)	A family member of a person described in (i) above?	11g(ii)	
(iii)	A 35% controlled entity of a person described in (i) or (ii) above?	11g(iii)	

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

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1–9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document? Yes	(iv) No	(v) Did you notify the organization in col. (i) of your support? Yes	(v) No	(vi) Is the organization in col. (i) organized in the U.S.? Yes	(vi) No	(vii) Amount of monetary support
(A)									
(B)									
(C)									
(D)									
(E)									
al									

Part II **Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**
(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4.						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(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 IV.)						
11 **Total support.** Add lines 7 through 10						

12 Gross receipts from related activities, etc. (see instructions) ... 12

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

Section C. Computation of Public Support Percentage

14 Public support percentage for 2013 (line 6, column (f) divided by line 11, column (f)) ... 14 %

15 Public support percentage from 2012 Schedule A, Part II, line 14 ... 15 %

16a **33 1/3% support test—2013.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ... ▶ ☐

b **33 1/3% support test—2012.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ... ▶ ☐

17a **10%-facts-and-circumstances test—2013.** 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 IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ... ▶ ☐

b **10%-facts-and-circumstances test—2012.** 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 IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ... ▶ ☐

18 **Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ... ▶ ☐

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

(Complete only if you checked the box on line 9 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) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(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

ndar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(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 IV.)						
13 **Total support.** (Add lines 9, 10c, 11, and 12.)						

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

Section C. Computation of Public Support Percentage

15	Public support percentage for 2013 (line 8, column (f) divided by line 13, column (f))	15	%
16	Public support percentage from 2012 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17	Investment income percentage for 2013 (line 10c, column (f) divided by line 13, column (f))	17	%
18	Investment income percentage from 2012 Schedule A, Part III, line 17	18	%

19a **33 1/3% support tests—2013.** 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 ▶ ☐

33 1/3% support tests—2012. 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 ▶ ☐

SCHEDULE C
(Form 990 or 990-EZ)

artment 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.

▶ See separate instructions. ▶ Information about Schedule C (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2013

Open to Public Inspection

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

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

Name of organization	Employer identification number
MOUNTAIN STATES HEALTH ALLIANCE	62-0476282

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.

2 Political expenditures ▶ $

3 Volunteer hours

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)).**

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? ☐ Yes ☐ 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 instructions for lines 2a through 2f on page 4.)

Lobbying Expenditures During 4-Year Averaging Period

Calendar year (or fiscal year beginning in)	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(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 to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.	(a) Yes	(a) No	(b) Amount
1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a Volunteers?		X	
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?	X		
c Media advertisements?		X	
d Mailings to members, legislators, or the public?		X	
e Publications, or published or broadcast statements?		X	
f Grants to other organizations for lobbying purposes?		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body?	X		258,825
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		X	
i Other activities?		X	
j Total. Add lines 1c through 1i			258,825
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		X	
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

		Yes	No
1 Were substantially all (90% or more) dues received nondeductible by members?	1		
2 Did the organization make only in-house lobbying expenditures of $2,000 or less?	2		
3 Did the organization agree to carry over lobbying and political 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, line 2; and Part II-B, line 1. Also, complete this part for any additional information.

SCHEDULE C, PART II-B, LINE 1

THE COMMUNITY & GOVERNMENT RELATIONS VICE PRESIDENT AND/OR THE DEPARTMENT'S MANAGER OR DIRECTOR ATTENDED THE FOLLOWING LEGISLATIVE CONFERENCES:

- PREMIER FEDERAL AFFAIRS NETWORK MEETING

- AMERICAN HOSPITAL ASSOCIATION ANNUAL MEETING

- TENNESSEE HOSPITAL ASSOCIATION LEGISLATIVE ADVOCACY DAY

Part IV Supplemental Information (continued)

HOSPITAL ALLIANCE OF TENNESSEE ANNUAL MEETING

- TENNESSEE PUBLIC & TEACHING HOSPITALS ASSOCIATION ANNUAL MEETING

- VIRGINIA HOSPITAL & HEALTHCARE ASSOCIATION LEGISLATIVE ISSUES CONFERENCE

THE COMMUNITY & GOVERNMENT RELATIONS VICE PRESIDENT AND/OR DEPARTMENTAL STAFF ALSO CONTACTED CONGRESSIONAL OFFICES CONCERNING THE FOLLOWING ISSUES:

- SUPPORT FOR PROVISIONS TO EXPAND INSURANCE COVERAGE (HEALTH INSURANCE EXCHANGES AND MEDICAID EXPANSION)
- SUPPORT FOR INITIATIVES TO IMPROVE PAYMENT DELIVERY REDESIGN; SUCH AS ACCOUNTABLE CARE ORGANIZATION DEVELOPMENT
- SUPPORT FOR CONTINUATION OF TENNESSEE MEDICAID DISPROPORTIONATE SHARE HOSPITAL PAYMENTS

OPPOSITION TO ADDITIONAL CUTS IN MEDICARE/MEDICAID

- SUPPORT FOR REAUTHORIZATION AND FUNDING OF CHILDREN'S HOSPITAL GRADUATE MEDICAL EDUCATION
- SUPPORT FEDERAL FUNDING FOR TRAUMA CARE
- SUPPORT CONTINUATION OF GRADUATE MEDICAL EDUCATIONAL FUNDING
- SUPPORT OF STATE MEDICAID PROVIDER TAX PROVISIONS
- SUPPORT CHANGES TO MEDICARE WAGE INDEX
- SUPPORT CHANGES TO TWO MIDNIGHT RULE
- SUPPORT RECOVERY AUDIT CONTRACTOR REFORM
- SUPPORT OF MEDICARE DEPENDENT HOSPITAL AND LOW-VOLUME DESIGNATIONS

THE COMMUNITY & GOVERNMENT RELATIONS VICE PRESIDENT AND/OR THE DEPARTMENTAL DIRECTOR RESPONDED VIA LETTER, PHONE, OR IN PERSON TO THE FOLLOWING TENNESSEE AND VIRGINIA LEGISLATIVE ISSUES:

Part IV Supplemental Information (continued)

- MEDICAID EXPANSION - TENNESSEE AND VIRGINIA
- STRONG CERTIFICATE OF NEED PROGRAMS IN TENNESSEE AND VIRGINIA
- CONTINUATION OF HOSPITAL ASSESSMENT FEE IN TENNESSEE
- FUNDING FOR PERINATAL CENTERS IN TENNESSEE
- SAFETY NET FUNDING FOR PROJECT ACCESS
- STABLE MEDICAID RATES IN VIRGINIA
- LEGISLATION THAT ADDRESSES DRUG ADDICTED PREGNANT WOMEN AND THEIR BABIES (NEONATAL ABSTINENCE SYNDROME)
- HELMET REQUIREMENT FOR MOTORCYCLISTS

SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
▶ Attach to Form 990.
▶ Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047
2013
Open to Public Inspection

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

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

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate contributions to (during year)		
3	Aggregate 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" to 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)
- ☐ Protection of natural habitat
- ☐ Preservation of open space
- ☐ Preservation of an historically important land area
- ☐ Preservation of a certified historic structure

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

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

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

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

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

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

7 Amount of expenses incurred in monitoring, inspecting, 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" to 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) Revenues included in Form 990, Part VIII, line 1 ▶ $

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

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 Revenues included in Form 990, Part VIII, line 1 ▶ $

b Assets included in Form 990, Part X ▶ $

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

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

a ☐ Public exhibition
b ☐ Scholarly research
c ☐ Preservation for future generations
d ☐ Loan or exchange programs
e ☐ Other .....

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

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

Part IV Escrow and Custodial Arrangements.

Complete if the organization answered "Yes" to 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? ☐ 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" to 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 in 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:

		Yes	No
(i) unrelated organizations	3a(i)		
(ii) related organizations	3a(ii)		
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b		

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

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" to 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		50,465,142		50,465,142
b Buildings		518,039,628	170,607,620	347,432,008
c Leasehold improvements		950,676	528,730	421,946
d Equipment		474,022,016	345,789,098	128,232,918
e Other				
f Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).) ▶				526,552,014

Part VII Investments—Other Securities.

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

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) INVESTMENT IN JMH	132,000,000	COST
(2) INVESTMENT IN BRMMC	100,273,634	COST
(3) INVESTMENT IN SCCH	67,400,494	COST
(4) INVESTMENT IN ISHN	25,579,937	COST
(5) INVESTMENT IN OTHER	-772,996	MARKET
(6)		
(7)		
(8)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 13.) ▶	324,481,069	

Part IX Other Assets.

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

	(a) Description	(b) Book value
(1)	AWUL-UNDER BOND INDENTURE AGREEMENT	43,890,111
(2)	AWUL - CURRENT	25,028,568
(3)	DEFERRED CHARGES AND OTHER	14,755,160
(4)	LONG TERM COMPENSATION INVESTMENT	13,067,713
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶		96,741,552

Part X Other Liabilities.

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

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) ACCRUED SALARIES, ABSENCES & W/H	45,491,008
(3) ACCRUED INTEREST	18,527,828
(4) EST. FAIR VALUE OF INT. RATE SWAP	10,665,808
(5) OTHER LONG-TERM LIABILITIES	10,324,133
(6) DUE TO THIRD-PARTY PAYERS	9,930,034
(7)	
(8)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	94,938,811

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 X

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.
Complete if the organization answered "Yes" to Form 990, Part IV, line 12a.

	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 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" to 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.

PART X - FIN 48 FOOTNOTE

THE ALLIANCE IS CLASSIFIED AS AN ORGANIZATION EXEMPT FROM INCOME TAXES UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE. AS SUCH, NO PROVISION FOR INCOME TAXES HAS BEEN MADE IN THE ACCOMPANYING CONSOLIDATED FINANCIAL STATEMENTS FOR THE ALLIANCE AND ITS TAX-EXEMPT SUBSIDIARIES. THE ALLIANCE'S TAXABLE SUBSIDIARIES ARE DISCUSSED IN NOTE L. THE ALLIANCE HAS NO SIGNIFICANT UNCERTAIN TAX POSITIONS AT JUNE 30, 2014 AND 2013. AT JUNE 30, 2014, TAX RETURNS FOR 2010 THROUGH 2013 ARE SUBJECT TO EXAMINATION BY THE INTERNAL REVENUE SERVICE.

19340MSHA

SCHEDULE H (Form 990)

Department of the Treasury Internal Revenue Service

Hospitals

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 20.
▶ Attach to Form 990. ▶ See separate instructions.
▶ Information about Schedule H (Form 990) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2013

Open to Public Inspection

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

Part I Financial Assistance and Certain Other Community Benefits at Cost

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

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

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)			16,107,968		16,107,968	2.39
b Medicaid (from Worksheet 3, column a)			22,007,589	17,414,212	4,593,377	0.68
c Costs of other means-tested government programs (from Worksheet 3, column b)			78,916,606	59,293,227	19,623,379	2.91
d Total Financial Assistance and Means-Tested Government Programs			117,032,163	76,707,439	40,324,724	5.98
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			4,528,009	595,650	3,932,359	0.58
f Health professions education (from Worksheet 5)			11,534,585	3,168,169	8,366,416	1.24
g Subsidized health services (from Worksheet 6)			24,141,775	14,904,595	9,237,180	1.37
h Research (from Worksheet 7)			258,391	31,886	226,505	0.03
i Cash and in-kind contributions for community benefit (from Worksheet 8)			468,791		468,791	0.07
j Total. Other Benefits			40,931,551	18,700,300	22,231,251	3.30
k Total. Add lines 7d and 7j			157,963,714	95,407,739	62,555,975	9.28

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

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1 Physical improvements and housing			8,062		8,062	
2 Economic development						
3 Community support			17,635		17,635	
4 Environmental improvements						
5 Leadership development and training for community members			1,000		1,000	
6 Coalition building			2,420		2,420	
7 Community health improvement advocacy						
8 Workforce development						
9 Other						
10 Total			29,117		29,117	

Part III **Bad Debt, Medicare, & Collection Practices**

Section A. Bad Debt Expense

			Yes	No
1	Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15?	1	X	
2	Enter the amount of the organization's bad debt expense. Explain in Part VI the methodology used by the organization to estimate this amount	2 85,394,567		
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy. Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit	3 65,753,817		
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements.			

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	6 174,151,296		
6	Enter Medicare allowable costs of care relating to payments on line 5	6 175,918,898		
7	Subtract line 6 from line 5. This is the surplus (or shortfall)	7 -1,767,602		
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used:			

☐ Cost accounting system ☒ Cost to charge ratio ☐ Other

Section C. Collection Practices

9a	Did the organization have a written debt collection policy during the tax year?	9a	X	
b	If "Yes," did the organization's collection policy that applied to the largest number of its patients during the tax year contain provisions on the collection practices to be followed for patients who are known to qualify for financial assistance? Describe in Part VI	9b	X	

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

	(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %
1	MED'L SPEC OF JC LLC	MEDICAL SERVICES	51		49
2	EMMAUS COMM HLTHCR	MEDICAL SERVICES	75		25
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					

Part V Facility Information

Section A. Hospital Facilities

(list in order of size, from largest to smallest—see instructions)
How many hospital facilities did the organization operate during the tax year? 7

Name, address, primary website address, and state license number	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (describe)	Facility reporting group
1 JOHNSON CITY MEDICAL CENTER 400 N. STATE OF FRANKLIN ROAD JOHNSON CITY TN 37604	X	X	X	X		X	X		REHABILITATION & MENTAL HEALTH	
2 INDIAN PATH MEDICAL CENTER 2000 BROOKSIDE DRIVE KINGSPORT TN 37660	X	X		X			X			
3 FRANKLIN WOODS COMMUNITY HOSPITAL 300 MED TECH PARKWAY JOHNSON CITY TN 37604	X	X					X			
4 SYCAMORE SHOALS HOSPITAL 1501 W. ELK AVENUE ELIZABETHTON TN 37643	X	X					X			
5 RUSSELL COUNTY MEDICAL CENTER 58 CARROLL STREET LEBANON VA 24266	X	X					X			
6 JOHNSON COUNTY COMMUNITY HOSPITAL 16901 S. SHADY STREET MOUNTAIN CITY TN 37683	X				X		X			
7 UNICOI COUNTY MEMORIAL HOSPITAL 100 GREENWAY CIRCLE ERWIN TN 37650	X	X					X			

Part V Facility Information (continued)

Section B. Facility Policies and Practices

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

Name of hospital facility or facility reporting group JOHNSON CITY MEDICAL CENTER

If reporting on Part V, Section B for a single hospital facility only: line number of hospital facility (from Schedule H, Part V, Section A) 1

		Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)			
1 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9	1	X	
If "Yes," indicate what the CHNA report describes (check all that apply):			
a [X] A definition of the community served by the hospital facility			
b [X] Demographics of the community			
c [X] Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d [X] How data was obtained			
e [X] The health needs of the community			
f [X] Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g [X] The process for identifying and prioritizing community health needs and services to meet the community health needs			
h [X] The process for consulting with persons representing the community's interests			
i [ ] Information gaps that limit the hospital facility's ability to assess the community's health needs			
j [ ] Other (describe in Section C)			
2 Indicate the tax year the hospital facility last conducted a CHNA: 20 12			
3 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3	X	
4 Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C	4	X	
5 Did the hospital facility make its CHNA report widely available to the public?	5	X	
If "Yes," indicate how the CHNA report was made widely available (check all that apply):			
a [X] Hospital facility's website (list url): WWW.MSHA.COM/JCMC			
b [ ] Other website (list url):			
c [X] Available upon request from the hospital facility			
d [ ] Other (describe in Section C)			
6 If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply as of the end of the tax year):			
a [X] Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA			
b [X] Execution of the implementation strategy			
c [X] Participation in the development of a community-wide plan			
d [ ] Participation in the execution of a community-wide plan			
e [X] Inclusion of a community benefit section in operational plans			
f [ ] Adoption of a budget for provision of services that address the needs identified in the CHNA			
g [X] Prioritization of health needs in its community			
h [X] Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i [ ] Other (describe in Section C)			
7 Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Section C which needs it has not addressed and the reasons why it has not addressed such needs	7		X
8a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	8a		X
b If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	8b		
c If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? $			

Part V Facility Information (continued)

Financial Assistance Policy	Yes	No
Did the hospital facility have in place during the tax year a written financial assistance policy that:		
9 Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	X	
10 Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	X	
If "Yes," indicate the FPG family income limit for eligibility for free care: 200 %		
If "No," explain in Section C the criteria the hospital facility used.		
11 Used FPG to determine eligibility for providing discounted care?	X	
If "Yes," indicate the FPG family income limit for eligibility for discounted care: 400 %		
If "No," explain in Section C the criteria the hospital facility used.		
12 Explained the basis for calculating amounts charged to patients?	X	
If "Yes," indicate the factors used in determining such amounts (check all that apply):		
a [X] Income level		
b [X] Asset level		
c [X] Medical indigency		
d [X] Insurance status		
e [X] Uninsured discount		
f [ ] Medicaid/Medicare		
g [X] State regulation		
h [ ] Residency		
i [ ] Other (describe in Section C)		
13 Explained the method for applying for financial assistance?	X	
14 Included measures to publicize the policy within the community served by the hospital facility?	X	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply):		
a [X] The policy was posted on the hospital facility's website		
b [ ] The policy was attached to billing invoices		
c [X] The policy was posted in the hospital facility's emergency rooms or waiting rooms		
d [X] The policy was posted in the hospital facility's admissions offices		
e [X] The policy was provided, in writing, to patients on admission to the hospital facility		
f [X] The policy was available on request		
g [ ] Other (describe in Section C)		

Billing and Collections			
15 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	15	X	
16 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP:			
a [ ] Reporting to credit agency			
b [ ] Lawsuits			
c [ ] Liens on residences			
d [ ] Body attachments			
e [ ] Other similar actions (describe in Section C)			
17 Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP?	17		X
If "Yes," check all actions in which the hospital facility or a third party engaged:			
a [ ] Reporting to credit agency			
b [ ] Lawsuits			
c [ ] Liens on residences			
d [ ] Body attachments			
e [ ] Other similar actions (describe in Section C)			

Part V Facility Information (continued)

18 Indicate which efforts the hospital facility made before initiating any of the actions listed in line 17 (check all that apply):

a ☐ Notified individuals of the financial assistance policy on admission
b ☐ Notified individuals of the financial assistance policy prior to discharge
c ☐ Notified individuals of the financial assistance policy in communications with the individuals regarding the individuals' bills
d ☐ Documented its determination of whether individuals were eligible for financial assistance under the hospital facility's financial assistance policy
e ☐ Other (describe in Section C)

Policy Relating to Emergency Medical Care

		Yes	No
19 Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?	19	X	

If "No," indicate why:

a ☐ The hospital facility did not provide care for any emergency medical conditions
b ☐ The hospital facility's policy was not in writing
c ☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Section C)
d ☐ Other (describe in Section C)

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

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

a ☐ The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged
b ☐ The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged
c ☐ The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged
d ☒ Other (describe in Section C)

21 During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care? If "Yes," explain in Section C.	21		X
22 During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual? If "Yes," explain in Section C.	22		X

Part V Facility Information (continued)

Section B. Facility Policies and Practices

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

Name of hospital facility or facility reporting group INDIAN PATH MEDICAL CENTER

If reporting on Part V, Section B for a single hospital facility only: line number of hospital facility (from Schedule H, Part V, Section A) 2

Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)		Yes	No
1 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9	1	X	
If "Yes," indicate what the CHNA report describes (check all that apply):			
a [X] A definition of the community served by the hospital facility			
b [X] Demographics of the community			
c [X] Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d [X] How data was obtained			
e [X] The health needs of the community			
f [X] Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g [X] The process for identifying and prioritizing community health needs and services to meet the community health needs			
h [X] The process for consulting with persons representing the community's interests			
i [ ] Information gaps that limit the hospital facility's ability to assess the community's health needs			
j [ ] Other (describe in Section C)			
2 Indicate the tax year the hospital facility last conducted a CHNA: 20 12			
3 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3	X	
4 Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C	4	X	
5 Did the hospital facility make its CHNA report widely available to the public?	5	X	
If "Yes," indicate how the CHNA report was made widely available (check all that apply):			
a [X] Hospital facility's website (list url): WWW.MSHA.COM/IPMC			
b [ ] Other website (list url):			
c [X] Available upon request from the hospital facility			
d [ ] Other (describe in Section C)			
6 If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply as of the end of the tax year):			
a [X] Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA			
b [X] Execution of the implementation strategy			
c [X] Participation in the development of a community-wide plan			
d [ ] Participation in the execution of a community-wide plan			
e [X] Inclusion of a community benefit section in operational plans			
f [ ] Adoption of a budget for provision of services that address the needs identified in the CHNA			
g [X] Prioritization of health needs in its community			
h [X] Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i [ ] Other (describe in Section C)			
7 Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Section C which needs it has not addressed and the reasons why it has not addressed such needs	7		X
8a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	8a		X
b If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	8b		
c If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? $			

Part V Facility Information (continued)

Financial Assistance Policy		Yes	No
	Did the hospital facility have in place during the tax year a written financial assistance policy that:		
9	Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	9	X	
10	Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	10	X	
	If "Yes," indicate the FPG family income limit for eligibility for free care: 200 %			
	If "No," explain in Section C the criteria the hospital facility used.			
11	Used FPG to determine eligibility for providing discounted care?	11	X	
	If "Yes," indicate the FPG family income limit for eligibility for discounted care: 400 %			
	If "No," explain in Section C the criteria the hospital facility used.			
12	Explained the basis for calculating amounts charged to patients?	12	X	
	If "Yes," indicate the factors used in determining such amounts (check all that apply):			
a	[X] Income level			
b	[X] Asset level			
c	[X] Medical indigency			
d	[X] Insurance status			
e	[X] Uninsured discount			
f	[ ] Medicaid/Medicare			
g	[X] State regulation			
h	[ ] Residency			
i	[ ] Other (describe in Section C)			
13	Explained the method for applying for financial assistance?	13	X	
14	Included measures to publicize the policy within the community served by the hospital facility?	14	X	
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply):			
a	[X] The policy was posted on the hospital facility's website			
b	[ ] The policy was attached to billing invoices			
c	[X] The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d	[X] The policy was posted in the hospital facility's admissions offices			
e	[X] The policy was provided, in writing, to patients on admission to the hospital facility			
f	[X] The policy was available on request			
g	[ ] Other (describe in Section C)			

Billing and Collections				
15	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	15	X	
16	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP:			
a	[ ] Reporting to credit agency			
b	[ ] Lawsuits			
c	[ ] Liens on residences			
d	[ ] Body attachments			
e	[ ] Other similar actions (describe in Section C)			
17	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP?	17		X
	If "Yes," check all actions in which the hospital facility or a third party engaged:			
a	[ ] Reporting to credit agency			
b	[ ] Lawsuits			
c	[ ] Liens on residences			
d	[ ] Body attachments			
e	[ ] Other similar actions (describe in Section C)			

Part V Facility Information (continued)

18 Indicate which efforts the hospital facility made before initiating any of the actions listed in line 17 (check all that apply):

- [ ] Notified individuals of the financial assistance policy on admission
- b [ ] Notified individuals of the financial assistance policy prior to discharge
- c [ ] Notified individuals of the financial assistance policy in communications with the individuals regarding the individuals' bills
- d [ ] Documented its determination of whether individuals were eligible for financial assistance under the hospital facility's financial assistance policy
- e [ ] Other (describe in Section C)

Policy Relating to Emergency Medical Care

		Yes	No
19 Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?	19	X	

If "No," indicate why:

- a [ ] The hospital facility did not provide care for any emergency medical conditions
- b [ ] The hospital facility's policy was not in writing
- c [ ] The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Section C)
- d [ ] Other (describe in Section C)

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

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

- a [ ] The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged
- b [ ] The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged
- c [ ] The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged
- [X] Other (describe in Section C)

21 During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care? If "Yes," explain in Section C.	21		X
22 During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual? If "Yes," explain in Section C.	22		X

Part V Facility Information (continued)

Section B. Facility Policies and Practices

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

Name of hospital facility or facility reporting group FRANKLIN WOODS COMMUNITY HOSPITAL

If reporting on Part V, Section B for a single hospital facility only: line number of hospital facility (from Schedule H, Part V, Section A) 3

Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)		Yes	No
1 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9	1	X	
If "Yes," indicate what the CHNA report describes (check all that apply):			
a [X] A definition of the community served by the hospital facility			
b [X] Demographics of the community			
c [X] Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d [X] How data was obtained			
e [X] The health needs of the community			
f [X] Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g [X] The process for identifying and prioritizing community health needs and services to meet the community health needs			
h [X] The process for consulting with persons representing the community's interests			
i [ ] Information gaps that limit the hospital facility's ability to assess the community's health needs			
j [ ] Other (describe in Section C)			
2 Indicate the tax year the hospital facility last conducted a CHNA: 20 12			
3 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3	X	
4 Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C	4	X	
5 Did the hospital facility make its CHNA report widely available to the public?	5	X	
If "Yes," indicate how the CHNA report was made widely available (check all that apply):			
a [X] Hospital facility's website (list url): WWW.MSHA.COM/FWCH			
b [ ] Other website (list url):			
c [X] Available upon request from the hospital facility			
d [ ] Other (describe in Section C)			
6 If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply as of the end of the tax year):			
a [X] Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA			
b [X] Execution of the implementation strategy			
c [X] Participation in the development of a community-wide plan			
d [ ] Participation in the execution of a community-wide plan			
e [X] Inclusion of a community benefit section in operational plans			
f [ ] Adoption of a budget for provision of services that address the needs identified in the CHNA			
g [X] Prioritization of health needs in its community			
h [X] Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i [ ] Other (describe in Section C)			
7 Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Section C which needs it has not addressed and the reasons why it has not addressed such needs	7		X
8a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	8a		X
b If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	8b		
c If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? $			

Part V Facility Information (continued)

Financial Assistance Policy		Yes	No
Did the hospital facility have in place during the tax year a written financial assistance policy that:			
9 Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	9	X	
10 Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	10	X	
If "Yes," indicate the FPG family income limit for eligibility for free care: 200 %			
If "No," explain in Section C the criteria the hospital facility used.			
11 Used FPG to determine eligibility for providing discounted care?	11	X	
If "Yes," indicate the FPG family income limit for eligibility for discounted care: 400 %			
If "No," explain in Section C the criteria the hospital facility used.			
12 Explained the basis for calculating amounts charged to patients?	12	X	
If "Yes," indicate the factors used in determining such amounts (check all that apply):			
a [X] Income level			
b [X] Asset level			
c [X] Medical indigency			
d [X] Insurance status			
e [X] Uninsured discount			
f [ ] Medicaid/Medicare			
g [X] State regulation			
h [ ] Residency			
i [ ] Other (describe in Section C)			
13 Explained the method for applying for financial assistance?	13	X	
14 Included measures to publicize the policy within the community served by the hospital facility?	14	X	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply):			
a [X] The policy was posted on the hospital facility's website			
b [ ] The policy was attached to billing invoices			
c [X] The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d [X] The policy was posted in the hospital facility's admissions offices			
e [X] The policy was provided, in writing, to patients on admission to the hospital facility			
f [X] The policy was available on request			
g [ ] Other (describe in Section C)			

Billing and Collections			
15 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	15	X	
16 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP:			
a [ ] Reporting to credit agency			
b [ ] Lawsuits			
c [ ] Liens on residences			
d [ ] Body attachments			
e [ ] Other similar actions (describe in Section C)			
17 Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP?	17		X
If "Yes," check all actions in which the hospital facility or a third party engaged:			
a [ ] Reporting to credit agency			
b [ ] Lawsuits			
c [ ] Liens on residences			
d [ ] Body attachments			
e [ ] Other similar actions (describe in Section C)			

Part V Facility Information (continued)

18 Indicate which efforts the hospital facility made before initiating any of the actions listed in line 17 (check all that apply):

a ☐ Notified individuals of the financial assistance policy on admission
b ☐ Notified individuals of the financial assistance policy prior to discharge
c ☐ Notified individuals of the financial assistance policy in communications with the individuals regarding the individuals' bills
d ☐ Documented its determination of whether individuals were eligible for financial assistance under the hospital facility's financial assistance policy
e ☐ Other (describe in Section C)

Policy Relating to Emergency Medical Care

		Yes	No
19 Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?	19	X	

If "No," indicate why:

a ☐ The hospital facility did not provide care for any emergency medical conditions
b ☐ The hospital facility's policy was not in writing
c ☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Section C)
d ☐ Other (describe in Section C)

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

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

a ☐ The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged
b ☐ The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged
c ☐ The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged
d ☒ Other (describe in Section C)

21 During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care?	21		X
If "Yes," explain in Section C.			
22 During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual?	22		X
If "Yes," explain in Section C.			

Part V Facility Information (continued)

Section B. Facility Policies and Practices

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

Name of hospital facility or facility reporting group SYCAMORE SHOALS HOSPITAL

If reporting on Part V, Section B for a single hospital facility only: line number of hospital facility (from Schedule H, Part V, Section A) 4

		Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)			
1	During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9	X	
	If "Yes," indicate what the CHNA report describes (check all that apply):		
a	[X] A definition of the community served by the hospital facility		
b	[X] Demographics of the community		
c	[X] Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d	[X] How data was obtained		
e	[X] The health needs of the community		
f	[X] Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g	[X] The process for identifying and prioritizing community health needs and services to meet the community health needs		
h	[X] The process for consulting with persons representing the community's interests		
i	[ ] Information gaps that limit the hospital facility's ability to assess the community's health needs		
j	[ ] Other (describe in Section C)		
2	Indicate the tax year the hospital facility last conducted a CHNA: 20 12		
3	In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	X	
4	Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C	X	
5	Did the hospital facility make its CHNA report widely available to the public?	X	
	If "Yes," indicate how the CHNA report was made widely available (check all that apply):		
a	[X] Hospital facility's website (list url): WWW.MSHA.COM/SSH		
b	[ ] Other website (list url):		
c	[X] Available upon request from the hospital facility		
d	[ ] Other (describe in Section C)		
6	If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply as of the end of the tax year):		
a	[X] Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA		
b	[X] Execution of the implementation strategy		
c	[X] Participation in the development of a community-wide plan		
d	[ ] Participation in the execution of a community-wide plan		
e	[X] Inclusion of a community benefit section in operational plans		
f	[ ] Adoption of a budget for provision of services that address the needs identified in the CHNA		
g	[X] Prioritization of health needs in its community		
h	[X] Prioritization of services that the hospital facility will undertake to meet health needs in its community		
i	[ ] Other (describe in Section C)		
7	Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Section C which needs it has not addressed and the reasons why it has not addressed such needs		X
8a	Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?		X
b	If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?		
c	If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? $		

Part V Facility Information (continued)

Financial Assistance Policy		Yes	No
Did the hospital facility have in place during the tax year a written financial assistance policy that:			
9 Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	9	X	
10 Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	10	X	
If "Yes," indicate the FPG family income limit for eligibility for free care: 200 %			
If "No," explain in Section C the criteria the hospital facility used.			
11 Used FPG to determine eligibility for providing discounted care?	11	X	
If "Yes," indicate the FPG family income limit for eligibility for discounted care: 400 %			
If "No," explain in Section C the criteria the hospital facility used.			
12 Explained the basis for calculating amounts charged to patients?	12	X	
If "Yes," indicate the factors used in determining such amounts (check all that apply):			
a [X] Income level			
b [X] Asset level			
c [X] Medical indigency			
d [X] Insurance status			
e [X] Uninsured discount			
f [ ] Medicaid/Medicare			
g [X] State regulation			
h [ ] Residency			
i [ ] Other (describe in Section C)			
13 Explained the method for applying for financial assistance?	13	X	
14 Included measures to publicize the policy within the community served by the hospital facility?	14	X	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply):			
a [X] The policy was posted on the hospital facility's website			
b [ ] The policy was attached to billing invoices			
c [X] The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d [X] The policy was posted in the hospital facility's admissions offices			
e [X] The policy was provided, in writing, to patients on admission to the hospital facility			
f [X] The policy was available on request			
g [ ] Other (describe in Section C)			

Billing and Collections			
15 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	15	X	
16 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP:			
a [ ] Reporting to credit agency			
b [ ] Lawsuits			
c [ ] Liens on residences			
d [ ] Body attachments			
e [ ] Other similar actions (describe in Section C)			
17 Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP?	17		X
If "Yes," check all actions in which the hospital facility or a third party engaged:			
a [ ] Reporting to credit agency			
b [ ] Lawsuits			
c [ ] Liens on residences			
d [ ] Body attachments			
e [ ] Other similar actions (describe in Section C)			

Part V Facility Information (continued)

18 Indicate which efforts the hospital facility made before initiating any of the actions listed in line 17 (check all that apply):

a ☐ Notified individuals of the financial assistance policy on admission
b ☐ Notified individuals of the financial assistance policy prior to discharge
c ☐ Notified individuals of the financial assistance policy in communications with the individuals regarding the individuals' bills
d ☐ Documented its determination of whether individuals were eligible for financial assistance under the hospital facility's financial assistance policy
e ☐ Other (describe in Section C)

Policy Relating to Emergency Medical Care

		Yes	No
19 Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?	19	X	

If "No," indicate why:

a ☐ The hospital facility did not provide care for any emergency medical conditions
b ☐ The hospital facility's policy was not in writing
c ☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Section C)
d ☐ Other (describe in Section C)

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

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

a ☐ The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged
b ☐ The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged
c ☐ The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged
f ☒ Other (describe in Section C)

21 During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care?	21		X
22 During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual?	22		X

If "Yes," explain in Section C.

Part V Facility Information (continued)

Section B. Facility Policies and Practices

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

Name of hospital facility or facility reporting group RUSSELL COUNTY MEDICAL CENTER

If reporting on Part V, Section B for a single hospital facility only: line number of hospital facility (from Schedule H, Part V, Section A) 5

		Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)			
1	During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9	X	
	If "Yes," indicate what the CHNA report describes (check all that apply):		
a	[X] A definition of the community served by the hospital facility		
b	[X] Demographics of the community		
c	[X] Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d	[X] How data was obtained		
e	[X] The health needs of the community		
f	[X] Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g	[X] The process for identifying and prioritizing community health needs and services to meet the community health needs		
h	[X] The process for consulting with persons representing the community's interests		
i	[ ] Information gaps that limit the hospital facility's ability to assess the community's health needs		
j	[ ] Other (describe in Section C)		
2	Indicate the tax year the hospital facility last conducted a CHNA: 20 12		
3	In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	X	
4	Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C	X	
5	Did the hospital facility make its CHNA report widely available to the public?	X	
	If "Yes," indicate how the CHNA report was made widely available (check all that apply):		
a	[X] Hospital facility's website (list url): WWW.MSHA.COM/RCMC		
b	[ ] Other website (list url):		
c	[X] Available upon request from the hospital facility		
d	[ ] Other (describe in Section C)		
6	If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply as of the end of the tax year):		
a	[X] Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA		
b	[X] Execution of the implementation strategy		
c	[X] Participation in the development of a community-wide plan		
d	[ ] Participation in the execution of a community-wide plan		
e	[X] Inclusion of a community benefit section in operational plans		
f	[ ] Adoption of a budget for provision of services that address the needs identified in the CHNA		
g	[X] Prioritization of health needs in its community		
h	[X] Prioritization of services that the hospital facility will undertake to meet health needs in its community		
i	[ ] Other (describe in Section C)		
7	Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Section C which needs it has not addressed and the reasons why it has not addressed such needs		X
8a	Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?		X
b	If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?		
c	If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? $		

Part V Facility Information (continued)

Financial Assistance Policy		Yes	No
	Did the hospital facility have in place during the tax year a written financial assistance policy that:		
9	Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	9	X	
10	Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	10	X	
	If "Yes," indicate the FPG family income limit for eligibility for free care: 200 %			
	If "No," explain in Section C the criteria the hospital facility used.			
11	Used FPG to determine eligibility for providing discounted care?	11	X	
	If "Yes," indicate the FPG family income limit for eligibility for discounted care: 400 %			
	If "No," explain in Section C the criteria the hospital facility used.			
12	Explained the basis for calculating amounts charged to patients?	12	X	
	If "Yes," indicate the factors used in determining such amounts (check all that apply):			
a	[X] Income level			
b	[X] Asset level			
c	[X] Medical indigency			
d	[X] Insurance status			
e	[X] Uninsured discount			
f	[ ] Medicaid/Medicare			
g	[X] State regulation			
h	[ ] Residency			
i	[ ] Other (describe in Section C)			
13	Explained the method for applying for financial assistance?	13	X	
14	Included measures to publicize the policy within the community served by the hospital facility?	14	X	
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply):			
a	[X] The policy was posted on the hospital facility's website			
b	[ ] The policy was attached to billing invoices			
c	[X] The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d	[X] The policy was posted in the hospital facility's admissions offices			
e	[X] The policy was provided, in writing, to patients on admission to the hospital facility			
f	[X] The policy was available on request			
g	[ ] Other (describe in Section C)			

Billing and Collections				
15	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	15	X	
16	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP:			
a	[ ] Reporting to credit agency			
b	[ ] Lawsuits			
c	[ ] Liens on residences			
d	[ ] Body attachments			
e	[ ] Other similar actions (describe in Section C)			
17	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP?	17		X
	If "Yes," check all actions in which the hospital facility or a third party engaged:			
a	[ ] Reporting to credit agency			
b	[ ] Lawsuits			
c	[ ] Liens on residences			
d	[ ] Body attachments			
e	[ ] Other similar actions (describe in Section C)			

Part V Facility Information (continued)

18 Indicate which efforts the hospital facility made before initiating any of the actions listed in line 17 (check all that apply):

a ☐ Notified individuals of the financial assistance policy on admission
b ☐ Notified individuals of the financial assistance policy prior to discharge
c ☐ Notified individuals of the financial assistance policy in communications with the individuals regarding the individuals' bills
d ☐ Documented its determination of whether individuals were eligible for financial assistance under the hospital facility's financial assistance policy
e ☐ Other (describe in Section C)

Policy Relating to Emergency Medical Care

		Yes	No
19 Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?	19	X	

If "No," indicate why:

a ☐ The hospital facility did not provide care for any emergency medical conditions
b ☐ The hospital facility's policy was not in writing
c ☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Section C)
d ☐ Other (describe in Section C)

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

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

a ☐ The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged
b ☐ The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged
c ☐ The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged
d ☒ Other (describe in Section C)

21 During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care?	21		X
22 During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual?	22		X

If "Yes," explain in Section C.

Part V Facility Information (continued)

Section B. Facility Policies and Practices

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

Name of hospital facility or facility reporting group JOHNSON COUNTY COMMUNITY HOSPITAL

If reporting on Part V, Section B for a single hospital facility only: line number of hospital facility (from Schedule H, Part V, Section A) 6

		Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)			
1 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9	1	X	
If "Yes," indicate what the CHNA report describes (check all that apply):			
a [X] A definition of the community served by the hospital facility			
b [X] Demographics of the community			
c [X] Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d [X] How data was obtained			
e [X] The health needs of the community			
f [X] Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g [X] The process for identifying and prioritizing community health needs and services to meet the community health needs			
h [X] The process for consulting with persons representing the community's interests			
i [ ] Information gaps that limit the hospital facility's ability to assess the community's health needs			
j [ ] Other (describe in Section C)			
2 Indicate the tax year the hospital facility last conducted a CHNA: 20 12			
3 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3	X	
4 Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C	4	X	
5 Did the hospital facility make its CHNA report widely available to the public?	5	X	
If "Yes," indicate how the CHNA report was made widely available (check all that apply):			
a [X] Hospital facility's website (list url): WWW.MSHA.COM/JCCH			
b [ ] Other website (list url):			
c [X] Available upon request from the hospital facility			
d [ ] Other (describe in Section C)			
6 If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply as of the end of the tax year):			
a [X] Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA			
b [X] Execution of the implementation strategy			
c [X] Participation in the development of a community-wide plan			
d [ ] Participation in the execution of a community-wide plan			
e [X] Inclusion of a community benefit section in operational plans			
f [ ] Adoption of a budget for provision of services that address the needs identified in the CHNA			
g [X] Prioritization of health needs in its community			
h [X] Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i [ ] Other (describe in Section C)			
7 Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Section C which needs it has not addressed and the reasons why it has not addressed such needs	7		X
8a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	8a		X
b If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	8b		
c If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? $			

Part V Facility Information (continued)

Financial Assistance Policy		Yes	No
	Did the hospital facility have in place during the tax year a written financial assistance policy that:		
9	Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	9	X	
10	Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	10	X	
	If "Yes," indicate the FPG family income limit for eligibility for free care: 200 %			
	If "No," explain in Section C the criteria the hospital facility used.			
11	Used FPG to determine eligibility for providing discounted care?	11	X	
	If "Yes," indicate the FPG family income limit for eligibility for discounted care: 400 %			
	If "No," explain in Section C the criteria the hospital facility used.			
12	Explained the basis for calculating amounts charged to patients?	12	X	
	If "Yes," indicate the factors used in determining such amounts (check all that apply):			
a	[X] Income level			
b	[X] Asset level			
c	[X] Medical indigency			
d	[X] Insurance status			
e	[X] Uninsured discount			
f	[ ] Medicaid/Medicare			
g	[X] State regulation			
h	[ ] Residency			
i	[ ] Other (describe in Section C)			
13	Explained the method for applying for financial assistance?	13	X	
14	Included measures to publicize the policy within the community served by the hospital facility?	14	X	
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply):			
a	[X] The policy was posted on the hospital facility's website			
b	[ ] The policy was attached to billing invoices			
c	[X] The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d	[X] The policy was posted in the hospital facility's admissions offices			
e	[X] The policy was provided, in writing, to patients on admission to the hospital facility			
f	[X] The policy was available on request			
g	[ ] Other (describe in Section C)			

Billing and Collections				
15	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	15	X	
16	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP:			
a	[ ] Reporting to credit agency			
b	[ ] Lawsuits			
c	[ ] Liens on residences			
d	[ ] Body attachments			
e	[ ] Other similar actions (describe in Section C)			
17	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP?	17		X
	If "Yes," check all actions in which the hospital facility or a third party engaged:			
a	[ ] Reporting to credit agency			
b	[ ] Lawsuits			
c	[ ] Liens on residences			
d	[ ] Body attachments			
e	[ ] Other similar actions (describe in Section C)			

Part V Facility Information (continued)

18 Indicate which efforts the hospital facility made before initiating any of the actions listed in line 17 (check all that apply):

- a ☐ Notified individuals of the financial assistance policy on admission
- b ☐ Notified individuals of the financial assistance policy prior to discharge
- c ☐ Notified individuals of the financial assistance policy in communications with the individuals regarding the individuals' bills
- d ☐ Documented its determination of whether individuals were eligible for financial assistance under the hospital facility's financial assistance policy
- e ☐ Other (describe in Section C)

Policy Relating to Emergency Medical Care

		Yes	No
19	Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?	X	

If "No," indicate why:

- a ☐ The hospital facility did not provide care for any emergency medical conditions
- b ☐ The hospital facility's policy was not in writing
- c ☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Section C)
- d ☐ Other (describe in Section C)

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

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

- a ☐ The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged
- b ☐ The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged
- c ☐ The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged
- d ☒ Other (describe in Section C)

		Yes	No
21	During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care? If "Yes," explain in Section C.		X
22	During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual? If "Yes," explain in Section C.		X

Part V Facility Information (continued)

Section B. Facility Policies and Practices

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

Name of hospital facility or facility reporting group UNICOI COUNTY MEMORIAL HOSPITAL

If reporting on Part V, Section B for a single hospital facility only: line number of hospital facility (from Schedule H, Part V, Section A) 7

		Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)			
1	During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9	X	
	If "Yes," indicate what the CHNA report describes (check all that apply):		
a	[X] A definition of the community served by the hospital facility		
b	[X] Demographics of the community		
c	[X] Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d	[X] How data was obtained		
e	[X] The health needs of the community		
f	[X] Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g	[X] The process for identifying and prioritizing community health needs and services to meet the community health needs		
h	[X] The process for consulting with persons representing the community's interests		
i	[ ] Information gaps that limit the hospital facility's ability to assess the community's health needs		
j	[ ] Other (describe in Section C)		
2	Indicate the tax year the hospital facility last conducted a CHNA: 20 13		
3	In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	X	
4	Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C	X	
5	Did the hospital facility make its CHNA report widely available to the public?	X	
	If "Yes," indicate how the CHNA report was made widely available (check all that apply):		
a	[X] Hospital facility's website (list url): WWW.MSHA.COM/UCMH		
b	[ ] Other website (list url):		
c	[ ] Available upon request from the hospital facility		
d	[ ] Other (describe in Section C)		
6	If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply as of the end of the tax year):		
a	[X] Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA		
b	[ ] Execution of the implementation strategy		
c	[ ] Participation in the development of a community-wide plan		
d	[ ] Participation in the execution of a community-wide plan		
e	[ ] Inclusion of a community benefit section in operational plans		
f	[ ] Adoption of a budget for provision of services that address the needs identified in the CHNA		
g	[X] Prioritization of health needs in its community		
h	[ ] Prioritization of services that the hospital facility will undertake to meet health needs in its community		
i	[ ] Other (describe in Section C)		
7	Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Section C which needs it has not addressed and the reasons why it has not addressed such needs	X	
8a	Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?		X
b	If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?		
c	If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? $		

Part V Facility Information (continued)

Financial Assistance Policy		Yes	No
Did the hospital facility have in place during the tax year a written financial assistance policy that:			
9 Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	9	X	
10 Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	10	X	
If "Yes," indicate the FPG family income limit for eligibility for free care: 200 %			
If "No," explain in Section C the criteria the hospital facility used.			
11 Used FPG to determine eligibility for providing discounted care?	11	X	
If "Yes," indicate the FPG family income limit for eligibility for discounted care: 400 %			
If "No," explain in Section C the criteria the hospital facility used.			
12 Explained the basis for calculating amounts charged to patients?	12	X	
If "Yes," indicate the factors used in determining such amounts (check all that apply):			
a [X] Income level			
b [X] Asset level			
c [X] Medical indigency			
d [X] Insurance status			
e [X] Uninsured discount			
f [ ] Medicaid/Medicare			
g [X] State regulation			
h [ ] Residency			
i [ ] Other (describe in Section C)			
13 Explained the method for applying for financial assistance?	13	X	
14 Included measures to publicize the policy within the community served by the hospital facility?	14	X	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply):			
a [X] The policy was posted on the hospital facility's website			
b [ ] The policy was attached to billing invoices			
c [X] The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d [X] The policy was posted in the hospital facility's admissions offices			
e [X] The policy was provided, in writing, to patients on admission to the hospital facility			
f [X] The policy was available on request			
g [ ] Other (describe in Section C)			

Billing and Collections			
15 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	15	X	
16 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP:			
a [ ] Reporting to credit agency			
b [ ] Lawsuits			
c [ ] Liens on residences			
d [ ] Body attachments			
e [ ] Other similar actions (describe in Section C)			
17 Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP?	17		X
If "Yes," check all actions in which the hospital facility or a third party engaged:			
a [ ] Reporting to credit agency			
b [ ] Lawsuits			
c [ ] Liens on residences			
d [ ] Body attachments			
e [ ] Other similar actions (describe in Section C)			

Part V Facility Information (continued)

18 Indicate which efforts the hospital facility made before initiating any of the actions listed in line 17 (check all that apply):

- a ☐ Notified individuals of the financial assistance policy on admission
- b ☐ Notified individuals of the financial assistance policy prior to discharge
- c ☐ Notified individuals of the financial assistance policy in communications with the individuals regarding the individuals' bills
- d ☐ Documented its determination of whether individuals were eligible for financial assistance under the hospital facility's financial assistance policy
- e ☐ Other (describe in Section C)

Policy Relating to Emergency Medical Care

		Yes	No
19	Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?	X	

If "No," indicate why:

- a ☐ The hospital facility did not provide care for any emergency medical conditions
- b ☐ The hospital facility's policy was not in writing
- c ☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Section C)
- d ☐ Other (describe in Section C)

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

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

- a ☐ The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged
- b ☐ The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged
- c ☐ The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged
- d ☒ Other (describe in Section C)

21	During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care? If "Yes," explain in Section C.		X
22	During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual? If "Yes," explain in Section C.		X

Part V Facility Information (continued)

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

FACILITY 1, JOHNSON CITY MEDICAL CENTER - PART V, LINE 3

MSHA MET WITH TEN FOCUS GROUPS EACH REPRESENTING ONE OF THE TEN HOSPITAL FACILITIES (INCLUDING ALL OF THE HOSPITALS INCLUDED IN THIS 990, WITH THE EXCEPTION OF UNICOI COUNTY MEMORIAL HOSPITAL, WHICH JOINED MSHA DURING THIS FISCAL YEAR) LOCATED WITHIN THE CORE COUNTIES OF MSHA FACILITIES (16 COUNTIES). EACH GROUP CONSISTED OF PUBLIC HEALTH LEADERS, NURSES, NON-PROFIT DIRECTORS, COMMUNITY DEVELOPERS, FAITH BASED LEADERS, PUBLIC OFFICIALS AND SCHOOL REPRESENTATIVES. EACH GROUP RANGED IN ATTENDANCE FROM 6 TO 21 INDIVIDUALS. PARTICIPANTS WERE GIVEN SURVEYS TO DETERMINE A COUNTY'S HEALTH STATUS RATING, AVAILABLE RESOURCES, TOP HEALTH PRIORITIES, AND SUGGESTIONS FOR IMPROVEMENT. OPEN DISCUSSION FOLLOWED. THE COLLECTED INFORMATION WAS THEN PAIRED WITH STATISTICAL DATA IN ORDER TO PRIORITIZE HEALTH NEEDS. THE SPECIFIC NEEDS FOR EACH COUNTY WERE INCLUDED IN THE APPROPRIATE FACILITY'S IMPLEMENTATION PLAN.

FACILITY 1, JOHNSON CITY MEDICAL CENTER - PART V, LINE 4

EACH HOSPITAL WITHIN THE MSHA SYSTEM COMPLETED A CHNA. FOR THOSE HOSPITALS THAT ARE LOCATED IN THE SAME COUNTY, ONLY ONE COMMUNITY GROUP WAS SURVEYED. FOR INSTANCE, JOHNSON CITY MEDICAL CENTER AND FRANKLIN WOODS COMMUNITY HOSPITAL ARE BOTH LOCATED IN WASHINGTON COUNTY, TENNESSEE. JCMC'S CHNA WAS CONDUCTED WITH ALL MSHA HOSPITALS TO INCLUDE: FRANKLIN WOODS COMMUNITY HOSPITAL, INDIAN PATH MEDICAL CENTER, SYCAMORE SHOALS HOSPITAL, JOHNSON COUNTY COMMUNITY HOSPITAL, RUSSELL COUNTY MEDICAL CENTER, JOHNSTON MEMORIAL HOSPITAL, SMYTH COUNTY COMMUNITY HOSPITAL, NORTON COMMUNITY HOSPITAL AND DICKENSON COMMUNITY HOSPITAL.

FACILITY 1, JOHNSON CITY MEDICAL CENTER - PART V, LINE 7

Part V Facility Information (continued)

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

MSHA PUBLISHED ITS COMMUNITY HEALTH NEEDS ASSESSMENT ON JUNE 29, 2012. THE DATA INCLUDED WAS COLLECTED OVER THE COURSE OF 2011 AND 2012. AN IMPLEMENTATION PLAN WAS CREATED FOR EACH HOSPITAL, AND EACH HOSPITAL'S BOARD APPROVED THE IMPLEMENTATION PLAN DURING THE MONTHS OF MAY AND JUNE 2012. MSHA ANNUALLY TRACKS PROGRESS OF IMPLEMENTATION STRATEGIES FOR EACH HOSPITAL. DUE TO LACK OF RESOURCES, JCMC WAS UNABLE TO ADDRESS ISSUES RELATED TO END-OF-LIFE CARE THAT WERE IDENTIFIED IN THE COMMUNITY HEALTH NEEDS ASSESSMENT.

FACILITY 1, JOHNSON CITY MEDICAL CENTER - PART V, LINE 20D

UNINSURED PATIENTS RECEIVE A 63% DISCOUNT; AND, BASED ON OTHER FACTORS SUCH AS INCOME OR MEDICAL INDIGENCY, MAY QUALIFY FOR AN ADDITIONAL DISCOUNT. ,LLOWABLE AMOUNTS FOR INSURED PATIENTS ARE BASED ON THE NEGOTIATED RATE WITH COMMERCIAL INSURANCE OR MEDICARE.

FACILITY 2, INDIAN PATH MEDICAL CENTER - PART V, LINE 3

MSHA MET WITH TEN FOCUS GROUPS EACH REPRESENTING ONE OF THE TEN HOSPITAL FACILITIES (INCLUDING ALL OF THE HOSPITALS INCLUDED IN THIS 990, WITH THE EXCEPTION OF UNICOI COUNTY MEMORIAL HOSPITAL, WHICH JOINED MSHA DURING THIS FISCAL YEAR) LOCATED WITHIN THE CORE COUNTIES OF MSHA FACILITIES (16 COUNTIES). EACH GROUP CONSISTED OF PUBLIC HEALTH LEADERS, NURSES, NON-PROFIT DIRECTORS, COMMUNITY DEVELOPERS, FAITH BASED LEADERS, PUBLIC OFFICIALS AND SCHOOL REPRESENTATIVES. EACH GROUP RANGED IN ATTENDANCE FROM 6 TO 21 INDIVIDUALS. PARTICIPANTS WERE GIVEN SURVEYS TO DETERMINE A COUNTY'S HEALTH STATUS RATING, AVAILABLE RESOURCES, TOP HEALTH RIORITIES, AND SUGGESTIONS FOR IMPROVEMENT. OPEN DISCUSSION FOLLOWED. THE COLLECTED INFORMATION WAS THEN PAIRED WITH STATISTICAL DATA IN ORDER TO

Part V Facility Information (continued)

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

PRIORITIZE HEALTH NEEDS. THE SPECIFIC NEEDS FOR EACH COUNTY WERE INCLUDED IN THE APPROPRIATE FACILITY'S IMPLEMENTATION PLAN.

FACILITY 2, INDIAN PATH MEDICAL CENTER - PART V, LINE 4

EACH HOSPITAL WITHIN THE MSHA SYSTEM COMPLETED A CHNA. FOR THOSE HOSPITALS THAT ARE LOCATED IN THE SAME COUNTY, ONLY ONE COMMUNITY GROUP WAS SURVEYED. FOR INSTANCE, JOHNSON CITY MEDICAL CENTER AND FRANKLIN WOODS COMMUNITY HOSPITAL ARE BOTH LOCATED IN WASHINGTON COUNTY, TENNESSEE. IPMC'S CHNA WAS CONDUCTED WITH ALL MSHA HOSPITALS TO INCLUDE: FRANKLIN WOODS COMMUNITY HOSPITAL, JCMC, SYCAMORE SHOALS HOSPITAL, JOHNSON COUNTY COMMUNITY HOSPITAL, RUSSELL COUNTY MEDICAL CENTER, JOHNSTON MEMORIAL HOSPITAL, SMYTH COUNTY COMMUNITY HOSPITAL, NORTON COMMUNITY HOSPITAL AND DICKENSON COMMUNITY HOSPITAL.

FACILITY 2, INDIAN PATH MEDICAL CENTER - PART V, LINE 7

MSHA PUBLISHED ITS COMMUNITY HEALTH NEEDS ASSESSMENT ON JUNE 29, 2012. THE DATA INCLUDED WAS COLLECTED OVER THE COURSE OF 2011 AND 2012. AN IMPLEMENTATION PLAN WAS CREATED FOR EACH HOSPITAL, AND EACH HOSPITAL'S BOARD APPROVED THE IMPLEMENTATION PLAN DURING THE MONTHS OF MAY AND JUNE 2012. MSHA ANNUALLY TRACKS PROGRESS OF IMPLEMENTATION STRATEGIES FOR EACH HOSPITAL. DUE TO LACK OF RESOURCES, IPMC WAS UNABLE TO ADDRESS ISSUES RELATED TO SUBSTANCE ABUSE/PRESCRIPTION DRUG ABUSE AND BEHAVIORAL HEALTH THAT WERE IDENTIFIED IN THE COMMUNITY HEALTH NEEDS ASSESSMENT.

FACILITY 2, INDIAN PATH MEDICAL CENTER - PART V, LINE 20D

UNINSURED PATIENTS RECEIVE A 63% DISCOUNT; AND, BASED ON OTHER FACTORS SUCH AS INCOME OR MEDICAL INDIGENCY, MAY QUALIFY FOR AN ADDITIONAL DISCOUNT.

Part V Facility Information (continued)

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

ALLOWABLE AMOUNTS FOR INSURED PATIENTS ARE BASED ON THE NEGOTIATED RATE WITH COMMERCIAL INSURANCE OR MEDICARE.

FACILITY 3, FRANKLIN WOODS COMMUNITY HOSPITAL - PART V, LINE 3

MSHA MET WITH TEN FOCUS GROUPS EACH REPRESENTING ONE OF THE TEN HOSPITAL FACILITIES (INCLUDING ALL OF THE HOSPITALS INCLUDED IN THIS 990, WITH THE EXCEPTION OF UNICOI COUNTY MEMORIAL HOSPITAL, WHICH JOINED MSHA DURING THIS FISCAL YEAR) LOCATED WITHIN THE CORE COUNTIES OF MSHA FACILITIES (16 COUNTIES). EACH GROUP CONSISTED OF PUBLIC HEALTH LEADERS, NURSES, NON-PROFIT DIRECTORS, COMMUNITY DEVELOPERS, FAITH BASED LEADERS, PUBLIC OFFICIALS AND SCHOOL REPRESENTATIVES. EACH GROUP RANGED IN ATTENDANCE FROM 6 TO 21 INDIVIDUALS. PARTICIPANTS WERE GIVEN SURVEYS TO DETERMINE A COUNTY'S HEALTH STATUS RATING, AVAILABLE RESOURCES, TOP HEALTH PRIORITIES, AND SUGGESTIONS FOR IMPROVEMENT. OPEN DISCUSSION FOLLOWED. THE COLLECTED INFORMATION WAS THEN PAIRED WITH STATISTICAL DATA IN ORDER TO PRIORITIZE HEALTH NEEDS. THE SPECIFIC NEEDS FOR EACH COUNTY WERE INCLUDED IN THE APPROPRIATE FACILITY'S IMPLEMENTATION PLAN. DUE TO LACK OF RESOURCES, FWCH WAS UNABLE TO ADDRESS ISSUES RELATED TO SUBSTANCE ABUSE/PRESCRIPTION DRUG ABUSE AND END-OF-LIFE CARE THAT WERE IDENTIFIED IN THE COMMUNITY HEALTH NEEDS ASSESSMENT.

FACILITY 3, FRANKLIN WOODS COMMUNITY HOSPITAL - PART V, LINE 4

EACH HOSPITAL WITHIN THE MSHA SYSTEM COMPLETED A CHNA. FOR THOSE HOSPITALS THAT ARE LOCATED IN THE SAME COUNTY, ONLY ONE COMMUNITY GROUP WAS SURVEYED. FOR INSTANCE, JOHNSON CITY MEDICAL CENTER AND FRANKLIN WOODS COMMUNITY HOSPITAL ARE BOTH LOCATED IN WASHINGTON COUNTY, TENNESSEE. FWCH'S CHNA WAS CONDUCTED WITH ALL MSHA HOSPITALS TO INCLUDE: JCMC, INDIAN PATH MEDICAL

Part V Facility Information (continued)

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

CENTER, SYCAMORE SHOALS HOSPITAL, JOHNSON COUNTY COMMUNITY HOSPITAL, RUSSELL COUNTY MEDICAL CENTER, JOHNSTON MEMORIAL HOSPITAL, SMYTH COUNTY COMMUNITY HOSPITAL, NORTON COMMUNITY HOSPITAL AND DICKENSON COMMUNITY HOSPITAL.

FACILITY 3, FRANKLIN WOODS COMMUNITY HOSPITAL - PART V, LINE 7

MSHA PUBLISHED ITS COMMUNITY HEALTH NEEDS ASSESSMENT ON JUNE 29, 2012. THE DATA INCLUDED WAS COLLECTED OVER THE COURSE OF 2011 AND 2012. AN IMPLEMENTATION PLAN WAS CREATED FOR EACH HOSPITAL, AND EACH HOSPITAL'S BOARD APPROVED THE IMPLEMENTATION PLAN DURING THE MONTHS OF MAY AND JUNE 2012. MSHA ANNUALLY TRACKS PROGRESS OF IMPLEMENTATION STRATEGIES FOR EACH HOSPITAL.

FACILITY 3, FRANKLIN WOODS COMMUNITY HOSPITAL - PART V, LINE 20D

UNINSURED PATIENTS RECEIVE A 63% DISCOUNT; AND, BASED ON OTHER FACTORS SUCH AS INCOME OR MEDICAL INDIGENCY, MAY QUALIFY FOR AN ADDITIONAL DISCOUNT. ALLOWABLE AMOUNTS FOR INSURED PATIENTS ARE BASED ON THE NEGOTIATED RATE WITH COMMERCIAL INSURANCE OR MEDICARE.

FACILITY 4, SYCAMORE SHOALS HOSPITAL - PART V, LINE 3

MSHA MET WITH TEN FOCUS GROUPS EACH REPRESENTING ONE OF THE TEN HOSPITAL FACILITIES (INCLUDING ALL OF THE HOSPITALS INCLUDED IN THIS 990, WITH THE EXCEPTION OF UNICOI COUNTY MEMORIAL HOSPITAL, WHICH JOINED MSHA DURING THIS FISCAL YEAR) LOCATED WITHIN THE CORE COUNTIES OF MSHA FACILITIES (16 COUNTIES). EACH GROUP CONSISTED OF PUBLIC HEALTH LEADERS, NURSES, NON-PROFIT DIRECTORS, COMMUNITY DEVELOPERS, FAITH BASED LEADERS, PUBLIC OFFICIALS AND SCHOOL REPRESENTATIVES. EACH GROUP RANGED IN ATTENDANCE FROM

Part V Facility Information (continued)

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

6 TO 21 INDIVIDUALS. PARTICIPANTS WERE GIVEN SURVEYS TO DETERMINE A COUNTY'S HEALTH STATUS RATING, AVAILABLE RESOURCES, TOP HEALTH PRIORITIES, AND SUGGESTIONS FOR IMPROVEMENT. OPEN DISCUSSION FOLLOWED. THE COLLECTED INFORMATION WAS THEN PAIRED WITH STATISTICAL DATA IN ORDER TO PRIORITIZE HEALTH NEEDS. THE SPECIFIC NEEDS FOR EACH COUNTY WERE INCLUDED IN THE APPROPRIATE FACILITY'S IMPLEMENTATION PLAN.

FACILITY 4, SYCAMORE SHOALS HOSPITAL - PART V, LINE 4

EACH HOSPITAL WITHIN THE MSHA SYSTEM COMPLETED A CHNA. FOR THOSE HOSPITALS THAT ARE LOCATED IN THE SAME COUNTY, ONLY ONE COMMUNITY GROUP WAS SURVEYED. FOR INSTANCE, JOHNSON CITY MEDICAL CENTER AND FRANKLIN WOODS COMMUNITY HOSPITAL ARE BOTH LOCATED IN WASHINGTON COUNTY, TENNESSEE. SSH'S CHNA WAS CONDUCTED WITH ALL MSHA HOSPITALS TO INCLUDE: FRANKLIN WOODS COMMUNITY HOSPITAL, INDIAN PATH MEDICAL CENTER, JCMC, JOHNSON COUNTY COMMUNITY HOSPITAL, RUSSELL COUNTY MEDICAL CENTER, JOHNSTON MEMORIAL HOSPITAL, SMYTH COUNTY COMMUNITY HOSPITAL, NORTON COMMUNITY HOSPITAL AND DICKENSON COMMUNITY HOSPITAL.

FACILITY 4, SYCAMORE SHOALS HOSPITAL - PART V, LINE 7

MSHA PUBLISHED ITS COMMUNITY HEALTH NEEDS ASSESSMENT ON JUNE 29, 2012. THE DATA INCLUDED WAS COLLECTED OVER THE COURSE OF 2011 AND 2012. AN IMPLEMENTATION PLAN WAS CREATED FOR EACH HOSPITAL, AND EACH HOSPITAL'S BOARD APPROVED THE IMPLEMENTATION PLAN DURING THE MONTHS OF MAY AND JUNE 2012. MSHA ANNUALLY TRACKS PROGRESS OF IMPLEMENTATION STRATEGIES FOR EACH HOSPITAL.

FACILITY 4, SYCAMORE SHOALS HOSPITAL - PART V, LINE 20D

Part V Facility Information (continued)

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

UNINSURED PATIENTS RECEIVE A 63% DISCOUNT; AND, BASED ON OTHER FACTORS SUCH AS INCOME OR MEDICAL INDIGENCY, MAY QUALIFY FOR AN ADDITIONAL DISCOUNT. ALLOWABLE AMOUNTS FOR INSURED PATIENTS ARE BASED ON THE NEGOTIATED RATE WITH COMMERCIAL INSURANCE OR MEDICARE.

FACILITY 5, RUSSELL COUNTY MEDICAL CENTER - PART V, LINE 3

MSHA MET WITH TEN FOCUS GROUPS EACH REPRESENTING ONE OF THE TEN HOSPITAL FACILITIES (INCLUDING ALL OF THE HOSPITALS INCLUDED IN THIS 990, WITH THE EXCEPTION OF UNICOI MEMORIAL HOSPITAL, WHICH JOINED MSHA DURING THIS FISCAL YEAR) LOCATED WITHIN THE CORE COUNTIES OF MSHA FACILITIES (16 COUNTIES). EACH GROUP CONSISTED OF PUBLIC HEALTH LEADERS, NURSES, NON-PROFIT DIRECTORS, COMMUNITY DEVELOPERS, FAITH BASED LEADERS, PUBLIC OFFICIALS AND SCHOOL REPRESENTATIVES. EACH GROUP RANGED IN ATTENDANCE FROM 6 TO 21 INDIVIDUALS. PARTICIPANTS WERE GIVEN SURVEYS TO DETERMINE A COUNTY'S HEALTH STATUS RATING, AVAILABLE RESOURCES, TOP HEALTH PRIORITIES, AND SUGGESTIONS FOR IMPROVEMENT. OPEN DISCUSSION FOLLOWED. THE COLLECTED INFORMATION WAS THEN PAIRED WITH STATISTICAL DATA IN ORDER TO PRIORITIZE HEALTH NEEDS. THE SPECIFIC NEEDS FOR EACH COUNTY WERE INCLUDED IN THE APPROPRIATE FACILITY'S IMPLEMENTATION PLAN.

FACILITY 5, RUSSELL COUNTY MEDICAL CENTER - PART V, LINE 4

EACH HOSPITAL WITHIN THE MSHA SYSTEM COMPLETED A CHNA. FOR THOSE HOSPITALS THAT ARE LOCATED IN THE SAME COUNTY, ONLY ONE COMMUNITY GROUP WAS SURVEYED. FOR INSTANCE, JOHNSON CITY MEDICAL CENTER AND FRANKLIN WOODS COMMUNITY HOSPITAL ARE BOTH LOCATED IN WASHINGTON COUNTY, TENNESSEE. RCMC'S CHNA WAS CONDUCTED WITH ALL MSHA HOSPITALS TO INCLUDE:FRANKLIN WOODS COMMUNITY HOSPITAL, INDIAN PATH MEDICAL CENTER, SYCAMORE SHOALS HOSPITAL, JOHNSON

Part V Facility Information (continued)

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

COUNTY COMMUNITY HOSPITAL, JCMC, JOHNSTON MEMORIAL HOSPITAL, SMYTH COUNTY COMMUNITY HOSPITAL, NORTON COMMUNITY HOSPITAL AND DICKENSON COMMUNITY HOSPITAL.

FACILITY 5, RUSSELL COUNTY MEDICAL CENTER - PART V, LINE 7

MSHA PUBLISHED ITS COMMUNITY HEALTH NEEDS ASSESSMENT ON JUNE 29, 2012. THE DATA INCLUDED WAS COLLECTED OVER THE COURSE OF 2011 AND 2012. AN IMPLEMENTATION PLAN WAS CREATED FOR EACH HOSPITAL, AND EACH HOSPITAL'S BOARD APPROVED THE IMPLEMENTATION PLAN DURING THE MONTHS OF MAY AND JUNE 2012. MSHA ANNUALLY TRACKS PROGRESS OF IMPLEMENTATION STRATEGIES FOR EACH HOSPITAL. DUE TO LACK OF RESOURCES, RCMC WAS UNABLE TO ADDRESS ISSUES RELATED TO SUBSTANCE ABUSE/PRESCRIPTION DRUG ABUSE AND CHILD MALNOURISHMENT THAT WERE IDENTIFIED IN THE COMMUNITY HEALTH NEEDS ASSESSMENT.

FACILITY 5, RUSSELL COUNTY MEDICAL CENTER - PART V, LINE 20D

UNINSURED PATIENTS RECEIVE A 63% DISCOUNT; AND, BASED ON OTHER FACTORS SUCH AS INCOME OR MEDICAL INDIGENCY, MAY QUALIFY FOR AN ADDITIONAL DISCOUNT. ALLOWABLE AMOUNTS FOR INSURED PATIENTS ARE BASED ON THE NEGOTIATED RATE WITH COMMERCIAL INSURANCE OR MEDICARE.

FACILITY 6, JOHNSON COUNTY COMMUNITY HOSPITAL - PART V, LINE 3

MSHA MET WITH TEN FOCUS GROUPS EACH REPRESENTING ONE OF THE TEN HOSPITAL FACILITIES (INCLUDING ALL OF THE HOSPITALS INCLUDED IN THIS 990, WITH THE EXCEPTION OF UNICOI COUNTY MEMORIAL HOSPITAL, WHICH JOINED MSHA DURING THIS FISCAL YEAR) LOCATED WITHIN THE CORE COUNTIES OF MSHA FACILITIES (16 COUNTIES). EACH GROUP CONSISTED OF PUBLIC HEALTH LEADERS, NURSES, NON-PROFIT DIRECTORS, COMMUNITY DEVELOPERS, FAITH BASED LEADERS, PUBLIC

Part V Facility Information (continued)

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

OFFICIALS AND SCHOOL REPRESENTATIVES. EACH GROUP RANGED IN ATTENDANCE FROM 6 TO 21 INDIVIDUALS. PARTICIPANTS WERE GIVEN SURVEYS TO DETERMINE A COUNTY'S HEALTH STATUS RATING, AVAILABLE RESOURCES, TOP HEALTH PRIORITIES, AND SUGGESTIONS FOR IMPROVEMENT. OPEN DISCUSSION FOLLOWED. THE COLLECTED INFORMATION WAS THEN PAIRED WITH STATISTICAL DATA IN ORDER TO PRIORITIZE HEALTH NEEDS. THE SPECIFIC NEEDS FOR EACH COUNTY WERE INCLUDED IN THE APPROPRIATE FACILITY'S IMPLEMENTATION PLAN.

FACILITY 6, JOHNSON COUNTY COMMUNITY HOSPITAL - PART V, LINE 4

EACH HOSPITAL WITHIN THE MSHA SYSTEM COMPLETED A CHNA. FOR THOSE HOSPITALS THAT ARE LOCATED IN THE SAME COUNTY, ONLY ONE COMMUNITY GROUP WAS SURVEYED. FOR INSTANCE, JOHNSON CITY MEDICAL CENTER AND FRANKLIN WOODS COMMUNITY HOSPITAL ARE BOTH LOCATED IN WASHINGTON COUNTY, TENNESSEE. JCCH'S CHNA WAS CONDUCTED WITH ALL MSHA HOSPITALS TO INCLUDE: FRANKLIN WOODS COMMUNITY HOSPITAL, INDIAN PATH MEDICAL CENTER, SYCAMORE SHOALS HOSPITAL, JCMC, RUSSELL COUNTY MEDICAL CENTER, JOHNSTON MEMORIAL HOSPITAL, SMYTH COUNTY COMMUNITY HOSPITAL, NORTON COMMUNITY HOSPITAL AND DICKENSON COMMUNITY HOSPITAL.

FACILITY 6, JOHNSON COUNTY COMMUNITY HOSPITAL - PART V, LINE 7

MSHA PUBLISHED ITS COMMUNITY HEALTH NEEDS ASSESSMENT ON JUNE 29, 2012. THE DATA INCLUDED WAS COLLECTED OVER THE COURSE OF 2011 AND 2012. AN IMPLEMENTATION PLAN WAS CREATED FOR EACH HOSPITAL, AND EACH HOSPITAL'S BOARD APPROVED THE IMPLEMENTATION PLAN DURING THE MONTHS OF MAY AND JUNE 2012. MSHA ANNUALLY TRACKS PROGRESS OF IMPLEMENTATION STRATEGIES FOR ACH HOSPITAL. DUE TO LACK OF RESOURCES, JCCH WAS UNABLE TO ADDRESS ISSUES RELATED TO SUBSTANCE ABUSE/PRESCRIPTION DRUG ABUSE THAT WERE IDENTIFIED IN

Part V Facility Information (continued)

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

THE COMMUNITY HEALTH NEEDS ASSESSMENT.

FACILITY 6, JOHNSON COUNTY COMMUNITY HOSPITAL - PART V, LINE 20D

UNINSURED PATIENTS RECEIVE A 50% DISCOUNT; AND, BASED ON OTHER FACTORS SUCH AS INCOME OR MEDICAL INDIGENCY, MAY QUALIFY FOR AN ADDITIONAL DISCOUNT. ALLOWABLE AMOUNTS FOR INSURED PATIENTS ARE BASED ON THE NEGOTIATED RATE WITH COMMERCIAL INSURANCE OR MEDICARE.

FACILITY 7, UNICOI COUNTY MEMORIAL HOSPITAL - PART V, LINE 3

DURING MAY 2013, THE MSHA STRATEGIC PLANNING DEPARTMENT WITH ASSISTANCE FROM LEADERSHIP OF UCMH, HOSTED A LUNCHEON IN ORDER TO CONNECT WITH COMMUNITY MEMBERS OF UNICOI COUNTY. UCMH'S HOSPITAL ADMINISTRATION IDENTIFIED INDIVIDUALS IN THE COMMUNITY WHO WERE CONSIDERED PUBLIC HEALTH OFFICIALS OR COMMUNITY LEADERS. THE 10 INTERVIEWEES FROM UNICOI COUNTY IN ATTENDANCE WERE A LOCAL PHYSICIAN, REPRESENTATION FROM UNICOI COUNTY SCHOOLS, NON-PROFIT DIRECTORS, HEALTH DEPARTMENT OFFICIALS, MINORITY GROUP LEADERS, AND UCMH LEADERSHIP. THE ORGANIZATIONS THAT WERE REPRESENTED WERE: TELAMON MIGRANT HEAD START; UNICOI COUNTY; UNICOI COUNTY HEALTH DEPARTMENT; UNICOI COUNTY SCHOOLS; UNICOI MEDICAL ASSOCIATES; TOWN OF ERWIN; UNICOI COUNTY CHAMBER OF COMMERCE; UNICOI COUNTY MEMORIAL HOSPITAL; UNICOI COUNTY FAMILY YMCA; AND UNICOI VALLEY INTERNAL MEDICINE.

FACILITY 7, UNICOI COUNTY MEMORIAL HOSPITAL - PART V, LINE 4

MOUNTAIN STATES HEALTH ALLIANCE ASSISTED UCMH WITH ITS CHNA COMPLETION. THIS TOOK PLACE PRIOR TO UCMH JOINING MSHA.

FACILITY 7, UNICOI COUNTY MEMORIAL HOSPITAL - PART V, LINE 6G:

Part V Facility Information (continued)

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

FOUR TOP HEALTH PRIORITIES WERE IDENTIFIED BY UNICOI COUNTY COMMUNITY MEMBERS. THESE PRIORITIES INCLUDE: OBESITY, CANCER, DIABETES, AND HEART DISEASE. BY UTILIZING EFFECTIVE MEASURES, AVAILABLE RESOURCES AND COMMUNITY MEMBER INVOLVEMENT, COUNTY-SPECIFIC PLANS HAVE BEEN DEVELOPED AND IMPLEMENTED WHICH FOCUS ON PREVENTING THE GROWTH OF THE FOUR IDENTIFIED HEALTH OUTCOMES. HOWEVER, IT IS APPARENT THAT IT TAKES MORE THAN JUST RESOURCES AND AN IMPLEMENTATION PLAN TO CHALLENGE THESE HEALTH PRIORITIES. UCMH IS NEVERTHELESS, COMMITTED TO SEEING CHANGE TAKE PLACE WITHIN THE COMMUNITY IT SERVES.

THE 10 INTERVIEWEES AGREED ALL OF THE FOUR HEALTH PRIORITIES COULD BE POSITIVELY IMPACTED BY ADDRESSING THE OBESITY ISSUE AS IT IS A HEALTH RISK FACTOR FOR EACH OF THESE DISEASES. THE COMMUNITY MEMBERS WHO WERE SURVEYED PROVIDED HELPFUL IDEAS AS TO HOW TO BEGIN FORMULATING A PLAN TO IMPROVE THE HEALTH PRIORITIES WITHIN THE COMMUNITY. TO ENHANCE EXISTING RESOURCES, THE PARTICIPANTS STRESSED THE SIGNIFICANCE OF INCREASING PUBLIC AWARENESS OF BOTH ADDRESSING ONE'S HEALTH NEEDS AND THE AVAILABILITY OF HEALTH CARE OPTIONS WITHIN THE COUNTY. ADDITIONAL SUGGESTIONS AS TO HOW UCMH CAN IMPROVE THE PREVIOUSLY IDENTIFIED HEALTH PRIORITIES ARE: 1. EDUCATION CLASSES AND EVENTS TO PROVIDE AWARENESS TO THE COMMUNITY CONCERNING HEALTH ISSUES; 2. PROVIDE ACCESS TO A NUTRITIONIST/DIETICIAN; AND 3. EDUCATIONAL CAMPAIGNS TO ENCOURAGE ANNUAL CHECK-UPS WITH YOUR LOCAL PHYSICIAN.

FACILITY 7, UNICOI COUNTY MEMORIAL HOSPITAL - PART V, LINE 20D

UNINSURED PATIENTS RECEIVE A 63% DISCOUNT; AND, BASED ON OTHER FACTORS SUCH AS INCOME OR MEDICAL INDIGENCY, MAY QUALIFY FOR AN ADDITIONAL DISCOUNT. ALLOWABLE AMOUNTS FOR INSURED PATIENTS ARE BASED ON THE NEGOTIATED RATE

Part V Facility Information (continued)

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

WITH COMMERCIAL INSURANCE OR MEDICARE.

Part V Facility Information (continued)

Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility

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

How many non-hospital health care facilities did the organization operate during the tax year? 11

	Name and address	Type of Facility (describe)
1	JCMC AMBULATORY SURGERY CENTER 400 N. STATE OF FRANKLIN ROAD JOHNSON CITY TN 37604	LICENSED AMBULATORY SURGERY CENTER
2	MOUNTAIN STATES IMAGING CENTER 301 MED TECH PARKWAY, SUITE 100 JOHNSON CITY TN 37604	LICENSED OUTPATIENT DIAGNOSTIC CENTER
3	PRINCETON TRANSITIONAL CARE 401 PRINCETON ROAD JOHNSON CITY TN 37601	LICENSED SKILLED NURSING FACILITY
4	INDIAN PATH TRANSITIONAL CARE 2000 BROOKSIDE DRIVE KINGSPORT TN 37660	LICENSED SKILLED NURSING FACILITY
5	MEDICAL CNTR HOME CARE-JOHNSON CITY 101 MED TECH PARKWAY, SUITE 100 JOHNSON CITY TN 37604	LICENSED HOME HEALTH AGENCY
6	MEDICAL CNTR HOME CARE-KINGSPORT 2020 BROOKSIDE DRIVE, #28 KINGSPORT TN 37660	LICENSED HOME HEALTH AGENCY
7	RUSSELL CO. MEDICAL CNTR HOME HLTH 116 FLANNAGAN AVENUE LEBANON VA 24266	LICENSED HOME HEALTH AGENCY
8	MEDICAL CENTER HOSPICE 101 MED TECH PARKWAY, SUITE 100 JOHNSON CITY TN 37604	LICENSED HOSPICE AGENCY
9	JOHNSON COUNTY HOME HEALTH 1987 SOUTH SHADY STREET MOUNTAIN CITY TN 37683	LICENSED HOME HEALTH AGENCY
10	RUSSELL COUNTY MEDICAL CNTR HOSPICE 116 FLANNAGAN AVENUE LABANON VA 24266	LICENSED HOSPICE AGENCY

Part V Facility Information (continued)

Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital acility

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

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

Name and address	Type of Facility (describe)
11 UNICOI COUNTY LONG TERM CARE 100 GREENWAY CIRCLE UNICOI TN 37650	LICENSED LONG TERM CARE FACILITY

Part VI Supplemental Information

Provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

PART I, LINE 6A - RELATED ORGANIZATION INFORMATION

A COMMUNITY BENEFIT REPORT WAS NOT COMPLETED DURING FY14. WE ARE PREPARING A COMMUNITY BENEFIT REPORT IN FY15.

PART I, LINE 7 - COSTING METHODOLOGY EXPLANATION

A COST TO CHARGE RATIO (WORKSHEET 2 "RATIO OF PATIENT CARE COST TO CHARGES")WAS USED TO CALCULATE LINE 7A FINANCIAL ASSISTANCE (CHARITY CARE)COST. OUR COST ACCOUNTING SYSTEM WAS USED TO DETERMINE LOSSES FROM MEDICAID(LINE 7B) AND TENNCARE (LINE 7C). LINE 7E COMMUNITY HEALTH IMPROVEMENT INCLUDES NUMEROUS SERVICES AND THESE COSTS ARE TAKEN DIRECTLY FROM DEPARTMENTAL EXPENSE REPORTS, WITH NO ADDITIONAL OVERHEAD INCLUDED IN THE COST. MOST OF THESE SERVICES DO NOT HAVE OFFSETTING REVENUE TO REPORT. LINE 7F HEALTH PROFESSIONS EDUCATION IS COMPRISED OF TWO PROGRAMS. ONE IS OUR MEDICAL RESIDENTS AND INTERNS PROGRAM AT TWO OF OUR HOSPITALS AND THAT INFORMATION IS TAKEN FROM OUR FILED MEDICARE COST REPORTS. THE SECOND ACTIVITY IS INTERNSHIPS WITH SCHOOLS AND UNIVERSITIES, ALLOWING THEIR HEALTH PROFESSION STUDENTS TO GET HANDS-ON TRAINING AT A HOSPITAL AS PART OF THEIR EDUCATION AND TRAINING. OUR ORGANIZATIONAL DEVELOPMENT DEPARTMENT KEEPS DETAILED RECORDS ON HOURS SPENT ON THESE STUDENT ACTIVITIES, THE

Part VI Supplemental Information

Provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

NUMBER OF STUDENTS THAT ROTATE THROUGH OUR HOSPITALS, ETC. INFORMATION IS MAINTAINED FOR EACH HOSPITAL AND HOSPITAL UNIT THAT PARTICIPATES. WE ONLY INCLUDE LABOR COSTS AND WE ONLY ASSUME A PERCENTAGE OF OUR TEAM MEMBERS' TIME IS DEVOTED TO THESE STUDENTS. FOR LINE 7G SUBSIDIZED HEALTH CARE SERVICES, WE USE OUR COST ACCOUNTING SYSTEM FOR MOST OF THE REPORTED SERVICES. OUR COST ACCOUNTING SYSTEM INCLUDES ALL PATIENT SEGMENTS (INPATIENT, OUTPATIENT, EMERGENCY ROOM, ETC. AND ALL PAYER SOURCES, INCLUDING SELF-PAY). WE ARE CAREFUL TO ENSURE NO DOUBLE COUNTING OF COST (FOR EXAMPLE, WE DO NOT INCLUDE CHARITY AND TENNCARE/MEDICAID ALREADY REORTED ON LINES 7A AND 7B). ALTHOUGH WE HAVE MANY SERVICE LINES WITHIN OUR HOSPITALS THAT LOSE MONEY, WE DO NOT REPORT AS COMMUNITY BENEFIT SURGERY OR OTHER SERVICES THAT HOSPITALS ARE REQUIRED BY STATE LICENSURE TO PROVIDE. THERE ARE A FEW OTHER SUBSIDIZED SERVICES NOT SEPARATELY TRACKED BY OUR COST ACCOUNTING SYSTEM; FOR THESE, WE USE THEIR ACTUAL DEPARTMENTAL EXPENSE, WHICH DOES NOT INCLUDE AN OVERHEAD ALLOCATION. LINE 7H RESEARCH IS REPORTED USING THE RESEARCH DEPARTMENT'S ACTUAL EXPENSES AND NO OVERHEAD PROVISION IS ADDED. LINE 7I CASH AND IN-KIND CONTRIBUTIONS ARE VALUED AT ACTUAL COST.

Part VI Supplemental Information

Provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

PART I, LINE 7G:

SUBSIDIZED SERVICES WITHIN MSHA INCLUDE SKILLED NURSING FACILITIES, MENTAL HEALTH, OUR AIR TRANSPORT SERVICE ("WINGS"), BABY/CHILD GROUND TRANSPORT, AND WOUND CARE. WE ALSO INCLUDE A PHYSICIAN SPECIALTY CLINIC OPERATED BY JCCH, A FEDERALLY DESIGNATED CRITICAL ACCESS HOSPITAL. THIS CONTINUES TO BE A VALUABLE RESOURCE TO THE RESIDENTS OF THE AREA BY AIDING WITH TRANSPORTATION ISSUES (OTHER PHYSICIAN OFFICES ARE MORE THAN AN HOUR AWAY), RESOLVING ACCESS LIMITATIONS FOR SPECIALTY SERVICES, AND PROVIDING RELIEF TO THE SPECIAL HEALTH PROBLEMS OF A LARGELY ELDERLY POPULATION. THE CLINIC INCURRED A LOSS OF $46,904 DURING FY14.

PART II - COMMUNITY BUILDING ACTIVITIES

MSHA LEADERS SUPPORT AND ENCOURAGE ALL TEAM MEMBERS TO VOLUNTEER TIME, MONEY AND SKILLS TO COMMUNITY SERVICE PROJECTS AND CHARITABLE ORGANIZATIONS. SENIOR LEADERS AND BOARD MEMBERS SET A POSITIVE EXAMPLE FOR MSHA TEAM MEMBERS, SERVING VOLUNTARILY ON COMMITTEES AND MANAGING BOARDS OF LOCAL SERVICE AND NON-PROFIT ORGANIZATIONS. MANY ALSO SERVE AS MEMBERS AND CONSULTANTS ON PROFESSIONAL COMMITTEES AND TASK FORCES THAT AFFECT REGIONAL DEVELOPMENT IN HEALTHCARE AND EDUCATION. MSHA, IN COLLABORATION WITH AREA

Part VI Supplemental Information

Provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

HEALTH AGENCIES AND PROVIDERS, MAY OFFER ASSISTANCE WITH COORDINATION, ADVOCACY AND PUBLICITY; PROVIDE SPACE; OR CONTRIBUTE SUPPLIES TO SUPPORT GROUPS FOR THEIR PROGRAM ACTIVITIES. MSHA INCURRED EXPENSES OF MORE THAN $1.6 MILLION ON PHYSICIAN RECRUITMENT TO REPLACE PHYSICIANS RETIRING OR LEAVING OUR SERVICE AREAS, INCLUDING RECRUITMENT TO FEDERALLY DESIGNATED UNDERSERVED COMMUNITIES. WITHOUT MSHA'S DEDICATION TO RURAL HEALTH, THERE WOULD NOT BE AN ADEQUATE NUMBER OF PHYSICIANS TO SERVE THIS PATIENT POPULATION.

MSHA PROVIDES NUMEROUS CONTRIBUTIONS TO CHARITABLE ORGANIZATIONS THAT SERVE TO ASSIST SPECIAL POPULATIONS WITHIN OUR AREA. MOST OF THESE ORGANIZATIONS WORK TO IMPROVE THE LIVES OF COMMUNITY MEMBERS THAT HAVE LIMITED, OR NO, FINANCIAL RESOURCES. SOME OF THESE INCLUDE FEEDING THE POOR, ASSISTING FAMILIES WITH HOUSING, DENTAL CARE, HOMES FOR CHILDREN, IMPROVING ACCESS TO HEALTH CARE, AND SPORTS ACTIVITIES FOR AT-RISK CHILDREN. WE PROVIDED PRINTING ASSISTANCE FOR A LOCAL SENIOR CENTER THIS YEAR AND WE MADE DONATIONS THAT ARE SPECIFIC TO CHILDREN, SUCH AS AFTER SCHOOL ACTIVITIES AND MENTORING PROGRAMS. OTHER DONATIONS ARE MADE TO BROADER-BASED ORGANIZATIONS SUCH AS THE UNITED WAY AND AMERICAN HEART ASSOCIATION.

Part VI Supplemental Information

Provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.

2 Needs assessment. Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.

3 Patient education of eligibility for assistance. Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 Community information. Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 Promotion of community health. Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 Affiliated health care system. If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 State filing of community benefit report. If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

PART III, LINE 2 - BAD DEBT EXPENSE METHODOLOGY

SELF-PAY BALANCES INCLUDE ACCOUNTS AFTER PAYMENTS AND CONTRACTUAL ADJUSTMENTS (DISCOUNTS) HAVE BEEN POSTED FROM ALL THIRD-PARTY PAYERS - GENERALLY LEAVING THE PATIENT RESPONSIBLE FOR DEDUCTIBLES AND/OR CO-PAYMENTS. OTHER SELF-PAY ACCOUNTS ARE FROM PATIENTS WITH NO INSURANCE OR THIRD-PARTY COVERAGE. ALL PATIENTS WITH NO FORM OF THIRD-PARTY PAYER COVERAGE RECEIVE A 63% CALCULATED DISCOUNT, AS REQUIRED BY TENNESSEE LAW. THE EXCEPTION IS OUR CRITICAL ACCESS HOSPITAL, JOHNSON COUNTY COMMUNITY HOSPITAL, WHICH PROVIDES THE UNINSURED WITH A 50% CALCULATED DISCOUNT. JCCH'S CALCULATED DISCOUNT, AS DETERMINED BY TENNESSEE LAW, IS LOWER DUE TO THE SMALL HOSPITAL'S LOWER COST STRUCTURE. AFTER THE NORMAL COLLECTION PROCESS HAS INDICATED AN ACCOUNT IS UNCOLLECTIBLE, MSHA WRITES THE ACCOUNT OFF TO BAD DEBT. THE HOSPITAL'S OVERALL SELF-PAY ACCOUNTS RECEIVABLE BALANCE IS EVALUATED ON AN ONGOING BASIS TO GATHER HISTORICAL INFORMATION TO APPLY TO THE CURRENT BALANCE. IN OTHER WORDS, THE HOSPITAL EVALUATES PAST COLLECTION HISTORY ON ACCOUNTS WRITTEN OFF TO BAD DEBT AND APPLIES THE HISTORICAL UNPAID RATE TO THE CURRENT SELF-PAY ACCOUNTS RECEIVABLE BALANCE.

Part VI Supplemental Information

Provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

PART III, LINE 3 - BAD DEBT EXPENSE, PATIENTS ELIGIBLE FOR ASSISTANCE

MSHA'S PATIENT FINANCIAL SERVICES MANAGEMENT ESTIMATES THAT 77% OF BAD DEBT EXPENSE IS ASSUMED ATTRIBUTABLE TO PATIENTS LIKELY ELIGIBLE FOR FINANCIAL ASSISTANCE. WE HAVE MANY INSTANCES OF PATIENTS WITH LARGE ACCOUNT BALANCES AND NO HEALTH INSURANCE COVERAGE THAT WE ARE SURE WOULD QUALIFY FOR CHARITY CARE. ALTHOUGH HOSPITAL TEAM MEMBERS ENCOURAGE THESE INDIVIDUALS TO COMPLETE OUR FINANCIAL ASSISTANCE APPLICATION, MANY WILL NOT DO SO. EVEN WHEN THESE INDIVIDUALS ARE TOLD WE FEEL SURE THEY DO QUALIFY FOR FULL OR PARTIAL ASSISTANCE, THEY STILL REFUSE TO COMPLETE OUR FINANCIAL ASSISTANCE APPLICATION.

IT IS IMPLAUSIBLE TO DETERMINE THE AMOUNT OF MSHA'S BAD DEBT ASSOCIATED WITH THOSE PATIENTS WHO MAY HAVE MET THE CRITERIA SET FORTH IN OUR FINANCIAL ASSISTANCE POLICY WITHOUT HAVING A COMPLETED FINANCIAL ASSESSMENT. WE ARE UNABLE TO DETERMINE OUR PATIENTS' FINANCIAL CIRCUMSTANCES UNLESS A COMPLETED FINANCIAL ASSESSMENT FORM IS VOLUNTARILY PROVIDED TO US. WE CAN ASSERT THAT MORE THAN 97% OF OUR PATIENTS WHO HAVE PROVIDED COMPLETED FINANCIAL ASSESSMENT FORMS HAVE BEEN APPROVED FOR AT LEAST PARTIAL FINANCIAL ASSISTANCE.

Part VI Supplemental Information

Provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

PART III, LINE 4 - BAD DEBT EXPENSE FOOTNOTE TO FINANCIAL STATEMENTS

THE TEXT OF MSHA'S FINANCIAL STATEMENTS THAT DESCRIBES BAD DEBT EXPENSE APPEARS ON PAGES 15-16 IN OUR MOST RECENT AUDITED FINANCIAL STATEMENTS (ATTACHED).

PART III, LINE 8 - MEDICARE EXPLANATION

MEDICARE ALLOWABLE COSTS WERE REPORTED USING MSHA'S FILED MEDICARE COST REPORT (C/R). THE C/R USES A COST TO CHARGE RATIO BASED ON A STEP-DOWN ALLOCATION METHODOLOGY. IN CARING FOR THE PATIENT, THERE ARE SEVERAL SERVICES THAT ARE CONSIDERED NON-ALLOWABLE SUCH AS TRANSPORTATION OF A PATIENT, COMFORT ITEMS TO INCLUDE A TELEVISION, MAGAZINES, OR A TELEPHONE. ADDITIONAL NON-ALLOWABLE COSTS INCLUDE THE RECRUITMENT OF PHYSICIANS, PHYSICIAN GUARANTEES AND A PORTION (ALMOST 16%) OF THE BAD DEBT ASSOCIATED WITH THE CARE OF THE PATIENT.

MEDICARE LOSSES, INCLUDING SOME NON-ALLOWABLE COSTS, SHOULD BE COUNTED AS A COMMUNITY BENEFIT AS THIS IS THE COST OF CARE FOR SERVING THE AGING POPULATION. AS A NOT-FOR-PROFIT ORGANIZATION, WE EXIST TO IDENTIFY AND

Part VI Supplemental Information

Provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

RESPOND TO THE HEALTH CARE NEEDS OF THE COMMUNITY AND THE INDIVIDUAL WHILE MAINTAINING A HIGH LEVEL OF HEALTH CARE SERVICES WITHOUT LOSSES. SINCE LOSSES DO OCCUR THROUGH THE CMS SYSTEM OF REIMBURSEMENT, THESE LOSSES ARE A COST OF DOING BUSINESS FOR OUR COMMUNITY AND SHOULD BE CONSIDERED A COMMUNITY BENEFIT.

AS A PARTICIPATING PROVIDER IN THE MEDICARE PROGRAM, MSHA IS REQUIRED TO PROVIDE THE FULL REGIMEN OF CARE FOR OUR MEDICARE POPULATION. THERE ARE A NUMBER OF CARE REGIMENS THAT ARE COMPENSATED BY THE MEDICARE PROGRAM AT LEVELS BELOW OUR COST. THEREFORE, IT IS ONLY LOGICAL TO ALLOW MSHA TO REPORT THESE UNCOMPENSATED SERVICES AS A COMMUNITY BENEFIT. BY MAKING THIS CHANGE, NON-PROFIT PROVIDERS WILL BE ENCOURAGED TO SUSTAIN IMPORTANT CARE DELIVERY MODELS FOR OUR AGING POPULATION IN SPITE OF THE FACT IT IS SOMETIMES ECONOMICALLY INJURIOUS.

PART III, LINE 9B - COLLECTION PRACTICES EXPLANATION

MSHA HAS ESTABLISHED A STRONG COMMITMENT TO MEET THE MEDICAL NEEDS OF THE COMMUNITIES WE SERVE. ALL REQUESTS FOR FINANCIAL ASSISTANCE ARE EVALUATED USING ESTABLISHED

Part VI Supplemental Information

Provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.

2 Needs assessment. Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.

3 Patient education of eligibility for assistance. Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 Community information. Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 Promotion of community health. Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 Affiliated health care system. If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 State filing of community benefit report. If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

GENERAL GUIDELINES, WHILE ALLOWING FOR UNIQUE FINANCIAL CIRCUMSTANCES. MOUNTAIN STATES RECOGNIZES ITS OBLIGATION TO PROVIDE QUALITY HEALTH CARE TO THOSE WHO ARE UNABLE TO PAY.

CHARITY ELIGIBILITY DETERMINATION IS MADE ON AN EPISODIC BASIS WITH SOME EXCEPTIONS, SUCH AS: LACTATION CONSULTATIONS, WHICH REMAIN IN EFFECT FOR THE DURATION OF THE MOTHER'S BREASTFEEDING; ONCOLOGY SERVICES, WHICH REMAIN IN EFFECT FOR SIX MONTHS OR THE DURATION OF TREATMENT REGIMENS; PATIENTS REFERRED TO MSHA BY APPALACHIAN MOUNTAIN PROJECT ACCESS, AN ORGANIZATION WITH THE PURPOSE OF INCREASING ACCESS TO MEDICAL CARE TO LOW INCOME, UNINSURED RESIDENTS; AND, OTHER SPECIFIC CASES.

FINANCIAL ASSISTANCE ELIGIBILITY ENCOMPASSES A VARIETY OF PATIENTS, SUCH AS THOSE WITH MEDICAID ELIGIBILITY AFTER THE DATE OF SERVICE, PATIENTS THAT ARE DECEASED WITH NO ESTATE, MEDICAID ELIGIBLE ENCOUNTERS WHERE BENEFITS HAVE

Part VI Supplemental Information

Provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

BEEN EXHAUSTED, ETC. MSHA CHARITY GUIDELINES ARE BASED ON THE NATIONAL POVERTY GUIDELINES. HOWEVER, FINANCIAL ASSISTANCE IS NOT BASED SOLELY ON INCOME. UNIQUE FINANCIAL CIRCUMSTANCES ARE CONSIDERED, WHICH CAN CHANGE THE CATEGORY OF ELIGIBILITY. IN ADDITION, CHARITY DETERMINATION MAY BE RETROACTIVE FOR ALL DATES OF SERVICES. WHEN A PATIENT REQUESTS FINANCIAL ASSISTANCE OR WHEN AN APPLICATION HAS BEEN RECEIVED, THE PATIENT ACCOUNT IS PLACED IN A HOLD STATUS TO PREVENT FURTHER COLLECTION ACTIVITIES UNTIL FINANCIAL ASSISTANCE ELIGIBILITY IS DETERMINED.

PART VI, LINE 2 - NEEDS ASSESSMENT

MSHA INCLUDED AMERICA'S HEALTH RANKINGS (AHR) IN ITS ASSESSMENT IN ORDER TO BETTER DEFINE THE HEALTH CARE NEEDS OF THE COMMUNITIES IT SERVES. TENNESSEE RANKS 45TH AND VIRGINIA RANKS 21ST; HOWEVER, IT SHOULD BE NOTED THAT SOUTHWEST VIRGINIA (WHERE SOME OF MSHA FACILITIES ARE LOCATED) CLOSELY RESEMBLES THE HEALTH RANKINGS FOR TENNESSEE. AMERICA'S HEALTH RANKINGS ARE BASED ON A SERIES OF MEASURES INCLUDING SEVERAL HEALTH OUTCOMES AND HEALTH

Part VI Supplemental Information

Provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.

2 Needs assessment. Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.

3 Patient education of eligibility for assistance. Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 Community information. Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 Promotion of community health. Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 Affiliated health care system. If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 State filing of community benefit report. If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

FACTORS. A SURVEY WAS GIVEN TO 67 INDIVIDUALS REPRESENTING THE NINE COUNTIES IN WHICH MSHA OWNS A FACILITY. THESE INDIVIDUALS INCLUDED PHYSICIANS, PUBLIC HEALTH LEADERS, NON-PROFIT DIRECTORS, SCHOOL NURSES AND OFFICIALS, AND BUSINESS LEADERS. A SURVEY WAS GIVEN TO EACH INDIVIDUAL SEEKING FEEDBACK REGARDING AVAILABLE RESOURCES IN EACH AREA, THE HEALTH STATUS, HEALTH PRIORITIES, AND SUGGESTIONS FOR IMPROVEMENT. THE MAJORITY OF RESPONSES SUGGESTED FOCUSING ON EDUCATION IN ORDER TO PROMOTE HEALTHY HABITS. OTHER RESPONSES INCLUDED: MAKE PHYSICAL EDUCATION A REQUIREMENT AS PART OF SCHOOL CURRICULUM, IMPROVE NATURAL TRAILS AND WALKWAYS, INCREASE COMMUNITY SUPPORT FOR SMOKE-FREE AREAS, PARTNER WITH LOCAL FARMER'S MARKETS, SHARE HEALTH INFORMATION BETWEEN PHARMACIES, NETWORK WITH SMALL BUSINESSES AND NON-PROFITS IN ORDER TO AVOID DUPLICATING RESOURCES, AND PROVIDE EARLY SCREENINGS FOR THE UNINSURED OR UNDERINSURED. OVERALL, THE COMMUNITY MEMBERS GAVE MSHA'S CORE SERVICE AREA A HEALTH STATUS RANKING OF 4.24 OUT OF 10 (1 BEING THE LOWEST, 10 BEING THE HIGHEST). ALSO, ALL 67 PARTICIPANTS AGREED THAT OBESITY, CANCER, HEART DISEASE AND DIABETES WERE THE TOP HEALTH PRIORITIES IN EACH COUNTY. AHR REPORTS THAT TENNESSEE AND VIRGINIA BOTH SAW AN INCREASE IN DIABETES AND OBESITY WITHIN THE PAST TEN YEARS. TENNESSEE ALSO RANKS 44TH FOR CARDIOVASCULAR DEATHS AND 44TH FOR

Part VI Supplemental Information

Provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.

2 Needs assessment. Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.

3 Patient education of eligibility for assistance. Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 Community information. Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 Promotion of community health. Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 Affiliated health care system. If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 State filing of community benefit report. If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

CANCER DEATHS (46TH FOR SMOKING)AND 46TH FOR DIABETES. VIRGINIA OVERALL HAS A BETTER RANKING IN THESE THREE CATEGORIES, BUT AS STATED EARLIER, SOUTHWEST VIRGINIA CLOSELY RESEMBLES TENNESSEE. SINCE COMPLETION OF THE CHNA AND ITS IMPLEMENTATION PLAN, MSHA HAS PARTNERED WITH SCHOOLS, NON-PROFIT AGENCIES AND OTHERS ON VARIOUS INITIATIVES TO ADDRESS HEALTH ISSUES; CHILDHOOD OBESITY, IN PARTICULAR.

PART VI, LINE 3 - PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE

MSHA PROVIDES COMMUNICATION OF FINANCIAL ASSISTANCE ON ITS WEBSITE AND ON POSTERS LOCATED IN PROMINENT AREAS OF OUR HOSPITALS SUCH AS ADMITTING AND EMERGENCY DEPARTMENTS. PRINTED EDUCATIONAL MATERIALS INCLUDING FINANCIAL ASSISTANCE CONTACT INFORMATION ARE ALSO PROVIDED IN EACH PATIENT'S PAPERWORK. POSTERS AND REFERENCE MATERIALS ARE WRITTEN IN BOTH ENGLISH AND SPANISH. ADMITTING STAFF ARE TRAINED TO EDUCATE PATIENTS ON MSHA'S FINANCIAL ASSISTANCE POLICY. MSHA ALSO HAS FINANCIAL COUNSELORS TO PROVIDE FURTHER INFORMATION AND ASSISTANCE TO MSHA PATIENTS REGARDING MSHA'S FINANCIAL ASSISTANCE POLICY. THESE COUNSELORS ALSO HELP UNINSURED PATIENTS DETERMINE SOURCES OF PAYMENT FOR MEDICAL BILLS AND HELP PATIENTS DETERMINE ELIGIBILITY FOR PROGRAMS SUCH AS TNCARE/MEDICAID.

Part VI Supplemental Information

Provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

IN ADDITION, MSHA HAS PARTNERED WITH THE COMPANY FIRSTSOURCE SOLUTIONS USA, TO WORK WITH SELF-PAYING PATIENTS WHO HAVE LIMITED FINANCIAL RESOURCES. DURING FY14, FIRSTSOURCE REPRESENTATIVES WERE ABLE TO DETERMINE GOVERNMENTAL MEDICAL ASSISTANCE (TNCARE OR MEDICAID) ELIGIBILITY, AND TO HELP WITH THE APPLICATION PROCESS AND FOLLOW-UP. DURING FY14, 1,775 PATIENTS WERE APPROVED FOR COVERAGE. ONCE A PERSON IS APPROVED FOR TNCARE OR MEDICAID THROUGH THIS PROGRAM OFFERED THROUGH MSHA, THEY RETAIN COVERAGE FOR FUTURE MEDICAL CARE. FIRSTSOURCE IS COMPENSATED BY MSHA. DURING FY14, MSHA'S COST FOR THIS PROGRAM WAS $572,031.

PART VI, LINE 4 - COMMUNITY INFORMATION

MSHA SERVES THE HEALTHCARE NEEDS OF 29 APPALACHIAN COUNTIES IN TENNESSEE, SOUTHWEST VIRGINIA, KENTUCKY AND NORTH CAROLINA. SOME OF THE COUNTIES MSHA SERVES ARE FEDERALLY DESIGNATED MEDICALLY UNDERSERVED AREAS. MSHA OPERATES 2 CRITICAL ACCESS HOSPITALS: DICKENSON COMMUNITY HOSPITAL IN VIRGINIA, AND JOHNSON COUNTY COMMUNITY HOSPITAL IN TENNESSEE.

THE HEALTH STATUS OF THE POPULATION IN MSHA'S SERVICE AREA IS GENERALLY

Part VI Supplemental Information

Provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

POOR. THE SERVICE AREA EXTENDS TO SOME OF THE POOREST RURAL COUNTIES IN THE REGION WITH A POVERTY RATE OF ALMOST 30%. SOME OF THE MOST WELL-OFF COUNTIES IN MSHA'S SERVICE AREA STILL HAVE A MEDIAN HOUSEHOLD INCOME LOWER THAN STATE AND NATIONAL AVERAGES. RURAL SERVICE AREA COUNTIES SHARE COMMON CHALLENGES OF:

1. HIGH RATES OF UNINSURED

2. HIGH PREVALENCE OF OBESITY

3. HIGH PREVALENCE OF DIABETES

4. HIGH PREVALENCE OF CANCER

5. HIGH PREVALENCE OF POOR CARDIAC HEALTH

PART VI, LINE 5 - PROMOTION OF COMMUNITY HEALTH

MSHA IS DEDICATED TO OPERATING EFFICIENTLY SO THAT WASTE IS MINIMIZED. MSHA'S LEADERSHIP REMAINS MINDFUL OF MANAGING THE ALLIANCE'S LIMITED RESOURCES SO THAT ADEQUATE FACILITIES AND EQUIPMENT ARE AVAILABLE FOR THE CARE OF OUR PATIENTS. VARIOUS CHECKS AND BALANCES ARE ESTABLISHED TO ENSURE THAT EXPENDITURES FOR OPERATING EXPENSES AND CAPITAL COSTS ARE REASONABLE AND NECESSARY. SURPLUS FUNDS ARE INVESTED IN IMPROVING HEALTHCARE WITHIN OUR COMMUNITIES.

Part VI Supplemental Information

Provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

THE MAJORITY OF MSHA'S GOVERNING BODY IS COMPRISED OF PERSONS WHO RESIDE IN THE ORGANIZATION'S PRIMARY SERVICE AREA.

PHYSICIANS THAT REQUEST PRIVILEGES WHO ARE QUALIFIED AND CREDENTIALED ARE EXTENDED PRIVILEGES BY MSHA.

PART VI, LINE 6 - AFFILIATED HEALTH CARE SYSTEM

MSHA PROVIDES CARE TO PEOPLE IN 29 COUNTIES IN TENNESSEE, VIRGINIA, KENTUCKY AND NORTH CAROLINA. EACH HOSPITAL IS FULLY ACCREDITED BY THE JOINT COMMISSION, WITH THE EXCEPTION OF JCCH. JCCH RECEIVES CERTIFICATION THROUGH THE STATE OF TENNESSEE SINCE IT IS A CRITICAL ACCESS HOSPITAL.

MSHA IS INTEGRATED BOTH VERTICALLY AND HORIZONTALLY AND IS THE LARGEST REGIONAL HEALTHCARE SYSTEM WITH 14 HOSPITALS. TEN FACILITIES ARE WHOLLY-OWNED FACILITIES: 9 FACILITIES IN TENNESSEE AND 1 IN VIRGINIA. IN ADDITION TO THE WHOLLY-OWNED HOSPITALS WITHIN THIS FORM 990, MSHA ALSO HAS MAJORITY OWNERSHIP IN 4 HOSPITALS IN SOUTHWEST VIRGINIA. IN ADDITION TO OUR ACUTE CARE HOSPITALS, OUR SYSTEM ALSO INCLUDES SUCH SERVICES AS:

Part VI Supplemental Information

Provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

PRIMARY/SPECIALTY PHYSICIAN PRACTICES, URGENT CARE CENTERS, EMERGENCY DEPARTMENTS, OCCUPATIONAL MEDICINE, REHABILITATION, OUTREACH LABORATORY, MENTAL HEALTH, NEONATAL INTENSIVE CARE, A NACHRI-AFFILIATED CHILDREN'S HOSPITAL, RENAL DIALYSIS, ST. JUDE'S ONCOLOGY, INPATIENT/OUTPATIENT SURGERY, SKILLED NURSING, LONG-TERM CARE, HOME HEALTH, AIR AMBULANCE TRANSPORT AND MORE. WITH THESE ADDITIONAL FACILITIES AND SERVICES, MSHA EXTENDS A HIGHLY EFFECTIVE HEALTH CARE DELIVERY SYSTEM. SINCE OUR SYSTEM IS BOTH HORIZONTALLY AND VERTICALLY INTEGRATED, PATIENTS CAN BE EFFICIENTLY MOVED ALONG AN INTEGRATED, COMPREHENSIVE CONTINUUM OF CARE AS THEIR HEALTH STATUS DICTATES. OUR FLAGSHIP FACILITY, JOHNSON CITY MEDICAL CENTER IS AT THE CORE OF OUR SYSTEM OFFERING FULL-SERVICE TERTIARY CARE.

IN ADDITION TO OUR HOSPITALS, MSHA IS THE SOLE MEMBER OF BLUE RIDGE MEDICAL MANAGEMENT CORPORATION (BRMMC). MSHA EXTENDS AN INTEGRATED HEALTHCARE DELIVERY SYSTEM THROUGH BRMMC TO INCLUDE MULTIPLE PRIMARY AND SPECIALTY CARE PATIENT ACCESS CENTERS AND NUMEROUS OUTPATIENT CARE SITES, INCLUDING URGENT CARE CENTERS, OCCUPATIONAL MEDICINE SERVICES, A SAME DAY SURGERY CENTER AND OUTPATIENT REHABILITATION.

Part VI Supplemental Information

Provide the following information.

Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

MSHA COUNTY-SPECIFIC OPERATIONS ARE GOVERNED BY A COMMUNITY BOARD OF DIRECTORS. COUNTY BOARDS REPORT TO A SYSTEM LEVEL BOARD OF DIRECTORS. ALL BOARDS ARE PRIMARILY COMPOSED OF LOCAL COMMUNITY RESIDENTS.

PART VI, LINE 7 - STATE FILING OF COMMUNITY BENEFIT REPORT

TENNESSEE, VIRGINIA

SCHEDUL (Form 990)

Department of the Treasury
Internal Revenue Service

Grants and Other Assistance to Organizations, Governments, and Individuals in the United States

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

▶ Attach to Form 990.

▶ Information about Schedule I (Form 990) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2013

Open to Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

Part I General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ..... [X] Yes [ ] No

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

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

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) AMERICAN CANCER SOCIETY 250 WILLIAMS STREET NW, SUITE 400 ATLANTA GA 30303	13-1788491	501C3	26,774				PROGRAM SUPPORT
(2) AMERICAN HEART ASSOCIATION 208 SUNSET DRIVE JOHNSON CITY TN 37604	13-5613797	501C3	62,500	463		PRINTING	MULTI-EVENT SPONSOR
(3) APPALACHIAN MOUNTAIN PROJECT ACCESS 809 SOUTH ROAN STREET, SUITE 4 JOHNSON CITY TN 37601	26-2102040	501C3	116,964				HEALTH ACCESS
(4) BARTER THEATRE P.O. BOX 867 ABINGDON VA 24212	54-6000120	501C3	18,800				CONTRIBUTION
(5) BOYS & GIRLS CLUB OF KINGSPORT P.O. BOX 784, 213 LEE STREET KINGSPORT TN 37662	62-0481370	501C3	62,000				FITNESS PROGRAMS
(6) EAST TENNESSEE STATE UNIVERSITY P.O. BOX 70732 JOHNSON CITY TN 37614	62-6021046	501C3	20,000				SUPPORT FIT KIDS
(7) FAMILY PROMISE P.O. BOX 205 JOHNSON CITY TN 37605	62-1808323	501C3		5,462		PRINTING	NEWSLETTERS
(8) FRIENDS IN NEED HEALTH CENTER 1105 W STONE DRIVE KINGSPORT TN 37660	62-1541637	501C3	10,000	62		PRINTING	DENTAL CARE
(9) GOV'S FNDTN FOR HEALTH & WELLNESS P.O. BOX 198198 NASHVILLE TN 37219	45-3635908	501C3	25,000				HEALTH INITIATIVE

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table ..... ▶ 19

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

19340MSHA

SCHEDUL
(Form 990)

Department of the Treasury
Internal Revenue Service

Grants and Other Assistance to Organizations, Governments, and Individuals in the United States

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

▶ Attach to Form 990.

▶ Information about Schedule I (Form 990) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2013

Open to Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

Part I General Information on Grants and Assistance

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

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Governments and Organizations in the United States.

Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than $5,000. Part II can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) HANDS ON! REGIONAL MUSEUM 315 EAST MAIN STREET JOHNSON CITY TN 37601	62-1282542	501C3	7,500				HEALTH PROGRAM
(2) ISHN CONTRIBUTIONS K-1 509 MED TECH PARKWAY, SUITE 100 JOHNSON CITY TN 37604	62-1711997	501C3	61,028				K-1 P/S CHAR. CONTR.
(3) JC PARKS & RECREATION FOUNDATION 4137 BRISTOL HIGHWAY JOHNSON CITY TN 37601	38-3731893	501C3	5,000	824		PRINTING	SPONSORSHIP
(4) JOHNSON CITY SYMPHONY ORCHESTRA P.O. BOX 533 JOHNSON CITY TN 37605	62-0910261	501C3		7,246		PRINTING	PRINT PROGRAMS
(5) MARCH OF DIMES P.O. BOX 799, 2700 S ROAN ST., #430 JOHNSON CITY TN 37605	13-1846366	501C3	15,000				MARCH FOR BABIES
(6) MOUNTAIN STATES FOUNDATION 2335 KNOB CREEK ROAD, SUITE 101 JOHNSON CITY TN 37604	58-1418862	501C3	56,390				LOCAL HEALTH PROGRAM
(7) ST MARY'S CATHOLIC CHURCH 2211 EAST LAKEVIEW DRIVE JOHNSON CITY TN 37601	62-0507470	501C3	11,710				CHILDHOOD OBESITY
(8) SYCAMORE SHOALS ST. HISTORIC AREA 1651 WEST ELK AVENUE ELIZABETHTON TN 37643	62-6011445	501C3		5,592		PRINTING	2014 EVENT BOOK
(9) TOWN OF JONESBOROUGH 123 BOONE STREET JONESBOROUGH TN 37659	62-6000322	501C3		21,318		PRINTING	VARIOUS PROGRAMS

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

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

19340MSHA

SCHEDUL
(Form 990)

Department of the Treasury
Internal Revenue Service

Grants and Other Assistance to Organizations, Governments, and Individuals in the United States

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

▶ Attach to Form 990.

▶ Information about Schedule I (Form 990) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2013

Open to Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

Part I General Information on Grants and Assistance

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

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

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

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) VIRGINIA HIGHALNDS COMM COLLEGE P.O. BOX 828 ABINGDON VA 24212	54-1268289	501C3	30,000				NURSING PROGRAM
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							

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

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

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

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

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

PART I, LINE 2 - PROCEDURES FOR MONITORING THE USE OF GRANT FUNDS

MOST DONATION REQUESTS ARE MADE THROUGH AN APPLICATION PROCESS WHERE THE APPLICANT DESCRIBES HOW THE MONEY WILL BE USED, HOW IT BENEFITS THE COMMUNITY, HOW OUR DONATION WILL CORRELATE WITH HEALTH NEEDS IDENTIFIED BY OUR COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA), AND THE AGREEMENT THAT THE DONEE WILL PROVIDE FOLLOW-UP OF HOW OUR DONATION WAS USED (WHO BENEFITED, ETC.). NOT ALL OF OUR DONATIONS ARE RESTRICTED TO OUR CHNA, BUT MANY ARE.

MSHA'S SOCIAL RESPONSIBILITY COMMITTEE REVIEWS MOST DONATION REQUESTS TO DETERMINE WHICH REQUESTS MSHA WILL FUND. THERE ARE MANY FACTORS THAT ARE CONSIDERED DURING THE REVIEW PROCESS BY THE COMMITTEE, SUCH AS OUR BUDGET

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

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

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

CONSTRAINTS, IF THE APPLICANT HAS ALREADY RECEIVED A DONATION FROM A MSHA FACILITY, HOW THE REQUESTING ORGANIZATION FITS WITH OUR CHNA, ETC.

MSHA ADHERED TO THE FOLLOWING CRITERIA FOR OUR CONTRIBUTIONS TO ORGANIZATIONS IN THE REGION:

HEALTHCARE: THE ORGANIZATION ENHANCED OR IMPROVED ACCESS FOR THE UNINSURED OR UNDERINSURED POPULATION OR SUPPORTED A PROGRAM TO IMPROVE THE HEALTH OF OUR CHILDREN (I.E., CHILDHOOD OBESITY PREVENTION).

EDUCATION: THE ORGANIZATION PROVIDED A PROGRAM TO IMPROVE EDUCATION OF THE RESIDENTS IN OUR REGION ALL THE WAY TO COLLEGE AGE STUDENTS (SUCH AS A

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

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

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

NURSING PROGRAM).

QUALITY OF LIFE: THE ORGANIZATION SUPPORTED PROGRAMS TO ENHANCE THE QUALITY OF LIFE, WHICH IS IMPORTANT IN THE RECRUITMENT EFFORTS OF BUSINESSES IN THE REGION AS WE WORK TO ATTRACT AND RETAIN THE BEST TALENT.

SCHEDULE J
(Form 990)

artment of the Treasury
Internal Revenue Service

Compensation Information

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

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 23.
▶ Attach to Form 990. ▶ See separate instructions.
▶ Information about Schedule J (Form 990) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2013

Open to Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

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 in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.		
	[X] First-class or charter travel		
	[ ] Travel for companions		
	[ ] Tax indemnification and gross-up payments		
	[ ] Discretionary spending account		
	[ ] Housing allowance or residence for personal use		
	[ ] Payments for business use of personal residence		
	[ ] Health or social club dues or initiation fees		
	[ ] Personal services (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	X	
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked in line 1a?	X	
3	Indicate which, if any, of the following the filing organization uses 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.		
	[X] Compensation committee		
	[X] Independent compensation consultant		
	[ ] Form 990 of other organizations		
	[X] Written employment contract		
	[X] Compensation survey or study		
	[X] Approval by the board or compensation committee		
4	During the year, did any person listed in 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?		X
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	X	
c	Participate in, or receive payment from, an equity-based compensation arrangement?		X
	If "Yes" to any of lines 4a–c, list the persons and provide the applicable amounts for each item in Part III.		
	Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5–9.		
5	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:		
a	The organization?		X
b	Any related organization?		X
	If "Yes" to line 5a or 5b, describe in Part III.		
6	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:		X
a	The organization?		X
b	Any related organization?		
	If "Yes" to line 6a or 6b, describe in Part III.		
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III		X
8	Were any amounts reported in 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		X
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?		

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

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

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

	(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)–(D)	(F) Compensation reported as deferred in prior Form 990
			(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
	DENNIS VONDERFECHT	(i)	780,241	236,094	41,860	40,000	28,381	1,126,576	0
1	CEO	(ii)	0	0	0	0	0	0	0
	MARVIN EICHORN	(i)	467,818	104,240	54,577	24,139	23,164	673,938	0
2	SENIOR VP/CFO	(ii)	0	0	0	0	0	0	0
	ANN FLEMING	(i)	383,151	87,911	282,847	55,452	17,959	827,320	242,724
3	SR. VP	(ii)	0	0	0	0	0	0	0
	CANDACE JENNINGS	(i)	419,157	85,228	19,144	60,753	25,136	609,418	0
4	SR. VP TN OPERATIONS	(ii)	0	0	0	0	0	0	0
	DAVID NICELY	(i)	296,697	37,743	8,113	28,014	26,917	397,484	0
5	VP/CEO WASHINGTON CO	(ii)	0	0	0	0	0	0	0
	MONTY MCLAURIN	(i)	263,158	39,707	14,777	28,734	28,417	374,793	0
6	VP/IPMC CEO	(ii)	0	0	0	0	0	0	0
	TONY BENTON	(i)	239,245	51,354	8,705	16,273	21,351	336,928	0
7	INTERIM CEO WASH. CO	(ii)	0	0	0	0	0	0	0
	SHANE HILTON	(i)	208,263	68,171	10,464	15,045	22,994	324,937	0
8	VP/TN CFO	(ii)	0	0	0	0	0	0	0
	LYNN KRUTAK	(i)	220,630	41,691	2,689	17,952	18,493	301,455	0
9	VP/CORP. CFO	(ii)	0	0	0	0	0	0	0
	PATRICK BOLANDER	(i)	182,716	15,905	7,523	3,847	24,205	234,196	0
10	JCMC CFO	(ii)	0	0	0	0	0	0	0
	STEVE SAWYER	(i)	137,425	7,708	8,087	4,278	17,039	174,537	0
11	IPMC CFO	(ii)	0	0	0	0	0	0	0
	MORRIS SELIGMAN, M.D.	(i)	429,033	92,121	12,642	58,911	25,792	618,499	0
12	SR. VP/CMO	(ii)	0	0	0	0	0	0	0
	BERT SMITH, M.D.	(i)	305,739	62,736	26,983	4,869	17,499	417,826	0
13	VP HOSP. PRGM.	(ii)	0	0	0	0	0	0	0
	DOUGLAS EDEMA	(i)	298,019	61,739	32,115	12,398	23,782	428,053	0
14	VP PRES./CEO MSPG	(ii)	0	0	0	0	0	0	0
	STEVE KILGORE	(i)	305,723	59,559	11,886	32,848	22,581	432,597	0
15	PRESIDENT BRMMC	(ii)	0	0	0	0	0	0	0
	MARK WILKINSON	(i)	332,573	34,304	4,282	10,940	26,138	408,237	0
16	CMO	(ii)	0	0	0	0	0	0	0

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

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

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

	(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)–(D)	(F) Compensation reported as deferred in prior Form 990
			(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
	DALE CLAYTORE	(i)	177,276	36,009	20,421	10,636	2,924	247,266	0
1	VP	(ii)	0	0	0	0	0	0	0
	PAT NIDAY	(i)	149,917	24,209	16,920	7,985	31,992	231,023	0
2	FORMER CNO WASH. CO.	(ii)	0	0	0	0	0	0	0
		(i)							
3		(ii)							
		(i)							
4		(ii)							
		(i)							
5		(ii)							
		(i)							
6		(ii)							
		(i)							
7		(ii)							
		(i)							
8		(ii)							
		(i)							
9		(ii)							
		(i)							
10		(ii)							
		(i)							
11		(ii)							
		(i)							
12		(ii)							
		(i)							
13		(ii)							
		(i)							
14		(ii)							
		(i)							
15		(ii)							
		(i)							
16		(ii)							

Part III Supplemental Information

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

PART I, LINE 1A - FRINGE OR EXPENSE EXPLANATION

BOARD MEMBERS AND TEAM MEMBERS OF MSHA ARE NOT PERMITTED TO TRAVEL FIRST-CLASS WITH THE EXCEPTION OF MSHA'S CEO. AS SANCTIONED BY MSHA'S BOARD OF DIRECTORS, MSHA'S CEO IS PERMITTED TO TRAVEL FIRST-CLASS WHEN THE FLIGHT'S DURATION IS GREATER THAN TWO HOURS. DUE TO THE LENGTH OF SUCH FLIGHTS, THE BOARD BELIEVES IT IS IN THE BEST INTEREST OF MSHA FOR THE CEO TO TRAVEL FIRST-CLASS. CHARTER TRAVEL IS LIMITED TO MSHA BUSINESS TRIPS THAT INCLUDE NUMEROUS TRAVELERS AND WHICH CAN BE JUSTIFIED BASED UPON FINANCIAL AND/OR ESSENTIAL TIME SAVINGS. CHARTER FLIGHTS MUST BE APPROVED BY THE CEO PRIOR TO BOOKING THE FLIGHT.

PART I, LINE 4 - SEVERANCE, NONQUALIFIED, AND EQUITY-BASED PAYMENTS

	SEVERANCE	NONQUALIFIED	EQUITY-BASED
ANN FLEMING	0	39,222	0
CANDACE JENNINGS	0	42,847	0
DAVID NICELY	0	15,208	0
MONTY MCLAURIN	0	13,653	0
MORRIS SELIGMAN, M.D.	0	43,541	0

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.

STEVE KILGORE	0	15,550	0

PART III - OTHER ADDITIONAL INFORMATION

THE FOLLOWING EXECUTIVES LISTED IN SCHEDULE J, PART II PARTICIPATED IN A 457(F) RETIREMENT PLAN PROVIDED BY MOUNTAIN STATES HEALTH ALLIANCE (MSHA): ANN FLEMING, CANDACE JENNINGS, MONTY MCLAURIN, MORRIS SELIGMAN, DAVID NICELY, AND STEVE KILGORE. 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 PARTICIPANT'S EMPLOYMENT WITH MSHA 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. (ELIGIBLE SERVICE IS OFFICER SERVICE THAT PERMITTED THE EXECUTIVE TO PARTICIPATE IN THE PLAN.) THE EXECUTIVE WILL

Part II 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.

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.

SCHEDULE K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax-Exempt Bonds

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

OMB No. 1545-0047
2013
Open to Public Inspection

Name of the organization
MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number
62-0476282

Part I Bond Issues

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pooled financing	
							Yes	No	Yes	No	Yes	No
A	HLTH & EDU. FACIL. BD. 2011A&B&C&D	62-1464028	478271JS9	10/19/11	195,840,000	CONSTRUCTION & EQUIP		X		X		X
B	HLTH & EDU. FACIL. BD. 2010A&B	62-1464028	478271JH3	04/29/10	205,877,528	PARTIAL REFUNDING		X		X		X
C	HLTH & EDU. FACIL. BD. 2009A&B&C	62-1464028	478271HT9	03/31/09	124,301,533	CONSTRUCTION & EQUIP		X		X		X
D	HLTH & EDU. FACIL. BD. 2006A	62-1464028	478271GX1	02/14/06	178,614,171	CONSTRUCTION & EQUIP		X		X		X

Part II Proceeds

	A	B	C	D
1 Amount of bonds retired	118,910,000	24,545,000	4,970,000	5,295,000
2 Amount of bonds legally defeased				
3 Total proceeds of issue	195,840,938	206,153,584	125,776,987	185,261,811
4 Gross proceeds in reserve funds				
5 Capitalized interest from proceeds				
6 Proceeds in refunding escrows				
7 Issuance costs from proceeds	2,353,905	3,474,644	2,481,706	2,383,533
8 Credit enhancement from proceeds				
9 Working capital expenditures from proceeds				
10 Capital expenditures from proceeds	157,897,796		100,727,095	101,295,664
11 Other spent proceeds	34,166,505	201,278,521	17,687,636	64,674,434
12 Other unspent proceeds	619,419	1,400,419	4,880,548	16,908,180
13 Year of substantial completion			2014	2011

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
14 Were the bonds issued as part of a current refunding issue?	X		X			X	X	
15 Were the bonds issued as part of an advance refunding issue?		X		X		X	X	
16 Has the final allocation of proceeds been made?		X		X	X		X	
17 Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X		X		X	

Part III Private Business Use

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

SCHEDULE K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax-Exempt Bonds

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

OMB No. 1545-0047
2013
Open to Public Inspection

Name of the organization
MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number
62-0476282

Part I Bond Issues

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pooled financing	
							Yes	No	Yes	No	Yes	No
A	HLTH & EDU. FACIL. BD. 2012A&B&C	62-1464028	478271JV2	09/18/12	94,745,050	CONSTRUCTION & EQUIP		X		X		X
B	HLTH & EDU. FACIL. BD. 2013A&C&D&E	62-1464028	478271JY6	07/30/13	228,985,000	CONSTRUCTION & EQUIP		X		X		X
C												
D												

Part II Proceeds

	A	B	C	D
1 Amount of bonds retired	37,880,000			
2 Amount of bonds legally defeased				
3 Total proceeds of issue	95,243,088	229,021,171		
4 Gross proceeds in reserve funds				
5 Capitalized interest from proceeds				
6 Proceeds in refunding escrows				
7 Issuance costs from proceeds	1,889,366	2,070,000		
8 Credit enhancement from proceeds				
9 Working capital expenditures from proceeds				
10 Capital expenditures from proceeds	79,915,061	14,372,711		
11 Other spent proceeds		210,970,000		
12 Other unspent proceeds	9,465,572	6,384,864		
13 Year of substantial completion				

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
14 Were the bonds issued as part of a current refunding issue?		X	X					
15 Were the bonds issued as part of an advance refunding issue?		X		X				
16 Has the final allocation of proceeds been made?		X		X				
17 Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X					

Part III Private Business Use

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

Part III Private Business Use (Continued)

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

Part IV Arbitrage

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Has the issuer filed Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate?		X		X		X		X
2 If "No" to line 1, did the following apply?								
a Rebate not due yet?	X		X			X		X
b Exception to rebate?		X		X		X		X
c No rebate due?	X		X			X		X
If you checked "No rebate due" in line 2c, provide in Part VI the date the rebate computation was performed								
3 Is the bond issue a variable rate issue?	X			X		X		X
4a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X		X		X	X	
b Name of provider							MERRILL LYNCH,	
c Term of hedge								0.2
d Was the hedge superintegrated?								X
e Was the hedge terminated?								X

Part III Private Business Use (Continued)

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

Part IV Arbitrage

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

Part IV Arbitrage (Continued)

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

Part V Procedures To Undertake Corrective Action

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

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

SCHEDULE K - PURPOSE OF ISSUE DESCRIPTION

HLTH & EDU. FACIL. BD. 2011A&B&C&D
(LINE A) CONSTRUCT AND EQUIP HOSPITAL FACILITIES,INCLUDING REFINANCING TAXABLE DEBT RELATING THERETO, REFUND BONDS ISSUED 12/01/2001; REFINANCING LOANS AND EQUIPMENT LEASES.

HLTH & EDU. FACIL. BD. 2010A&B
(LINE B) PARTIAL REFUNDING OF BONDS ISSUED 12/14/2007 (2007A) AND (2007C) AND 2/20/2008 (2008A).

HLTH & EDU. FACIL. BD. 2009A&B&C
(LINE C) CONSTRUCT AND EQUIP HOSPITAL FACILITIES,INCLUDING REFINANCING OF TAXABLE INDEBTEDNESS RELATING THERETO.

HLTH & EDU. FACIL. BD. 2006A
(LINE E) CONSTRUCT AND EQUIP HOSPITAL FACILITIES,INCLUDING REFINANCING TAXABLE DEBT RELATING THERETO, AND COST OF INTEREST RATE HEDGE, REFUND BONDS ISSUED 3/28/01, 7/01/03, 7/08/04, 11/23/04, 9/7/05 AND 11/23/05.

HLTH & EDU. FACIL. BD. 2012A&B&C
(LINE F) CONSTRUCT AND EQUIP SURGERY CENTER AT JCMC; CONSTRUCT AND EQUIP HOSPITAL FACILITIES, INCLUDING REFINANCING OF INDEBTEDNESS RELATING THERETO.

HLTH & EDU. FACIL. BD. 2013A&C&D&E
(LINE G) CONSTRUCT & EQUIP HOSPITAL FACILITIES, INCLUDING REFINANCING OF INDEBTEDNESS RELATING THERETO, REFUND BONDS ISSUED 2/20/08, 10/19/11 &

Part IV Arbitrage (Continued)

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

Part V Procedures To Undertake Corrective Action

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

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

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

9/18/12

SCHEDULE K - DATE REBATE COMPUTATION PERFORMED
HLTH & EDU. FACIL. BD. 2009A&B&C 03/21/14
HLTH & EDU. FACIL. BD. 2006A 02/17/10

SCHEDULE K - ADDITIONAL INFORMATION

SCHEDULE K PART VI:
1.COMMENT ON SCHEDULE K, PART I, LINES A, B, C, E, AND F. MOUNTAIN STATES HEALTH ALLIANCE OWNS AND/OR OPERATES HOSPITALS IN A NUMBER OF DIFFERENT LOCATIONS BOTH IN TENNESSEE AND IN VIRGINIA. AS A RESULT, MSHA MUST UTILIZE CONDUIT GOVERNMENTAL BOND ISSUERS IN A NUMBER OF JURISDICTIONS IN ORDER TO FINANCE IMPROVEMENTS TO ITS HOSPITAL FACILITIES. IN 2009, 2010, 2011, 2012 AND 2013, MSHA WAS THE CONDUIT BORROWER OF TAX-EXEMPT BONDS ISSUED BY MULTIPLE ISSUERS IN TENNESSEE AND VIRGINIA. FOR FEDERAL TAX PURPOSES, EVEN THOUGH DIFFERENT GOVERNMENT ISSUERS WERE INVOLVED, THESE MULTIPLE ISSUES IN EACH YEAR WERE REQUIRED TO BE TREATED, AND WERE TREATED, AS A SINGLE "ISSUE" BECAUSE THEY MET THE SINGLE "ISSUE" TEST UNDER THE APPLICABLE FEDERAL TAX REGULATIONS. THEREFORE, MULTIPLE ISSUERS ARE LISTED UNDER LINES A, B, C, E AND F BECAUSE THE BONDS THAT WERE ISSUED WERE PART OF A SINGLE "ISSUE" FOR FEDERAL TAX PURPOSES.

2. COMMENT ON SCHEDULE K, PART II. LINE 3 EACH OF THE LISTED BOND ISSUES DO NOT MATCH THE APPLICABLE ISSUE PRICE BECAUSE OF INTEREST EARNINGS EARNED ON THE SALE PROCEEDS OF EACH BOND SERIES.

3. COMMENT ON SCHEDULE K, PART II, LINES 9 THROUGH 11. THE INSTRUCTIONS ARE UNCLEAR AS TO WHETHER AMOUNTS USED TO REFINANCE SHORT-TERM TAXABLE LOANS INCURRED TO TEMPORARILY FINANCE ELIGIBLE COSTS SHOULD BE SHOWN AS CAPITAL EXPENDITURES AND WORKING CAPITAL (LINES 9 AND 10) OR AS OTHER SPENT PROCEEDS (LINE 11). BASED UPON A REVIEW OF OTHER 990 FILINGS, IT APPEARS THAT MOST REPORTING ENTITIES HAVE LISTED THE APPLICATION OF PROCEEDS FOR SUCH PURPOSE UNDER OTHER SPENT PROCEEDS (LINE 11). THIS FILING TAKES THAT APPROACH.

4. COMMENT ON SCHEDULE K, PART II, LINE 12. IT IS UNCLEAR UNDER THE INSTRUCTIONS WHETHER TRANSFERRED PROCEEDS SHOULD BE TREATED AS OTHER UNSPENT PROCEEDS FOR REPORTING PURPOSES ON LINE 12. AS AN ABUNDANCE OF CAUTION, TRANSFERRED PROCEEDS HAVE BEEN INCLUDED ON LINE 12 FOR EACH ISSUE (BEING THOSE ISSUES LISTED ON LINES A, E AND F UNDER PART I) TO THE EXTENT APPLICABLE. ALSO, DURING ITS 2013 FISCAL YEAR, MSHA WAS ABLE TO REMOVE THE

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

REQUIREMENT THAT CERTAIN DEBT SERVICE RESERVE FUNDS BE MAINTAINED. AS A RESULT, MSHA WAS ABLE TO TRANSFER PROCEEDS FROM DEBT SERVICE RESERVE FUNDS FOR CERTAIN ISSUES TO BOND SINKING FUNDS FOR THOSE ISSUES TO PAY PRINCIPAL ON THE ISSUE AND TO REDUCE THE AMOUNT OF TAX-EXEMPT BONDS OUTSTANDING IN THE MARKET. AS A RESULT, UNSPENT PROCEEDS HAVE INCREASED FOR CERTAIN ISSUES WHILE SUCH FUNDS ARE HELD IN THE BOND SINKING FUNDS, AND THE AMOUNTS PREVIOUSLY HELD IN DEBT SERVICE RESERVE FUNDS FOR SUCH ISSUES HAVE BEEN REDUCED. MSHA IS USING SUCH PROCEEDS TO PAY PRINCIPAL AS QUICKLY ON THOSE ISSUES AS THE BOND DOCUMENTS PERMIT.

5. COMMENT ON SCHEDULE K, PART IV, LINE 1. PRIOR TO JUNE 30, 2014, THE REPORTING DATE OF THE 990, THE ONLY ARBITRAGE REBATE CALCULATIONS THAT WERE REQUIRED RELATED TO THE BONDS DESCRIBED IN LINES C AND D OF PART I (THE SERIES 2006 AND 2009 BONDS). MSHA RETAINED A REBATE CALCULATION AGENT TO CALCULATE WHETHER ANY ARBITRAGE REBATE WAS DUE WITH RESPECT TO THOSE BONDS, AND THERE WAS NEGATIVE ARBITRAGE REBATE LIABILITY IN A SIGNIFICANT AMOUNT. THEREFORE, NO FORM 8038-T WAS REQUIRED TO BE FILED WITH RESPECT TO THOSE BOND ISSUES.

6. COMMENT ON SCHEDULE K, PART IV, LINE 5D. PART IV, LINE 5D RELATIVE TO THE BOND ISSUE DESCRIBED ON LINE D SHOWS THAT THE REGULATORY SAFE HARBOR FOR ESTABLISHING FAIR MARKET VALUE OF THE GIC DESCRIBED IN LINE 5A WAS NOT SATISFIED. DUE TO MARKET CONDITIONS AT THE TIME, MSHA DID NOT RECEIVE THREE BIDS FOR THIS GIC. HOWEVER, THE YIELD ON THE GIC WAS SO SUBSTANTIALLY BELOW THE YIELD ON THE RELEVANT BONDS THAT THERE WAS NO DOUBT THAT THE YIELD ON THE GIC DID NOT EXCEED THE APPROPRIATE YIELD ON THE RELEVANT BONDS.

7. COMMENT ON SCHEDULE K, PART IV, LINE 6. THE BOND ISSUES DESCRIBED IN LINES A, B, C, E AND F OF PART I HAVE TRANSFERRED PROCEEDS OF PRIOR BOND ISSUES THAT FINANCED SIGNIFICANT CAPITAL IMPROVEMENTS TO HOSPITAL FACILITIES OR PROCEEDS THAT ARE TO BE USED FOR SUCH PURPOSES. THERE HAVE BEEN UNEXPECTED DELAYS IN THE CONSTRUCTION AND EQUIPPING OF CERTAIN OF THESE HOSPITAL FACILITIES, AND THEREFORE NOT ALL OF SUCH PROCEEDS WERE SPENT WITHIN THE THREE-YEAR TEMPORARY PERIOD RELATIVE TO CONSTRUCTION PROJECTS. HOWEVER, MSHA HAS YIELD RESTRICTED THESE PROCEEDS AFTER THE END OF THE APPLICABLE TEMPORARY PERIOD AND/OR WILL BE MAKING A YIELD REDUCTION PAYMENT WITH RESPECT TO THOSE PROCEEDS, IF REQUIRED. ALSO, THE PROCEEDS HELD IN THE BOND SINKING FUNDS AS DESCRIBED IN COMMENT 4 ABOVE ARE NO LONGER ELIGIBLE FOR ANY TEMPORARY PERIOD AND WILL BE INVESTED AT A RESTRICTED YIELD OR WILL BE SUBJECT TO A YIELD REDUCTION PAYMENT.

19340MSHA

SCHEDULE L (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions With Interested Persons

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.
▶ Information about Schedule L (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2013

Open To Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

Part I Excess Benefit Transactions (section 501(c)(3) and section 501(c)(4) 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	(d) Corrected? No
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					

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 org.? To	(d) Loan to or from the org.? From	(e) Original principal amount	(f) Balance due	(g) In default? Yes	(g) In default? No	(h) Approved by board or committee? Yes	(h) Approved by board or committee? No	(i) Written agreement? Yes	(i) Written agreement? No
(1)	DENNIS VONDERFECHT		SPLIT $ LIFE INSUR.LOAN,INCL.PR.YRS		X	7,205,125	7,395,295		X	X		X	
(2)	MARVIN EICHORN		SPLIT DOLLAR LIFE INSURANCE LOAN		X	700,000	710,710		X	X		X	
	MARVIN EICHORN		SPLIT DOLLAR LIFE INSURANCE LOAN		X	304,332	304,332		X	X		X	
(4)	MARVIN EICHORN		SPLIT $ LIFE INSUR.LOAN,INCL.PR.YRS		X	296,183	296,183		X	X		X	
(5)	MARVIN EICHORN		SPLIT DOLLAR LIFE INSURANCE LOAN		X	183,364	282,454		X	X		X	
(6)													
(7)													
(8)													
(9)													
(10)													
Total						▶ $	8,988,974						

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
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					
(8)					
(9)					
(10)					

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 org. revenues? Yes	(e) Sharing of org. revenues? No
(1) WATAUGA PATHOLOGY ASSOC., P.C.	M.D. SERVICES	410,197	SEE PART V		X
(2) PULMONARY ASSOCIATES OF EAST TENN	M.D. SERVICES	42,125	SEE PART V		X
(3) WORKSPACE INTERIORS, INC.	VENDOR	1,205,384	SEE PART V		X
(4) MATTHEW MARTIN	FAMILY MEMBER	27,783	SEE PART V		X
(5) MITCH HATHAWAY	FAMILY MEMBER	97,491	SEE PART V		X
(6) SYCAMORE SHOALS ANESTHESIA ASSOC.	M.D. SERVICES	819,996	SEE PART V		X
(7) CLEM WILKES, III	FAMILY MEMBER	71,145	SEE PART V		X
(8) PAULA CLAYTORE	FAMILY MEMBER	270,782	SEE PART V		X
(9) JAMES TEIXEIRA	FAMILY MEMBER	77,016	SEE PART V		X
(10)					

Part V Supplemental Information

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

SCHEDULE L, PART V - ADDITIONAL INFORMATION

(1) SANDRA BROOKS, M.D., MSHA BOARD MEMBER, IS A PARTNER WITH OWNERSHIP INTEREST IN WATAUGA PATHOLOGY ASSOCIATES, P.C., WATAUGA PATHOLOGY ASSOCIATES, P.C. PROVIDES MEDICAL SERVICES TO MSHA.

(2) DR. JEFF FARROW, MSHA BOARD MEMBER, IS A KEY EMPLOYEE OF PULMONARY ASSOCIATES OF EAST TENNESSEE P.C. AND HAS AN OWNERSHIP IN THE PROFESSIONAL CORPORATION. PULMONARY ASSOCIATES OF EAST TENNESSEE P.C. PROVIDES MEDICAL SERVICES TO MSHA.

(3) ROBERT FEATHERS, PAST CHAIR OF THE MSHA BOARD OF DIRECTORS, IS OWNER OF WORKSPACE INTERIORS,INC. WHICH PROVIDES COMMERCIAL FURNISHINGS AND DESIGN SERVICES TO MSHA. TRANSACTIONS ARE CONDUCTED AT ARMS-LENGTH.

(4) JOANNE GILMER, VICE CHAIR OF THE MSHA BOARD OF DIRECTORS, IS A FAMILY MEMBER OF MATTHEW MARTIN, AN EMPLOYEE OF MSHA.

(5) JOANNE GILMER, VICE CHAIR OF THE MSHA BOARD OF DIRECTORS, IS A FAMILY MEMBER OF MITCH HATHAWAY, AN EMPLOYEE OF MSHA.

(6) DR. DAVID MAY, MSHA BOARD MEMBER, SERVES AS BOARD CHAIR FOR SYCAMORE SHOALS ANESTHESIA ASSOCIATES, P.C., AND HAS AN OWNERSHIP SHARE IN THE PROFESSIONAL CORPORATION. SYCAMORE SHOALS ANESTHESIA ASSOCIATES, P.C. PROVIDES MEDICAL SERVICES TO MSHA.

(7) CLEM WILKES, JR., CHAIR OF THE MSHA BOARD OF DIRECTORS, IS A FAMILY

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 org. revenues? Yes	(e) Sharing of org. revenues? No
(1)						
(2)						
(3)						
(4)						
(5)						
(6)						
(7)						
(8)						
(9)						
(10)						

Part V Supplemental Information

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

MEMBER OF CLEM WILKES III, AN EMPLOYEE OF MSHA.

(8) DALE CLAYTORE, FORMER KEY EMPLOYEE OF MSHA, IS A FAMILY MEMBER OF PAULA CLAYTORE, AN EMPLOYEE OF MSHA.

(9) PAT NIDAY, FORMER KEY EMPLOYEE OF MSHA, IS A FAMILY MEMBER OF JAMES TEIXEIRA, AN EMPLOYEE OF MSHA.

SCHEDULE O (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

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

OMB No. 1545-0047

2013

Open to Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

DOING BUSINESS AS - ADDITIONAL NAMES

NISWONGER CHILDREN'S HOSPITAL;

QUILLEN REHABILITATION HOSPITAL;

FRANKLIN WOODS COMMUNITY HOSPITAL;

INDIAN PATH MEDICAL CENTER;

SYCAMORE SHOALS HOSPITAL;

WOODRIDGE HOSPITAL FOR BEHAVIORAL

HEALTH SERVICES;

JOHNSON COUNTY COMMUNITY HOSPITAL;

RUSSELL COUNTY MEDICAL CENTER;

'JNICOI COUNTY MEMORIAL HOSPITAL

FORM 990 - ORGANIZATION'S MISSION

MOUNTAIN STATES HEALTH ALLIANCE (MSHA) IS COMMITTED TO OUR MISSION OF BRINGING LOVING CARE TO HEALTH CARE. WE EXIST TO IDENTIFY AND RESPOND TO THE HEALTHCARE NEEDS OF INDIVIDUALS AND COMMUNITIES IN THE 29-COUNTY AREA WE SERVE, HELPING THEM ATTAIN THEIR HIGHEST LEVEL OF HEALTH. MSHA DELIVERS THIS CARE THROUGH THE PHILOSOPHY OF PATIENT-CENTERED CARE, AND THE DEVELOPMENT OF COMPREHENSIVE STRATEGIC PLANNING AND IMPLEMENTATION.

SEE ATTACHED NARRATIVE-PROGRAM SERVICE ACCOMPLISHMENTS.

FORM 990, PART VI, LINE 11B - ORGANIZATION'S PROCESS TO REVIEW FORM 990

THE CFO AND SENIOR VP REVIEWED THE FORM 990 WITH THE BOARD OF DIRECTORS PRIOR TO FILING AND THE RETURN WAS MADE AVAILABLE TO EACH BOARD MEMBER IN AN ELECTRONIC FORMAT PRIOR TO THE REVIEW.

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

FORM 990, PART VI, LINE 12C - ENFORCEMENT OF CONFLICTS POLICY

ANNUALLY, THE CORPORATE AUDIT AND COMPLIANCE DEPARTMENT OF MSHA FORWARDS THE CONFLICT OF INTEREST POLICY AND DISCLOSURE FORM TO ALL MSHA MANAGEMENT TEAM MEMBERS AND BOARD MEMBERS. EMPLOYEES AND BOARD MEMBERS MUST NOTE ANY CONFLICTS OR ATTEST THEY HAVE "NONE", AND RETURN THE FORM TO THE AUDIT AND COMPLIANCE DEPARTMENT. ANY NOTED DISCLOSURES ARE FORWARDED TO THE APPROPRIATE MANAGEMENT OR BOARD PERSONNEL TO EVALUATE AND UTILIZE WHEN A TRANSACTION INVOLVING A CONFLICTED PERSON ARISES. ADDITIONALLY, PERSONNEL WHO HAVE A CONFLICT ARISE BETWEEN THE ANNUAL DISTRIBUTION OF THE POLICY AND FORMS ARE REQUIRED TO DISCLOSE THE CONFLICT AND WOULD BE DISCIPLINED IN ANY INSTANCE WHERE THEY HAVE NOT DISCLOSED AND ENGAGED IN A CONFLICTED TRANSACTION.

FORM 990, PART VI, LINE 15A - COMPENSATION PROCESS FOR TOP OFFICIAL

THE CEO'S COMPENSATION AND BENEFITS ARE SUBJECT TO THE EXECUTIVE COMPENSATION POLICY OF MOUNTAIN STATES HEALTH ALLIANCE (MSHA). THE POLICY WAS ESTABLISHED BY MSHA'S BOARD OF DIRECTORS AND IS ALLIGNED WITH THE MSHA MISSION, VISION, AND VALUES, SUPPORTING THE ACHIEVEMENT OF THE HEALTH SYSTEM'S STRATEGIC PLANS AND ANNUAL GOALS AND OBJECTIVES. THE POLICY ENSURES THAT MSHA'S EXECUTIVE COMPENSATION IS COMPLIANT WITH THE LEGAL, REGULATORY, AND STATUTORY ENVIRONMENT AFFECTING COMPENSATION.

MSHA'S PRESIDENT AND CEO MAKES RECOMMENDATIONS TO THE EXECUTIVE COMMITTEE OF THE MSHA BOARD FOR ALL ELEMENTS OF COMPENSATION FOR THE SENIOR MANAGEMENT TEAM. THE BOARD OF DIRECTORS MONITORS THE PERFORMANCE OF THE SENIOR MANAGEMENT TEAM ON AN ONGOING BASIS, BUT AT LEAST ANNUALLY.

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

FORM 990, PART VI, LINE 15B - COMPENSATION PROCESS FOR OFFICERS

SIMILAR TO THE CEO'S COMPENSATION, THE CFO RECEIVES COMPENSATION AND BENEFITS THAT COMPLY WITH MSHA'S SALARY POLICY. HIS PAY IS SET AT A MARKET PERCENTILE SPECIFIC TO HIS POSITION.

FORM 990, PART VI, LINE 19 - GOVERNING DOCUMENTS DISCLOSURE EXPLANATION

GOVERNING DOCUMENTS AND CONFLICT OF INTEREST POLICY ARE MADE AVAILABLE UPON REQUEST TO 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.

FORM 990, PART VII - OFFICER, KEY EMPLOYEE & HIGHEST PAID COMPENSATION:

LYNN KRUTAK, CFO AND MSHA KEY EMPLOYEE, IS PAID BY MSHA. BLUE RIDGE MEDICAL MANAGEMENT CORPORATION (BRMMC) REIMBURSES MSHA FOR 50% OF KRUTAK'S SALARY AND BENEFITS. MSHA IS THE SOLE MEMBER OF BRMMC. KRUTAK DEVOTES AN EQUAL AMOUNT OF TIME BETWEEN MSHA AND BRMMC. DR. DOUGLAS EDEMA AND STEVE KILGORE, REPORTABLE AS HIGHEST COMPENSATED EMPLOYEES, ARE PAID BY MSHA AND THEIR SALARY AND BENEFITS ARE FULLY REIMBURSED TO MSHA BY BRMMC. CERTAIN EXECUTIVES OF THE ORGANIZATION, SUCH AS THE CEO AND SR VP/CFO, PROVIDE SERVICES TO SOME OR ALL OF THE ORGANIZATIONS RELATED TO MSHA.

FORM 990, PART IX, LINE 11G - OTHER FEES FOR SERVICES

DESCRIPTION	PROGRAM SERVICE	MGT & GENERAL	FUNDRAISING
PHYSICIAN FEES			

	$ 24,631,544	$ 0	$ 0
DIETARY SERVICES			
	$ 8,064,179	$ 0	$ 0
CONSULTING SERVICES			
	$ 0	$ 5,006,726	$ 0
ENVIRONMENTAL SERVICES			
	$ 4,346,007	$ 0	$ 0
LAUNDRY SERVICES			
	$ 3,904,673	$ 0	$ 0
COLLECTION SERVICES			
	$ 3,436,975	$ 0	$ 0
RETAIL PHARMACY			
	$ 2,590,687	$ 0	$ 0
LABORATORY SERVICES			
	$ 2,442,224	$ 0	$ 0
CONTRACT LABOR			
	$ 1,797,398	$ 0	$ 0
PATIENT RESOURCE SERVICES			
	$ 1,147,985	$ 0	$ 0
TRANSCRIPTION SERVICES			
	$ 995,139	$ 0	$ 0
PHYSICIAN LOAN FORGIVENESS			
	$ 656,530	$ 0	$ 0
OTHER FEES			
	$ 29,174,476	$ 5,664,127	$ 6,237

FORM 990, PART XI, LINE 9 - OTHER CHANGES IN NET ASSETS EXPLANATION

Name of the organization: MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number: 62-0476282

PARTNERSHIP CHARITABLE CONTRIBUTION NOT ON BOOKS	$ 61,028
PARTNERSHIP GAIN NOT ON BOOKS	$ -108,586
CHANGE IN FAIR VALUE OF DERIVATIVES	$ -2,789,699
P/S ORDINARY INCOME/LOSS-NOT ON BOOKS	$ -3,485,375
P/S INTEREST INCOME-NOT ON BOOKS	$ -16,033
TRSFR OF UCMH INVSTMT. TO BRMMC	$ -36,795
TEMPORARILY RESTRICTED GRANTS	$ -61,035
TOTAL TO FORM 990, PART XI, LINE 9	$ -6,314,425

19340MSHA

SCHEDU. R
(Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.
▶ Information about Schedule R (Form 990) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047
2013
Open to Public Inspection

Name of the organization
MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number
62-0476282

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
(1)					
(2)					
(3)					
(4)					
(5)					

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	(g) Section 512(b)(13) controlled entity? No
(1) DICKENSON COMMUNITY HOSPITAL ONE HOSPITAL DRIVE 77-0599553 CLINTWOOD VA 24228	HOSPITAL	VA	501C3	3	NCH		X
(2) MOUNTAIN STATES FOUNDATION 2335 KNOB CREEK ROAD, STE. 101 58-1418862 JOHNSON CITY TN 37604	FUNDRAISER	TN	501C3	11A	MSHA		X
(3) MSHA AUXILIARY 400 N. STATE OF FRANKLIN ROAD 58-1418345 JOHNSON CITY TN 37604	SUPPORT	TN	501C3	11A	MSHA		X
(4) SMYTH COUNTY COMMUNITY HOSPITAL 245 MEDICAL PARK DRIVE 54-0794913 MARION VA 24354	HOSPITAL	VA	501C3	3	MSHA		X
(5) NORTON COMMUNITY HOSPITAL 100 15TH STREET NW 54-0566029 NORTON VA 24273	HOSPITAL	VA	501C3	3	N/A		X

19340MSHA

SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.
▶ Information about Schedule R (Form 990) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2013

Open to Public Inspection

Name of the organization

MOUNTAIN STATES HEALTH ALLIANCE

Employer identification number

62-0476282

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
(1)					
(2)					
(3)					
(4)					
(5)					

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	(g) No
(1) JOHNSTON MEMORIAL HOSPITAL 16000 JOHNSTON MEMORIAL DRIVE 54-0544705 ABINGDON VA 24211	HOSPITAL	VA	501C3	3	N/A		X
(2) ABINGDON PHYSICIAN PARTNERS 16000 JOHNSTON MEMORIAL DRIVE 20-5485346 ABINGDON VA 24211	MED. SERV.	VA	501C3	11A	JMH		X
(3) APPALACHIAN EMERGENCY PHYSICIANS 1021 W. OAKLAND AVENUE; STE. 207 80-0592504 JOHNSON CITY TN 37604	MED. SERV	VA	501C3	11A	N/A		X
(4)							
(5)							

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) Dispro-portionate alloc.? Yes	(h) Dispro-portionate alloc.? No	(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) General or managing partner? No	(k) Percentage ownership
(1) INTEGRATED SOLUTIONS HEALTH NETWORK 509 MED TECH PARKWAY, SUITE 100 JOHNSON CITY TN 37604 62-1711997	INVESTMENT	TN	MSHA	EXCLUDED	2,122,481	12,484,859		X			X	99.83
(2) EMMAUS COMMUNITY HEALTHCARE, LLC 6070 HWY 11E PINEY FLATS TN 37686 20-0577483	MED. SERV.	TN	BRMMC					X			X	
(3) MEDICAL SPECIALISTS OF J.C., LLC 2528 WESLEY STREET, SUITE. 2 JOHNSON CITY TN 37601 27-2199037	MED. SERV.	TN	MSHA	EXCLUDED	-213,548	298,823		X			X	51.00
(4) EAST TN AMBULATORY SURGERY CNTR. 701 MED TECH PARKWAY, SUITE 100 JOHNSON CITY TN 37604 62-1787537	MED. SERV.	TN	BRMMC					X			X	

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity? Yes	(i) Section 512(b)(13) controlled entity? No
(1) BLUE RIDGE MEDICAL MANAGEMENT CORP. 1021 W. OAKLAND AVENUE, STE. 207 JOHNSON CITY TN 37604 62-1490616	MED. SERV.	TN	MSHA	C	111,802,020	234,434,921	100.000000		X
(2) MEDISERVE MEDICAL EQUIPMENT 1021 W. OAKLAND AVENUE, SUITE 207 JOHNSON CITY TN 37604 62-1212286	DME	TN	BRMMC	C	4,499,229	4,640,641	100.000000		X
(3) MOUNTAIN STATES PROPERTIES 1021 W. OAKLAND AVENUE, SUITE 207 JOHNSON CITY TN 37604 62-1845895	PROP. MGMT	TN	BRMMC	C	14,098,045	147,365,408	100.000000		X
(4) MOUNTAIN STATES PHYSICIAN GROUP 1021 W. OAKLAND AVENUE, SUITE 207 JOHNSON CITY TN 37604 62-1700412	MED. SERV.	TN	BRMMC	C	64,194,747	7,270,764	100.000000		X

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) Dispro-portionate alloc.? Yes	(h) Dispro-portionate alloc.? No	(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) General or managing partner? No	(k) Percentage ownership
(1)												
(2)												
(3)												
(4)												

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity? Yes	(i) Section 512(b)(13) controlled entity? No
(1) COMMUNITY HOME CARE INC. 1460 PARK AVENUE NORTON VA 24273 54-1453810	DME	VA	NCH	C	391,958	495,203	50.100000		X
(2) SOUTHWEST COMMUNITY HEALTH SERV. P.O. BOX 880 MARION VA 24354 54-1460695	MED. SERV.	VA	SCCH	C	76,200	592,392	80.000000		X
(3) WILSON PHARMACY, INC. P.O. BOX 5289 JOHNSON CITY TN 37604 62-0329587	PHARMACY	TN	BRMMC	C	4,350,967	5,666,405	100.000000		X
(4) CRESTPOINT HEALTH INSURANCE COMPANY 509 MED TECH PARKWAY, SUITE 100 JOHNSON CITY TN 37604 62-0381170	INSURANCE	TN	ISHN	C	4,906,389	7,945,232	99.830000		X

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

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

			Yes	No
1	During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II–IV?			
a	Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity	1a	X	
b	Gift, grant, or capital contribution to related organization(s)	1b	X	
c	Gift, grant, or capital contribution from related organization(s)	1c	X	
d	Loans or loan guarantees to or for related organization(s)	1d	X	
e	Loans or loan guarantees by related organization(s)	1e		X
f	Dividends from related organization(s)	1f		X
g	Sale of assets to related organization(s)	1g	X	
h	Purchase of assets from related organization(s)	1h	X	
i	Exchange of assets with related organization(s)	1i		X
j	Lease of facilities, equipment, or other assets to related organization(s)	1j	X	
k	Lease of facilities, equipment, or other assets from related organization(s)	1k	X	
l	Performance of services or membership or fundraising solicitations for related organization(s)	1l	X	
m	Performance of services or membership or fundraising solicitations by related organization(s)	1m	X	
n	Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n	X	
o	Sharing of paid employees with related organization(s)	1o	X	
p	Reimbursement paid to related organization(s) for expenses	1p	X	
q	Reimbursement paid by related organization(s) for expenses	1q	X	
r	Other transfer of cash or property to related organization(s)	1r	X	
s	Other transfer of cash or property from related organization(s)	1s	X	

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

	(a) Name of related organization	(b) Transaction type (a–s)	(c) Amount involved	(d) Method of determining amount involved
(1)	MSHA AUXILIARY	P	104,826	
(2)	MSHA AUXILIARY	Q	859,493	
(3)	BLUE RIDGE MEDICAL MANAGMENT CORP.	A	76,703	
(4)	BLUE RIDGE MEDICAL MANAGMENT CORP.	G	120,724	
(5)	BLUE RIDGE MEDICAL MANAGMENT CORP.	H	272,220	
(6)	BLUE RIDGE MEDICAL MANAGMENT CORP.	L	419,838	

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

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.		Yes	No
1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II–IV?			
a Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity	1a	X	
b Gift, grant, or capital contribution to related organization(s)	1b	X	
c Gift, grant, or capital contribution from related organization(s)	1c	X	
d Loans or loan guarantees to or for related organization(s)	1d	X	
e Loans or loan guarantees by related organization(s)	1e		X
f Dividends from related organization(s)	1f		X
g Sale of assets to related organization(s)	1g	X	
h Purchase of assets from related organization(s)	1h	X	
i Exchange of assets with related organization(s)	1i		X
j Lease of facilities, equipment, or other assets to related organization(s)	1j	X	
k Lease of facilities, equipment, or other assets from related organization(s)	1k	X	
l Performance of services or membership or fundraising solicitations for related organization(s)	1l	X	
m Performance of services or membership or fundraising solicitations by related organization(s)	1m	X	
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n	X	
o Sharing of paid employees with related organization(s)	1o	X	
p Reimbursement paid to related organization(s) for expenses	1p	X	
q Reimbursement paid by related organization(s) for expenses	1q	X	
r Other transfer of cash or property to related organization(s)	1r	X	
s Other transfer of cash or property from related organization(s)	1s	X	

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

	(a) Name of related organization	(b) Transaction type (a–s)	(c) Amount involved	(d) Method of determining amount involved
(1)	BLUE RIDGE MEDICAL MANAGEMENT CORP.	M	31,202,130	
(2)	BLUE RIDGE MEDICAL MANAGEMENT CORP.	O	265,230	
(3)	BLUE RIDGE MEDICAL MANAGEMENT CORP.	P	3,839,569	
(4)	BLUE RIDGE MEDICAL MANAGEMENT CORP.	Q	22,395,030	
(5)	HEALTHPLUS	G	3,632,525	
(6)	HEALTHPLUS	J	52,387	

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

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.		Yes	No
1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II–IV?			
a Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity	1a	X	
b Gift, grant, or capital contribution to related organization(s)	1b	X	
c Gift, grant, or capital contribution from related organization(s)	1c	X	
d Loans or loan guarantees to or for related organization(s)	1d	X	
e Loans or loan guarantees by related organization(s)	1e		X
f Dividends from related organization(s)	1f		X
g Sale of assets to related organization(s)	1g	X	
h Purchase of assets from related organization(s)	1h	X	
i Exchange of assets with related organization(s)	1i		X
j Lease of facilities, equipment, or other assets to related organization(s)	1j	X	
k Lease of facilities, equipment, or other assets from related organization(s)	1k	X	
l Performance of services or membership or fundraising solicitations for related organization(s)	1l	X	
m Performance of services or membership or fundraising solicitations by related organization(s)	1m	X	
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n	X	
o Sharing of paid employees with related organization(s)	1o	X	
p Reimbursement paid to related organization(s) for expenses	1p	X	
q Reimbursement paid by related organization(s) for expenses	1q	X	
r Other transfer of cash or property to related organization(s)	1r	X	
s Other transfer of cash or property from related organization(s)	1s	X	

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

	(a) Name of related organization	(b) Transaction type (a–s)	(c) Amount involved	(d) Method of determining amount involved
(1)	HEALTHPLUS	L	181,190	
(2)	HEALTHPLUS	M	546,218	
(3)	HEALTHPLUS	P	75,640	
(4)	HEALTHPLUS	Q	12,552,650	
(5)	HEALTHPLUS	S	803,018	
(6)	MEDISERVE	K	220,973	

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

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

		Yes	No
1	During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II–IV?		
a	Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity	X	
b	Gift, grant, or capital contribution to related organization(s)	X	
c	Gift, grant, or capital contribution from related organization(s)	X	
d	Loans or loan guarantees to or for related organization(s)	X	
e	Loans or loan guarantees by related organization(s)		X
f	Dividends from related organization(s)		X
g	Sale of assets to related organization(s)	X	
h	Purchase of assets from related organization(s)	X	
i	Exchange of assets with related organization(s)		X
j	Lease of facilities, equipment, or other assets to related organization(s)	X	
k	Lease of facilities, equipment, or other assets from related organization(s)	X	
l	Performance of services or membership or fundraising solicitations for related organization(s)	X	
m	Performance of services or membership or fundraising solicitations by related organization(s)	X	
n	Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	X	
o	Sharing of paid employees with related organization(s)	X	
p	Reimbursement paid to related organization(s) for expenses	X	
q	Reimbursement paid by related organization(s) for expenses	X	
r	Other transfer of cash or property to related organization(s)	X	
s	Other transfer of cash or property from related organization(s)	X	

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

	(a) Name of related organization	(b) Transaction type (a–s)	(c) Amount involved	(d) Method of determining amount involved
(1)	MEDISERVE	L	148,129	
(2)	MEDISERVE	P	214,778	
(3)	MEDISERVE	Q	3,382,559	
(4)	MOUNTAIN STATES PROPERTIES	G	2,211,449	
(5)	MOUNTAIN STATES PROPERTIES	K	1,087,854	
(6)	MOUNTAIN STATES PROPERTIES	L	315,609	

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

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

			Yes	No
1	During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II–IV?			
a	Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity	1a	X	
b	Gift, grant, or capital contribution to related organization(s)	1b	X	
c	Gift, grant, or capital contribution from related organization(s)	1c	X	
d	Loans or loan guarantees to or for related organization(s)	1d	X	
e	Loans or loan guarantees by related organization(s)	1e		X
f	Dividends from related organization(s)	1f		X
g	Sale of assets to related organization(s)	1g	X	
h	Purchase of assets from related organization(s)	1h	X	
i	Exchange of assets with related organization(s)	1i		X
j	Lease of facilities, equipment, or other assets to related organization(s)	1j	X	
k	Lease of facilities, equipment, or other assets from related organization(s)	1k	X	
l	Performance of services or membership or fundraising solicitations for related organization(s)	1l	X	
m	Performance of services or membership or fundraising solicitations by related organization(s)	1m	X	
n	Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n	X	
o	Sharing of paid employees with related organization(s)	1o	X	
p	Reimbursement paid to related organization(s) for expenses	1p	X	
q	Reimbursement paid by related organization(s) for expenses	1q	X	
r	Other transfer of cash or property to related organization(s)	1r	X	
s	Other transfer of cash or property from related organization(s)	1s	X	

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

	(a) Name of related organization	(b) Transaction type (a–s)	(c) Amount involved	(d) Method of determining amount involved
(1)	MOUNTAIN STATES PROPERTIES	O	254,250	
(2)	MOUNTAIN STATES PROPERTIES	P	157,048	
(3)	MOUNTAIN STATES PROPERTIES	Q	5,467,192	
(4)	MOUNTAIN STATES PROPERTIES	R	531,453	
(5)	MOUNTAIN STATES FOUNDATION	B	56,390	
(6)	MOUNTAIN STATES FOUNDATION	C	3,510,166	

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

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

			Yes	No
1	During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II–IV?			
a	Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity	1a	X	
b	Gift, grant, or capital contribution to related organization(s)	1b	X	
c	Gift, grant, or capital contribution from related organization(s)	1c	X	
d	Loans or loan guarantees to or for related organization(s)	1d	X	
e	Loans or loan guarantees by related organization(s)	1e		X
f	Dividends from related organization(s)	1f		X
g	Sale of assets to related organization(s)	1g	X	
h	Purchase of assets from related organization(s)	1h	X	
i	Exchange of assets with related organization(s)	1i		X
j	Lease of facilities, equipment, or other assets to related organization(s)	1j	X	
k	Lease of facilities, equipment, or other assets from related organization(s)	1k	X	
l	Performance of services or membership or fundraising solicitations for related organization(s)	1l	X	
m	Performance of services or membership or fundraising solicitations by related organization(s)	1m	X	
n	Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n	X	
o	Sharing of paid employees with related organization(s)	1o	X	
p	Reimbursement paid to related organization(s) for expenses	1p	X	
q	Reimbursement paid by related organization(s) for expenses	1q	X	
r	Other transfer of cash or property to related organization(s)	1r	X	
s	Other transfer of cash or property from related organization(s)	1s	X	

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

	(a) Name of related organization	(b) Transaction type (a–s)	(c) Amount involved	(d) Method of determining amount involved
(1)	NORTON COMMUNITY HOSPITAL	D	21,242,680	
(2)	NORTON COMMUNITY HOSPITAL	L	5,607,930	
(3)	NORTON COMMUNITY HOSPITAL	O	1,069,529	
(4)	NORTON COMMUNITY HOSPITAL	P	175,984	
(5)	NORTON COMMUNITY HOSPITAL	Q	4,477,436	
(6)	DICKENSON COMMUNITY HOSPITAL	L	834,997	

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

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

			Yes	No
1	During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II–IV?			
a	Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity	1a	X	
b	Gift, grant, or capital contribution to related organization(s)	1b	X	
c	Gift, grant, or capital contribution from related organization(s)	1c	X	
d	Loans or loan guarantees to or for related organization(s)	1d	X	
e	Loans or loan guarantees by related organization(s)	1e		X
f	Dividends from related organization(s)	1f		X
g	Sale of assets to related organization(s)	1g	X	
h	Purchase of assets from related organization(s)	1h	X	
i	Exchange of assets with related organization(s)	1i		X
j	Lease of facilities, equipment, or other assets to related organization(s)	1j	X	
k	Lease of facilities, equipment, or other assets from related organization(s)	1k	X	
l	Performance of services or membership or fundraising solicitations for related organization(s)	1l	X	
m	Performance of services or membership or fundraising solicitations by related organization(s)	1m	X	
n	Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n	X	
o	Sharing of paid employees with related organization(s)	1o	X	
p	Reimbursement paid to related organization(s) for expenses	1p	X	
q	Reimbursement paid by related organization(s) for expenses	1q	X	
r	Other transfer of cash or property to related organization(s)	1r	X	
s	Other transfer of cash or property from related organization(s)	1s	X	

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

	(a) Name of related organization	(b) Transaction type (a–s)	(c) Amount involved	(d) Method of determining amount involved
(1)	ISHN	A	21,781	
(2)	ISHN	B	11,181,720	
(3)	ISHN	L	297,641	
(4)	ISHN	M	3,470,413	
(5)	ISHN	O	76,381	
(6)	ISHN	Q	6,758,215	

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

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

			Yes	No
1	During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II–IV?			
a	Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity	1a	X	
b	Gift, grant, or capital contribution to related organization(s)	1b	X	
c	Gift, grant, or capital contribution from related organization(s)	1c	X	
d	Loans or loan guarantees to or for related organization(s)	1d	X	
e	Loans or loan guarantees by related organization(s)	1e		X
f	Dividends from related organization(s)	1f		X
g	Sale of assets to related organization(s)	1g	X	
h	Purchase of assets from related organization(s)	1h	X	
i	Exchange of assets with related organization(s)	1i		X
j	Lease of facilities, equipment, or other assets to related organization(s)	1j	X	
k	Lease of facilities, equipment, or other assets from related organization(s)	1k	X	
l	Performance of services or membership or fundraising solicitations for related organization(s)	1l	X	
m	Performance of services or membership or fundraising solicitations by related organization(s)	1m	X	
n	Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n	X	
o	Sharing of paid employees with related organization(s)	1o	X	
p	Reimbursement paid to related organization(s) for expenses	1p	X	
q	Reimbursement paid by related organization(s) for expenses	1q	X	
r	Other transfer of cash or property to related organization(s)	1r	X	
s	Other transfer of cash or property from related organization(s)	1s	X	

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

	(a) Name of related organization	(b) Transaction type (a–s)	(c) Amount involved	(d) Method of determining amount involved
(1)	SMYTH COUNTY COMMUNITY HOSPITAL	D	14,744,509	
(2)	SMYTH COUNTY COMMUNITY HOSPITAL	L	4,388,161	
(3)	SMYTH COUNTY COMMUNITY HOSPITAL	Q	50,381	
(4)	JOHNSTON MEMORIAL HOSPITAL	L	11,025,472	
(5)	JOHNSTON MEMORIAL HOSPTIAL	O	871,908	
(6)	JOHNSTON MEMORIAL HOSPITAL	P	57,248	

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

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

		Yes	No
1	During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II–IV?		
a	Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity	1a	X	
b	Gift, grant, or capital contribution to related organization(s)	1b	X	
c	Gift, grant, or capital contribution from related organization(s)	1c	X	
d	Loans or loan guarantees to or for related organization(s)	1d	X	
e	Loans or loan guarantees by related organization(s)	1e		X
f	Dividends from related organization(s)	1f		X
g	Sale of assets to related organization(s)	1g	X	
h	Purchase of assets from related organization(s)	1h	X	
i	Exchange of assets with related organization(s)	1i		X
j	Lease of facilities, equipment, or other assets to related organization(s)	1j	X	
k	Lease of facilities, equipment, or other assets from related organization(s)	1k	X	
l	Performance of services or membership or fundraising solicitations for related organization(s)	1l	X	
m	Performance of services or membership or fundraising solicitations by related organization(s)	1m	X	
n	Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n	X	
o	Sharing of paid employees with related organization(s)	1o	X	
p	Reimbursement paid to related organization(s) for expenses	1p	X	
q	Reimbursement paid by related organization(s) for expenses	1q	X	
r	Other transfer of cash or property to related organization(s)	1r	X	
s	Other transfer of cash or property from related organization(s)	1s	X	

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

	(a) Name of related organization	(b) Transaction type (a–s)	(c) Amount involved	(d) Method of determining amount involved
(1)	JOHNSTON MEMORIAL HOSPITAL	R	180,921	
(2)	APP	M	1,171,864	
(3)				
(4)				
(5)				
(6)				

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

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

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(e) Are all partners section 501(c)(3) organizations? Yes	(e) No	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
(1)													
(2)													
(3)													
(4)													
(5)													
(6)													
(7)													
(8)													
(9)													
(10)													
(11)													

MOUNTAIN STATES HEALTH ALLIANCE **62-0476282**
JUNE 30, 2014

_ ORM 990, PART III, LINE 1: STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS

MOUNTAIN STATES HEALTH ALLIANCE (MSHA) WAS CREATED IN SEPTEMBER 1998 AS A PRIVATE, LOCALLY OWNED, TAX-EXEMPT, REGIONAL HEALTHCARE SYSTEM. MSHA IS A 1,294 BED TERTIARY-CARE AND REFERRAL HOSPITAL SYSTEM, THE REGION'S LARGEST BY BED COUNT AND VOLUMES. FOR THE YEAR ENDING JUNE 30, 2014, MSHA RECORDED 44,981 INPATIENT ADMISSIONS, AND PROVIDED FOR 699,305 OUTPATIENT VISITS. THERE WERE 154,978 EMERGENCY VISITS AND 129,808 HOME HEALTH VISITS.

THE ALLIANCE IS COMPOSED OF 10 WHOLLY OWNED AND 4 MAJORITY OWNED HOSPITALS, AN OUTPATIENT SURGERY CENTER, A NURSING HOME, AN OUTPATIENT RADIATION ONCOLOGY CENTER AND TWO OUTPATIENT REHABILITATION THERAPY CENTERS. IT ALSO HAS SERVICES FOR HOME HEALTH, HOSPICE AND PARISH NURSING.

EFFECTIVE NOVEMBER 1, 2013, UNICOI COUNTY MEMORIAL HOSPITAL (UCMH) JOINED MSHA WHEN SUBSTANTIALLY ALL OF THE ASSETS, AND CERTAIN 'ABILITIES, WERE ASSUMED BY MSHA. UCMH IS LOCATED IN ERWIN, ENNESSEE. IT WAS INCORPORATED IN 1988 AND GOVERNED BY THE HOSPITAL'S BOARD OF CONTROL, WITH BOARD MEMBERS APPOINTED BY THE TOWN OF ERWIN, UNICOI COUNTY, AND UCMH'S CHIEF OF STAFF. THE HOSPITAL IS LICENSED FOR 48 ACUTE CARE BEDS AND 46 LONG TERM CARE BEDS. FOR MANY YEARS, UCMH STRUGGLED TO CONTINUE OPERATIONS DUE TO THE RISE IN CHARITY CARE AND BAD DEBTS, DECREASED REIMBURSEMENT BY THIRD-PARTY PAYERS AND THE INCREASED COSTS OF OPERATING THE HOSPITAL. DUE TO INCREASING FINANCIAL PRESSURES, UCMH SOUGHT OUT A LARGER REGIONAL HEALTH SYSTEM TO TAKE OVER OPERATIONS OF THE HOSPITAL. AFTER A LENGTHY SELECTION PROCESS, MSHA WAS CHOSEN. MSHA COMMITTED TO CONSTRUCT A NEW FACILITY WITHIN FIVE YEARS. THE ACTIVITIES OF UCMH SINCE ACQUISITION ARE INCLUDED IN THIS YEAR'S FORM 990.

MSHA ALSO HAS A MAJORITY OWNERSHIP IN SMYTH COUNTY COMMUNITY HOSPITAL (SCCH) LOCATED IN MARION, VA, NORTON COMMUNITY HOSPITAL (NCH), LOCATED IN NORTON, VA, DICKENSON COMMUNITY HOSPITAL (DCH), LOCATED IN CLINTWOOD, VA, AND JOHNSTON MEMORIAL HOSPITAL (JMH), LOCATED IN ABINGDON, VA. THESE HOSPITALS HAVE A COMBINED BED COUNT OF 423. BECAUSE JMH, NCH, DCH AND SCCH ARE PARTIALLY OWNED ENTITIES, IEIR DATA ARE EXCLUDED FROM THIS DOCUMENT AND EACH OF THESE HOSPITALS FILES A SEPARATE FORM 990.

MSHA IS SOLE SHAREHOLDER OF BLUE RIDGE MEDICAL MANAGEMENT CORPORATION (BRMMC), A FOR-PROFIT ENTITY THAT OWNS AND MANAGES PHYSICIAN PRACTICES AND PROVIDES OTHER HEALTH CARE SERVICES TO PATIENTS IN TENNESSEE AND VIRGINIA.

MSHA IS A 99.8% SHAREHOLDER OF INTEGRATED SOLUTIONS HEALTH NETWORK, LLC (ISHN). THE PRIMARY FUNCTION OF ISHN IS TO ESTABLISH, OPERATE AND ADMINISTER A PROVIDER-SPONSORED HEALTH CARE DELIVERY NETWORK. ISHN IS THE SOLE SHAREHOLDER OF THE FOLLOWING SUBSIDIARIES:

- CRESTPOINT HEALTH INSURANCE COMPANY (CHIC); A FOR-PROFIT INSURANCE COMPANY LICENSED IN THE STATE OF TENNESSEE PROVIDING NETWORK ACCESS AND ADMINISTRATION AND THIRD-PARTY ADMINISTRATOR SERVICES. CHIC HAS A RISK-BASED CONTRACT WITH THE U.S. CENTERS FOR MEDICARE & MEDICAID SERVICES (CMS) TO PROVIDE OR ARRANGE FOR THE PROVISION OF HEALTHCARE SERVICES TO SENIOR CITIZENS WHO HAVE MEDICARE PART A, MEDICARE PART B AND MEDICARE PART D ENTITLEMENTS.

- ANEWCARE COLLABORATIVE (ANEWCARE): A FOR-PROFIT ACCOUNTABLE CARE ORGANIZATION WHICH PARTICIPATES IN CMS'S MEDICARE SHARED SAVINGS PROGRAM.

MSHA ENTITIES, IN CONCERT WITH THE MOUNTAIN STATES HEALTHCARE NETWORK OF MORE THAN 50 AFFILIATED HOSPITALS AND NURSING HOMES, PROVIDE AN INTEGRATED, COMPREHENSIVE CONTINUUM OF CARE TO RESIDENTS ACROSS A WIDESPREAD, PREDOMINANTLY RURAL 29-COUNTY AREA OF APPALACHIA. THE SERVICE AREA INCLUDES PARTS OF NORTHEAST TENNESSEE, SOUTHWEST VIRGINIA, SOUTHEAST KENTUCKY AND WESTERN NORTH CAROLINA. ALL 14 MSHA HOSPITALS ARE LOCATED IN NORTHEAST TENNESSEE AND SOUTHWEST VIRGINIA. JOHNSON CITY MEDICAL CENTER, THE COMPANY'S FLAGSHIP FACILITY, IS HOME TO MANY OF THE REGION'S CRITICALLY NEEDED PROGRAMS.

WASHINGTON COUNTY, TN JOHNSON CITY MEDICAL CENTER (JCMC), MSHA'S FLAGSHIP FACILITY:

- TEACHING HOSPITAL AFFILIATED WITH JAMES H. & CECILE C. QUILLEN COLLEGE OF MEDICINE AT EAST TENNESSEE STATE UNIVERSITY (ETSU)
- THE SECOND HOSPITAL BUILT IN TENNESSEE
- LEVEL I TRAUMA CENTER – ONE OF ONLY SIX IN TENNESSEE
- HOME OF THE REGIONAL CANCER CENTER

- JCMC WAS RANKED BY U.S. NEWS AND WORLD REPORT AS ONE OF THE TOP 10 HOSPITALS IN TENNESSEE IN 2014
- JCMC WAS ONE OF ONLY FOUR TENNESSEE HOSPITALS TO BE NAMED BY BECKER'S HOSPITAL REVIEW AS ONE OF "100 HOSPITALS AND HEALTH SYSTEMS WITH GREAT ONCOLOGY PROGRAMS" IN 2014
- JCMC IS HOME TO NISWONGER CHILDREN'S HOSPITAL (NSCH). THE REGION'S ONLY DEDICATED HOSPITAL FOR CHILDREN. PROVIDING COMPREHENSIVE PEDIATRIC SERVICES WITH ACCESS TO MORE THAN 20 PEDIATRIC SUBSPECIALTIES.
    - NSCH IS HOME TO THE ST. JUDE TRI-CITIES AFFILIATE CLINIC, ONE OF ONLY SIX SUCH CLINICS IN THE COUNTRY, WORKING WITH ST. JUDE CHILDREN'S RESEARCH HOSPITAL IN MEMPHIS, TN. TO CARE FOR CHILDREN IN OUR REGION WITH CANCER AND BLOOD DISORDERS.
    - NSCH IS THE ONLY CHILDREN'S HOSPITAL IN THE REGION AFFILIATED WITH THE CHILDREN'S HOSPITAL ASSOCIATION.
    - NSCH ALSO HAS AN AFFILIATION WITH CINCINNATI CHILDREN'S HOSPITAL MEDICAL CENTER (CCHMC). OUR AFFILIATIONS WITH ST. JUDE AND CCHMC ALLOW OUR HOSPITAL TO TAP INTO THE CLINICAL EXPERTISE OF THESE WORLD-RENOWNED ORGANIZATIONS TO BENEFIT CHILDREN AND FAMILIES IN OUR SERVICE AREA AND KEEP MORE CHILDREN CLOSE TO HOME FOR THEIR CARE.
    - JCMC AND NSCH ARE HOME TO THE REGION'S ONLY PEDIATRIC EMERGENCY DEPARTMENT. OFFERING 24-HOUR EMERGENCY CARE BY SPECIALLY TRAINED PERSONNEL FOCUSED ON PROVIDING CARE TO PATIENTS FROM BIRTH TO 18 YEARS OF AGE.
- THE NE TN REGIONAL PERINATAL CENTER LOCATED AT JCMC IS ONE OF FIVE STATE-DESIGNATED TERTIARY CENTERS FOR HIGH-RISK MATERNAL FETAL CARE. STATE DESIGNATION IS BASED ON GUIDELINES FOR THE SERVICE PROVISIONS AND DESIGNATIONS OF LEVELS OF CARE GOVERNED AND REVIEWED BY A STATE APPOINTED COMMITTEE THROUGH TN DEPARTMENT OF HEALTH.
- HOME OF THE REGION'S LARGEST AIR AMBULANCE FLEET, WINGS AIR RESCUE
- JCMC RECEIVED THE 2001-2013 CONSUMER'S CHOICE AWARD FOR THE REGION THROUGH AN INDEPENDENT SURVEY CONDUCTED BY THE NATIONAL RESEARCH COUNCIL: BEST OVERALL QUALITY, BEST DOCTORS, BEST NURSES, MOST PERSONALIZED CARE AND BEST REPUTATION

OTHER JCMC HOSPITALS: JAMES H. & CECILE C. QUILLEN REHABILITATION HOSPITAL (CARF-ACCREDITED) AND 84-BED INPATIENT **WOODRIDGE HOSPITAL FOR BEHAVIORAL HEALTH SERVICES.**

FRANKLIN WOODS COMMUNITY HOSPITAL (FWCH) OPENED ITS DOORS IN THE SUMMER OF 2010 AS A REPLACEMENT HOSPITAL FOR 2 AGING WASHINGTON COUNTY FACILITIES. FWCH WAS THE FIRST "LEADERSHIP IN ENERGY AND ENVIRONMENTAL DESIGN" (LEED) CERTIFIED HOSPITAL IN TENNESSEE AND HAS SET THE PRECEDENT FOR ENVIRONMENTALLY FRIENDLY DESIGNS.

SULLIVAN COUNTY, TN **INDIAN PATH MEDICAL CENTER (IPMC)**

DURING MARCH 2014, INDIAN PATH MEDICAL CENTER CELEBRATED 40 YEARS OF SERVICE TO THE COMMUNITY. IPMC OFFERS 24/7 INTERVENTIONAL CARDIAC CATHETERIZATION SERVICES, AN ACCREDITED JOINT REPLACEMENT PROGRAM AND A DEDICATED SPINE CENTER. THE IPMC CAMPUS OFFERS A SATELLITE REGIONAL CANCER CENTER OFFICE.

FOR THE EIGHTH CONSECUTIVE QUARTER, MOUNTAIN STATES REHABILITATION AT INDIAN PATH MEDICAL CENTER HAS BEEN AWARDED AN OUTCOMES EXCELLENCE AWARD FROM FOCUS ON THERAPEUTIC OUTCOMES, INC. (FOTO), A NATIONWIDE OUTCOMES DATABASE AND REPORTING SERVICE FOR HEALTHCARE PROVIDERS. TO RECEIVE THE HONOR, A PROVIDER MUST BEAT THE NATIONAL AVERAGE ON A SET OF MEASUREMENTS FOR FOUR CONSECUTIVE QUARTERS. INDIAN PATH HAS CONTINUED TO EXCEED MEASUREMENTS THAT SHOW ITS PATIENTS ACHIEVE SIGNIFICANTLY HIGHER FUNCTIONAL IMPROVEMENTS, IN FEWER VISITS, AND WITH HIGHER PATIENT SATISFACTION COMPARED TO OTHER CLINICS IN THE FOTO NETWORK. ONLY ABOUT 12 PERCENT OF NEARLY 3,000 ELIGIBLE CLINICS RECEIVED THIS AWARD OVER THE LAST YEAR NATIONALLY. FOTO HAS THE FIRST HEALTH STATUS MEASURE APPROVED FOR PHYSICAL REHABILITATION BY THE U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES' LIST OF APPROVED QUALITY MEASURES IN THE NATIONAL QUALITY MEASURES CLEARINGHOUSE, A PUBLIC REPOSITORY FOR EVIDENCE-BASED QUALITY MEASURES SPONSORED BY THE AGENCY FOR HEALTHCARE RESEARCH AND QUALITY.

CARTER COUNTY, TN **SYCAMORE SHOALS HOSPITAL (SSH)**

SSH OFFERS COMPLETE INPATIENT AND OUTPATIENT SURGICAL SERVICES INCLUDING GENERAL SURGERY, SURGICAL ONCOLOGY, ORTHOPEDICS (INCLUDING HAND AND EXTREMETIES), PLASTIC SURGERY AND GYNECOLOGICAL SURGERY. THE SSH CAMPUS ALSO OFFERS A SATELLITE REGIONAL CANCER CENTER OFFICE.

SYCAMORE SHOALS HOSPITAL'S CHEST PAIN CENTER IS ACCREDITED BY THE SOCIETY OF CARDIOVASCULAR PATIENT CARE (SCPC). VERY FEW HOSPITALS IN THE REGION HAVE A CHEST PAIN CENTER THAT IS FULLY ACCREDITED BY SCPC. TO BE ACCREDITED, A CHEST PAIN CENTER MUST MEET OR EXCEED A WIDE SET OF STRINGENT CRITERIA AND UNDERGO AN ONSITE REVIEW.

JOHNSON COUNTY, TN **JOHNSON COUNTY COMMUNITY HOSPITAL (JCCH)**

A FEDERALLY DESIGNATED CRITICAL ACCESS HOSPITAL LOCATED IN ONE OF TENNESSEE'S POOREST COUNTIES, A MEDICALLY UNDERSERVED AREA

RUSSELL COUNTY, VA **RUSSELL COUNTY MEDICAL CENTER (RCMC)**

RCMC OFFERS A FULL ARRAY OF PRIMARY AND SOME SPECIALTY SERVICES, INCLUDING BEHAVIORAL HEALTH.

UNICOI COUNTY, TN **UNICOI COUNTY MEMORIALHOSPITAL (UCMH)**

UCMH WAS ACQUIRED BY MSHA DURING FY14. THE HOSPITAL OFFERS 48 ACUTE CARE BEDS AND 46 NURSING HOME BEDS. SERVICES INCLUDE EMERGENCY CARE, INTENSIVE CARE, RADIOLOGY AND DIAGNOSTIC IMAGING, REHABILITATION, AND SURGERY.

JOHNSON CITY MEDICAL CENTER OPENED A NEW STATE-OF-THE-ART SURGERY CENTER IN FY14 THAT IS DESIGNED TO PROVIDE ACCESS TO THE LATEST SURGICAL TECHNOLOGY AND CREATE A BETTER EXPERIENCE FOR PATIENTS AND FAMILIES ALIKE. THE NEW SURGICAL TOWER INCLUDES 16 OPERATING ROOMS, EACH 30 PERCENT LARGER THAN THEIR OLDER COUNTERPARTS, TO ALLOW SPACE FOR ALL OF THE EQUIPMENT THAT TODAY'S SURGEONS USE. ONE IMPORTANT NEW PIECE OF SURGICAL TECHNOLOGY IN THE CENTER IS THE ARTIS ZEEGO ROBOTIC IMAGING SYSTEM, WHICH ALLOWS SURGEONS TO MOVE THE IMAGING ARM INTO ALMOST ANY POSITION AROUND THE PATIENT DURING SURGERY. THIS MAKES IT EASIER TO CREATE A DETAILED PICTURE OF INTERNAL ORGANS BEFORE, DURING AND AFTER A PROCEDURE. SEEING THE INSIDE OF A PATIENT IN THREE DIMENSIONS WITHOUT HAVING TO DO OPEN SURGERY BRINGS MORE PRECISION TO PROCEDURES, RESULTING IN BETTER PATIENT OUTCOMES, SHORTER HOSPITAL STAYS, AND LESS RISK OF COMPLICATIONS. THE NEW CENTER PROVIDES MANY OTHER ADVANCED SURGICAL TECHNOLOGIES AS WELL AS CONVENIENCES FOR PATIENTS AND FAMILIES. THE CENTER OFFERS MORE CONVENIENT PARKING FACILITIES AND OTHER FEATURES SUCH AS ACCESS TO COMPUTERS AND FOOD, VENDING MACHINES AND A COFFEE BAR.

AS WITH ALL NEW MSHA CONSTRUCTION, THE NEW SURGERY CENTER IS BUILT WITH ENVIRONMENTAL RESPONSIBILITY IN MIND, DESIGNED TO BE LEED-CERTIFIED ACCORDING TO GUIDELINES SET FORTH IN THE LEADERSHIP IN ENERGY AND ENVIRONMENTAL DESIGN PROGRAM OF THE U.S. GREEN BUILDING COUNCIL. OUR NEW LEED SURGERY CENTER WAS AWARDED SILVER-LEVEL CERTIFICATION FROM THE U.S. GREEN BUILDING COUNCIL, THE NATIONALLY ACCEPTED BENCHMARK FOR DESIGN, CONSTRUCTION AND OPERATION OF REEEN BUILDINGS. SOME OF THE GREEN ASPECTS OF OUR NEW SURGERY CENTER INCLUDE:

- 77% OF THE WASTE FROM THE CONSTRUCTION PROCESS WAS RECYCLED
- LOW-VOC MATERIALS WERE USED FOR PAINT, ADHESIVES AND SEALANTS, RESULTING IN BETTER AIR QUALITY
- THE CENTRAL STERILIZATION UNIT IS EQUIPPED WITH STEAM CLEANERS THAT MAKE THE STERILIZATION PROCESS MORE ENERGY-EFFICIENT
- THE LANDSCAPING FEATURES PLANTS THAT DO NOT REQUIRE IRRIGATION; THERBY CONSERVING WATER
- A BICYCLE STORAGE AREA IS AVAILABLE FOR HOSPITAL TEAM MEMBERS
- AN AUTOMATION CONTROL SYSTEM KEEPS THE HVAC SYSTEM AND LIGHTING RUNNING AT THE MOST ENERGY-EFFICIENT LEVELS.

MSHA IMPLEMENTED AN ONLINE TOOL CALLED OWL (ONLINE WELLNESS LINK) AT OUR HOSPITALS THIS YEAR. OWL PROVIDES INPATIENTS WITH BETTER ACCESS TO THEIR HEALTH CARE INFORMATION SO THEY CAN VIEW A PORTION OF THEIR HEALTH RECORD ONLINE, INCLUDING:

- A CONTINUITY OF CARE DOCUMENT WHICH PROVIDES A SUMMARY OF THE HOSPITAL VISIT
- CURRENT MEDICATIONS
- ALLERGIES AND ADVERSE REACTIONS
- PAST MEDICAL HISTORY
- CERTAIN LABORATORY AND RADIOLOGY RESULTS

THE OWL PORTAL ALSO ALLOWS MSHA CAREGIVERS TO EXCHANGE HEALTH INFORMATION, WHICH HAS LED TO SAFER, MORE QUALITY-ORIENTED AND STREAMLINED CARE FOR OUR PATIENTS.

AARP RECOGNIZED MSHA AS ONE OF THE 50 BEST EMPLOYERS IN THE NATION FOR WORKERS OVER 50. MSHA WAS THE ONLY COMPANY IN TENNESSEE TO RECEIVE THE HONOR IN 2013. AREAS OF CONSIDERATION INCLUDE RECRUITING PRACTICES; OPPORTUNITIES FOR TRAINING, EDUCATION AND CAREER DEVELOPMENT; WORKPLACE ACCOMMODATIONS; ALTERNATIVE WORK OPTIONS, SUCH AS FLEXIBLE SCHEDULING, JOB SHARING AND PHASED RETIREMENT; EMPLOYEE HEALTH AND PENSION BENEFITS; AND BENEFITS FOR RETIREES.

MOUNTAIN STATES HEALTH ALLIANCE RECEIVED THE TENNESSEE CENTER FOR PERFORMANCE EXCELLENCE (TNCPE) 2013 EXCELLENCE AWARD, THE HIGHEST HONOR FOR PERFORMANCE EXCELLENCE. TNCPE IS TENNESSEE'S ONLY STATE-WIDE QUALITY PROGRAM PATTERNED ON THE NATIONAL BALDRIGE PERFORMANCE EXCELLENCE PROGRAM, WHICH WAS ESTABLISHED IN 1987 BY PRESIDENT RONALD REAGAN. THE ANNUAL EXCELLENCE AWARD RECIPIENT IS DETERMINED BY A PANEL OF JUDGES TO BE A HIGH-PERFORMANCE ORGANIZATION, EXHIBITING CONTINUOUS IMPROVEMENT AND BEST PRACTICE PROCESSES THAT SERVE AS A ROLE MODEL FOR OTHER ORGANIZATIONS. SINCE

THE PROGRAM WAS FOUNDED IN 1993, ONLY 22 ORGANIZATIONS HAVE ATTAINED THE EXCELLENCE DESIGNATION. MOUNTAIN STATES HEALTH ALLIANCE HAS EARNED THE HONOR THREE TIMES (2005, 2009, AND 2013). MSHA IS THE ONLY ORGANIZATION IN THE STATE OF TENNESSEE TO HAVE RECEIVED THIS HIGHEST LEVEL OF RECOGNITION THREE TIMES, AND MSHA WAS THE ONLY ORGANIZATION IN 2013 TO BE RECOGNIZED AT THE EXCELLENCE LEVEL. THE 2013 BOARD OF EXAMINERS WAS MADE UP OF OVER 200 EXPERTS IN BUSINESS, EDUCATION, HEALTH CARE AND GOVERNMENT. EXAMINERS SPENT MORE THAN 15,000 HOURS ASSESSING THE 2013 APPLICANTS IN SEVEN CATEGORIES: LEADERSHIP; STRATEGIC PLANNING; CUSTOMER FOCUS; MEASUREMENT, ANALYSIS AND KNOWLEDGE MANAGEMENT; WORKFORCE FOCUS; OPERATIONS FOCUS; AND RESULTS. THE PANEL OF JUDGES IS COMPOSED OF EXPERTS SELECTED FROM ALL INDUSTRY SECTORS AND REPRESENTS EACH DIVISION OF THE STATE.

JOHNSON CITY MEDICAL CENTER HAS BEEN INCLUDED AMONG THE NATION'S "100 HOSPITALS AND HEALTH SYSTEMS WITH GREAT ONCOLOGY PROGRAMS" IN THE 2014 EDITION OF BECKER'S HOSPITAL REVIEW. JCMC IS ONE OF ONLY FOUR HOSPITALS IN TENNESSEE TO BE INCLUDED IN THIS DISTINGUISHED GROUP. THE LIST RECOGNIZES HEALTH SYSTEMS THAT ARE LEADING THE WAY IN TERMS OF QUALITY PATIENT CARE, CANCER OUTCOMES AND RESEARCH.
WITH HEALTHCARE INSURANCE COVERAGE CHANGING RAPIDLY, PATIENT PAYMENT RESPONSIBILTY IS INCREASING AT A RATE OF 5 TO 6 PERCENT EACH YEAR. MOUNTAIN STATES INTRODUCED A NEW PAYMENT OPTION LAST YEAR THAT OFFERS MORE FLEXIBILITY TO OUR PATIENTS – THE ABILITY TO SPREAD PAYMENTS OVER A 36-MONTH PERIOD WITH NO INTEREST CHARGED. OF COURSE, FOR PATIENTS THAT ARE UNABLE TO PAY THEIR ACCOUNT BALANCES, PATIENT REPRESENTATIVES ARE AVAILABLE TO DISCUSS FINANCIAL ASSISTANCE PROGRAMS.

CARECHEX NAMED JOHNSON CITY MEDICAL CENTER AS ONE OF TENNESSEE'S TOP HOSPITALS FOR OVERALL MEDICAL CARE. JCMC WAS RANKED #1 FOR HEART ATTACK TREATMENT, HIP FRACTURE REPAIR, VASCULAR SURGERY, AND INTERVENTIONAL CAROTID CARE (JCMC WAS THE ONLY HOSPITAL IN TENNESSEE TO RECEIVE THIS MEDICAL EXCELLENCE RANKING). JCMC WAS RANKED #2 FOR ORTHOPEDIC CARE. JCMC, ALONG WITH OTHER MSHA HOSPITALS, RECEIVED VARIOUS OTHER MEDICAL EXCELLENCE RANKINGS AND IN ALMOST ALL CATEGORIES, OUR HOSPITALS WERE THE ONLY RANKED HOSPITALS WITHIN OUR SERVICE AREA. CARECHEX PROVIDES CLINICAL, FINANCIAL, AND PATIENT SATISFACTION FINDINGS TO CONSUMERS, PROVIDERS, AND PURCHASERS OF U.S. MEDICAL CARE. CARECHEX PROVIDES A COMPOSITE EVALUATION OF ALL COMPONENTS OF MEDICAL QUALITY INCLUDING PROCESS OF CARE, OUTCOMES OF CARE, AND PATIENT EXPERIENCES. IN ADDITION TO TENNESSEE RANKINGS, MSHA AS A HEALTH SYSTEM, RANKED WELL IN THE NATION. FOR INSTANCE, OUR HEALTH SYSTEM RANKED 8TH IN THE NATION FOR PULMONARY CARE AND 21ST IN THE NATION FOR WOMEN'S HEALTH.

MSHA WAS NAMED BY HEALTH FORUM AS A 2014 "100 MOST WIRED HOSPITALS" WINNER. HOSPITALS & HEALTH NETWORKS SPONSORS THE ANNUAL MOST WIRED SURVEY, WHICH IS AN INDUSTRY-STANDARD BENCHMARK STUDY. THE STUDY IS DESIGNED TO MEASURE THE LEVEL OF IT ADOPTION IN U.S. HOSPITALS AND HEALTH SYSTEMS. HEALTH FORUM DISTRIBUTES, COLLECTS AND ANALYZES THE MOST WIRED DATA AND DEVELOPS BENCH MARKS THAT ARE BECOMING THE INDUSTRY STANDARD FOR MEASURING IT ADOPTION FOR OPERATIONAL, FINANCIAL AND CLINICAL PERFORMANCE IN HEALTH CARE DELIVERY SYSTEMS. "MOST WIRED" HOSPITALS LEAD THE WAY IN:

-USE OF IT TO HARDWIRE EVIDENCE-BASED PRACTICES TO IMPROVE QUALITY AND PATIENT SAFETY
-CONVERTING DATA INTO ACTIONABLE INFORMATION THROUGH ANALYTICS FOR CLINICAL AND BUSINESS DECISION-MAKING
-INTEGRATING SERVICES THROUGH MEDICAL HOMES AND HEALTH INFORMATION EXCHANGES

HOSPITALS AND HEALTH SYSTEMS ARE ASSESSED BASED ON FOUR AREAS OF FOCUS: INFRASTRUCTURE; BUSINESS AND ADMINISTRATIVE MANAGEMENT; CLINICAL QUALITY AND SAFETY; AND CLINICAL INTEGRATION. A TOTAL OF 680 HOSPITALS AND HEALTH SYSTEMS COMPLETED THE SURVEY, REPRESENTING MORE THAN 1,900 HOSPITALS.

US NEWS AND WORLD REPORT NAMED JOHNSON CITY MEDICAL CENTER TO BE AMONG THE TOP 10 HOSPITALS IN TENNESSEE – RANKING JCMC 8TH IN THE STATE, AND THE ONLY HOSPITAL IN THE REGION TO BE INCLUDED IN THE TOP 10. THERE ARE 154 HOSPITALS IN TENNESSEE. JCMC IS RANKED AS HIGH PERFORMING IN CARDIOLOGY AND HEART SURGERY, GASTROENTEROLOGY AND GI SURGERY, PULMONOLOGY AND UROLOGY. AND JCMC WAS ALSO RANKED AMONG THE TOP 10 HOSPITALS IN THE STATE IN EACH OF 13 ADULT SPECIALTIES.

MSHA HAS JOINED THE SURVIVING SEPSIS CAMPAIGN (SSC), A QUALITY IMPROVEMENT INITIATIVE TO INCREASE EARLY RECOGNITION AND TREATMENT OF SEPSIS IN PATIENTS ON HOSPITAL MEDICAL, SURGICAL AND TELEMETRY UNITS. MSHA CREATED A TOOL IN OUR CLINICAL SOFTWARE TO HELP WITH FAST RECOGNITION OF SEPSIS. EARLY RESULTS HAVE BEEN POSITIVE: EARLY IDENTIFICATION OF SEPSIS HAS INCREASED BY MORE THAN 50% AND OUR TIME TO TREAT HAS BEEN REDUCED BY MORE THAN 75%.

THE NATIONAL RESEARCH CORPORATION ANNUALLY PROVIDES CONSUMER CHOICE AWARDS FOR THE MOST-PREFERRED HOSPITALS IN MARKETS ACROSS THE U.S. WINNERS ARE SELECTED FROM THE NATION'S LARGEST AND MOST COMPREHENSIVE NATIONWIDE CONSUMER HEALTH CARE PROFILE, THE NATIONAL RESEARCH CORPORATION HEALTHCARE MARKET GUIDE. THE AWARD IDENTIFIES THE TOP HOSPITALS THAT HEALTHCARE CONSUMERS HAVE CHOSEN

AS HAVING THE HIGHEST QUALITY AND IMAGE IN MARKETS THROUGHOUT THE UNITED STATES. JOHNSON CITY MEDICAL CENTER WAS ONE OF ONLY SEVEN HOSPITALS IN THE STATE OF TENNESSEE RECEIVING THIS RECOGNITION. NO OTHER STUDY MEASURES HOSPITAL PERFORMANCE AND PREFERENCES AND CONTAINS MORE CONSUMER RESPONSES THAN THIS STUDY.

PREMIER HEALTHCARE ALLIANCE'S 2014 AWARD WINNERS INCLUDED FIVE MSHA HOSPITALS – SYCAMORE SHOALS HOSPITAL (SSH), INDIAN PATH MEDICAL CENTER (IPMC), FRANKLIN WOODS COMMUNITY HOSPITAL (FWCH), JOHNSON CITY MEDICAL CENTER (JCMC), AND MSHA MAJORITY-OWNED SMYTH COUNTY COMMUNITY HOSPITAL (SCCH). SSH AND SCCH EARNED THE HIGHEST HONOR BY ACHIEVING TOP PERFORMANCE IN ALL OF THE SIX AREAS MEASURED IN PREMIER'S QUEST COLLABORATIVE. THESE TWO MSHA HOSPITALS WERE AMONG ONLY 18 HOSPITALS NATIONWIDE TO RECEIVE THE QUEST AWARD FOR HIGH-VALUE HEALTHCARE. FRANKLIN WOODS AND INDIAN PATH WERE FINALISTS FOR THE QUEST AWARD FOR HIGH-VALUE HEALTHCARE. THE HIGH-VALUE HEALTHCARE AWARDS ARE DETERMINED BASED ON SIX MEASURES: COST OF CARE, EVIDENCE-BASED CARE; MORTALITY; POTENTIAL HARM; PATIENT EXPERIENCE; AND, READMISSIONS. JOHNSON CITY MEDICAL CENTER RECEIVED THE AEIX RISK MANAGEMENT AWARD FOR CREATING PRACTICES TO REDUCE LIABILITY AND ENHANCE QUALITY OF CARE. WINNERS ARE SELECTED BASED ON NEW PRACTICES' EFFECTIVENESS AND POTENTIAL APPLICABILITY TO OTHER HEALTHCARE SETTINGS. INDIAN PATH ALSO RECEIVED THE PARTNERSHIP FOR ATIENTS AWARD CITATION OF MERIT FOR REDUCING READMISSIONS AND HOSPITAL-ACQUIRED CONDITIONS.

THREE MSHA TEAM MEMBERS AND A JCMC PROJECT WERE FINALISTS FOR A PRESTIGIOUS SUMMIT AWARD, AND TWO OF THE TEAM MEMBERS WERE WINNERS. THE AWARDS WERE PRESENTED AT THE 14TH ANNUAL HEALTHCARE SERVICE EXCELLENCE CONFERENCE IN LAS VEGAS THIS YEAR. THE SUMMIT AWARDS CELEBRATES EXCEPTIONAL CUSTOMER SERVICE ACHIEVEMENTS IN HEALTHCARE AND IN INITIATIVES FOR IMPROVING: THE QUALITY OF SERVICE TO PATIENTS/CUSTOMERS, THE QUALITY OF WORK LIFE FOR HEALTHCARE PROFESSIONALS, AND THE PERFORMANCE OF HEALTHCARE ORGANIZATIONS. ACCORDING TO THE CONFERENCE'S FOUNDER, "THE SUMMIT AWARD IS THE HIGHEST AWARD OF EXCELLENCE AND IS AWARDED ONLY TO HIGHLY QUALIFIED, INNOVATIVE AND PROGRESSIVE INDIVIDUALS AND HEALTH CARE FACILITIES THAT HAVE MADE OUTSTANDING PROGRESS IMPROVING THE PATIENT EXPERIENCE AND STAFF ENGAGEMENT."

INDIAN PATH MEDICAL CENTER WAS NAMED A 2014 GUARDIAN OF EXCELLENCE AWARD WINNER FOR PATIENT EXPERIENCE BY PRESS GANEY ASSOCIATES, INC. THE AWARD HONORS CLIENTS WHO HAVE REACHED THE 95TH PERCENTILE FOR ATIENT SATISFACTION. AWARD WINNERS MUST SUSTAIN PERFORMANCE IN THE TOP 5% FOR EACH MONTHLY REPORTING PERIOD FOR THE ENTIRE YEAR. SYCAMORE SHOALS HOSPITAL AND JOHNSON COUNTY COMMUNITY HOSPITAL

RECEIVED THE 2013 GUARDIAN OF EXCELLENCE AWARD FOR THEIR STRONG PHYSICIAN ENGAGEMENT. BOTH HOSPITALS RATED IN THE 99TH PERCENTILE. PRESS GANEY PARTNERS WITH MORE THAN 11,000 HEALTHCARE FACILITIES, INCLUDING MORE THAN HALF OF ALL U.S. HOSPITALS, TO MEASURE AND IMPROVE THE PATIENT EXPERIENCE.

MSHA WAS NAMED A 2014 HEALTHIER TENNESSEE WORKPLACE BY HEALTHIER TENNESSEE, WHICH IS PART OF THE GOVERNOR'S FOUNDATION FOR HEALTH AND WELLNESS. AMOUNG THE THINGS MSHA HAS IN PLACE TO PROMOTE WELLNESS ARE OUR "FIT4LIFE" AND "KEAS" PROGRAMS, WHICH ENCOURAGE AND TRACK HEALTHY HABITS, AND REWARD AND RECOGNIZE TEAM MEMBERS FOR COMPLETING WELLNESS ACTIVITIES FOR ACHIEVING FITNESS GOALS.

MSHA PARTNERED WITH HEALTHY WAGES TO PARTICIPATE IN A 12 WEEK WEIGHT LOSS COMPETITION. TEAMS OF 6 COMPETED AGAINST OTHERS FROM ALL TYPES OF BUSINESSES ACROSS THE COUNTRY. MSHA HAD 466 PARTICIPANTS (TEAM MEMBERS, RELATIVES, AND FRIENDS) AND A TOTAL OF 4,500 POUNDS WERE LOST. MSHA'S BIGGEST LOSER LOST 32% OF HIS BODY WEIGHT.

MSHA CONTINUES THE LEADERSHIP SYSTEM CALLED THE VALUE OPTIMIZATION SYSTEM (VOS). THE GOAL OF THE MSHA VOS SYSTEM IS TO ACCELERATE ACHIEVEMENT OF PATIENT- CENTERED CARE TO MEET PATIENTS' EXPECTATIONS OF HIGH QUALITY, HIGH SATISFACTION, AND EFFICIENT CARE. EACH VOS TEAM MEETS OVER AN INTENSE 4 ½ DAY PERIOD TO IDENTIFY WASTE/INEFFICIENCIES, DEVELOP AN IMPROVED WORK PLAN, AND THEN IMPLEMENT THE PLAN IMMEDIATELY. WE HAVE SEEN SOME ASTOUNDING POSITIVE RESULTS SINCE IMPLEMENTING THIS PROGRAM. ONE EXAMPLE IS OUR JOINT REPLACEMENT CARE MODEL WHICH DEVELOPED A HIP AND KNEE REPLACEMENT PATHWAY. THIS PATHWAY STANDARDIZED THE PRE-ADMISSION PROCESSES CREATING A PATIENT GUIDE CALLED "STEPS FOR SUCCESS" FOR THE 5 WEEKS LEADING UP TO SURGERY. WE ALSO STANDARDIZED THE PROCESSES FROM PATIENT ADMISSION TO ARRIVAL AT PRE-OPERATIVE HOLDING, STARTING PATIENT ARRIVALS MUCH EARLIER (MIDNIGHT VERSUS 5:00 A.M.), WHICH ELIMINATED REWORK FOR NIGHT/DAY SHIFT RNS. WE STANDARDIZED PROCEDURES FOR INFECTION PREVENTION, SCHEDULING OF POST-DISCHARGE SERVICES AND MAKING FOLLOW-UP CALLS TO PATIENTS, RESULTING IN FEWER VISITS TO THE ED FOR THESE PATIENTS. SINCE IMPLEMENTATION OF THE NEW JOINT REPLACEMENT CARE MODEL, WE HAVE SAVED ALMOST $1.7 MILLION (A COMBINED SAVINGS FOR JCMC AND IPMC). EXAMPLES OF OTHER VOS TEAM INITIATIVES INCLUDE: IMPROVED DISCHARGE FLOW OF INPATIENTS, DOUBLING THE PERCENTAGE OF INPATIENTS DISCHARGED BY NOON; CHANGED PROCESS FOR STOCKING SUPPLIES IN VARIOUS DEPARTMENTS, REDUCING THE SUPPLY COST BY MORE THAN 20% IN SOME AREAS; REVISED ED MEDICATION RECONCILIATION PROCESS THAT RESULTED IN FEWER AT-HOME MEDICATION ERRORS AND THE NUMBER OF PATIENTS ADMITTED REQUIRING CORRECTIONS TO THEIR HOME MEDICATION LISTS DROPPED FROM 68% TO 25%; IMPROVEMENTS TO REVENUE CYCLE ;

DECREASED BY 98% THE TIME REQUIRED TO RE-REGISTER RECURRING OUTPATIENT VISITS (FOR SERVICES SUCH AS REHAB, ONCOLOGY TREATMENTS, ETC.) , SAVING BOTH OUR PATIENTS AND STAFF TIME; AND, MANY OTHER RAPID 'MPROVEMENT TEAM SUCCESSES.

BLUECROSS BLUESHIELD OF TENNESSEE RECOGNIZED JCMC AS ONE OF THE FIRST HOSPITALS IN THE NATION TO RECEIVE A "BLUE DISTINCTION CENTER + SM" DESIGNATION IN THE AREA OF CARDIAC CARE, AS PART OF THE BLUE DISTINCTION CENTERS FOR SPECIALTY CARE® PROGRAM. THE NATIONAL PROGRAM'S DESIGNATION RECOGNIZES HOSPITALS THAT DELIVER BOTH QUALITY AND COST-EFFICIENT SPECIALTY CARE BY DEMONSTRATING SUCCESS IN CARDIAC-SPECIFIC QUALITY AND SAFETY MEASURES (SUCH AS LOWER RATES OF COMPLICATIONS).

QUILLEN REHABILITATION HOSPITAL'S TRANSITIONAL CARE WORKED TO IMPROVE DOCUMENTATION OF SPECIFIC PATIENT NEEDS TO BETTER UNDERSTAND EACH PATIENT'S STRENGTHS AND WEAKNESSES SO THAT CARE COULD BE DIRECTED IN A WAY TO IMPROVE/HASTEN OUTCOME/RECOVERY. THE TRANSITIONAL CARE UNIT'S PATIENTS HAVE BEEN DISCHARGED FROM AN ACUTE HOSPITAL SETTING BUT ARE NOT YET READY TO GO HOME OR TO AN ASSISTED LIVING OR LONG-TERM CARE FACILITY. DUE TO THE IMPROVEMENTS, THE TRANSITIONAL CARE UNIT RECEIVED THE 2014 BRONZE NATIONAL QUALITY AWARD FROM THE AMERICAN HEALTH CARE ASSOCIATION AND NATIONAL 'ENTER FOR ASSISTED LIVING.

AUDIT AND COMPLIANCE PRACTICES: MSHA IS GOVERNED BY A BOARD OF DIRECTORS, WHOSE MEMBERS ARE FROM THE COMMUNITIES MSHA SERVES. THE CORPORATE BOARD INCLUDES A LONGSTANDING AUDIT AND COMPLIANCE COMMITTEE. THE AUDIT AND COMPLIANCE FUNCTION AND THE EXTERNAL AUDIT FIRM REPORT DIRECTLY TO THE AUDIT AND COMPLIANCE COMMITTEE AS A WAY TO ENSURE THE AUDIT AND COMPLIANCE PROCESS IS INDEPENDENT.

- MSHA'S COMPLIANCE PLAN ENSURES THE ORGANIZATION CONDUCTS BUSINESS IN AN APPROPRIATE MANNER AND IN ACCORDANCE WITH LOCAL, STATE AND FEDERAL LAWS AND REGULATIONS. THE PLAN ADDRESSES FISCAL ACCOUNTABILITY AND TRANSPARENCY OF OPERATIONS THROUGH THE REVIEW AND USE OF INDEPENDENT AUDITS BY EXTERNAL AUDITORS AND RATING AGENCIES.
- UPON EMPLOYMENT, MSHA TEAM MEMBERS RECEIVE A COPY OF THE BOOKLET *CODE OF ETHICS AND BUSINESS CONDUCT*, DETAILING REQUIRED STANDARDS OF BEHAVIOR. YEARLY, TEAM MEMBERS RECEIVE REFRESHER EDUCATION ON THEIR OBLIGATIONS UNDER THE CODE OF ETHICS AND BUSINESS CONDUCT.
- ANNUALLY, DEPARTMENT DIRECTORS, EXECUTIVE OFFICERS AND BOARD MEMBERS ARE REQUIRED TO SIGN A CONFLICT OF INTEREST DISCLOSURE STATEMENT. BY SIGNING THIS STATEMENT, THEY AFFIRM THEIR

KNOWLEDGE AND UNDERSTANDING OF THE CONFLICT OF INTEREST POLICY AND ALSO HAVE THE OPPORTUNITY TO DISCLOSE ANY CONFLICT OF INTEREST THEY MAY HAVE. ALL TEAM MEMBERS ARE REQUIRED BY POLICY TO IMMEDIATELY DISCLOSE SITUATIONS THAT MAY CONSTITUTE CONFLICTS OF INTEREST WHEN THEY ARISE.

- MSHA IS FULLY COMPLIANT WITH REGULATORY AND LEGAL REQUIREMENTS, AND ITS HOSPITALS ARE ACCREDITED BY THE JOINT COMMISSION.
- MSHA HAS A NO-RETALIATION AND NO-RETRIBUTION POLICY FOR THE PROTECTION OF INDIVIDUALS WHO, IN GOOD FAITH, REPORT LEGAL OR ETHICAL CONCERNS. TEAM MEMBERS ARE REQUIRED TO REPORT CONCERNS TO APPROPRIATE PERSONS FOR INVESTIGATION OR FOLLOW-UP. *ALERTLINE* IS A CONFIDENTIAL, RISK-FREE HOTLINE FOR REPORTING SUSPECTED ILLEGAL BEHAVIOR, ETHICAL VIOLATIONS OR SAFETY RISKS AND IS AVAILABLE TO ALL TEAM MEMBERS VIA A TOLL-FREE NUMBER.

MEDICAL EDUCATION AND RESEARCH

A TRAUMATIC INJURY IS SOMETHING THAT CAN STRIKE ANYONE, ANYTIME, ANYWHERE. IT IS THE LEADING CAUSE OF DEATH FOR AGES 1 TO 44 IN THE NATION. THAT'S WHY MSHA/JCMC HOSTED THE 5TH ANNUAL TRAUMA CONFERENCE. THE EVENT WAS OPEN TO ANYONE INVOLVED IN TREATING TRAUMA – EMERGENCY PERSONNEL, PHYSICIANS, NURSES, REHAB SPECIALISTS ND OTHERS. THE CONFERENCE LOOKED AT THE MANY ASPECTS OF TRAUMA, WITH A FOCUS ON DEALING WITH TRAUMA IN A RURAL AREA. RURAL TRAUMA IS OFTEN DIFFERENT FROM WHAT IS COMMON IN A LARGER CITY. OUR REGION RECEIVES 85 TO 90% BLUNT TRAUMA, WHILE IN LARGE INNER-CITY SETTINGS, THERE MAY BE A HIGHER INCIDENCE OF PENETRATING TRAUMA. RURAL TRAUMA IS MORE LIKELY TO BE FROM ACCIDENTS RELATED TO HIKING, HORSEBACK RIDING, FARMING, USE OF FOUR-WHEELERS, ETC. AND THE PATIENTS HURT IN RURAL AREAS MAY EXPERIENCE EXTENDED TIMES FOR RESCUE, DUE TO PHYSICAL AND GEOGRAPHICAL CHALLENGES INVOLVED. THE CONFERENCE PROMOTED BEST PRACTICES AND NATIONAL GUIDELINES IN TRAUMA CARE. MSHA IS THE FIRST IN THE REGION TO PROVIDE A TRAUMA CONFERENCE THAT IS OPEN TO EVERYONE AS AN OUTREACH TO OUR ENTIRE REGION AND NOT JUST SPECIFIC TO OUR TEAM MEMBERS. THE CONFERENCE GOAL IS TO IMPROVE THE TRAUMA EDUCATION FOR CARE PROVIDERS IN NORTHEAST TENNESSEE, SOUTHWEST VIRGINIA, WESTERN NORTH CAROLINA AND SOUTHEASTERN KENTUCKY, AND TO IMPROVE OUTCOMES FOR TRAUMA PATIENTS IN THIS REGION. MSHA INCURRED UNREIMBURSED COSTS RELATED TO THE CONFERENCE OF JUST UNDER $15,000.

MSHA PROVIDES CLINICAL EXPERIENCE TO MEDICAL STUDENTS AND RESIDENTS F THE JAMES H. QUILLEN COLLEGE OF MEDICINE AT ETSU. MSHA CONTRIBUTED AN UNREIMBURSED COST AMOUNT OF $6,286,642 TO THE RESIDENCY PROGRAM IN FY14.

MSHA FACILITIES SERVE AS CLINICAL TRAINING AREAS FOR HEALTH PROFESSIONAL EDUCATION STUDENTS. MSHA HAS DEDICATED STAFF TO WORK WITH REGIONAL COLLEGES AND UNIVERSITIES TO COORDINATE THE PLACEMENT OF HEALTHCARE PROFESSIONAL STUDENTS AS PART OF THEIR EDUCATIONAL CURRICULUM. MANY OF THE HEALTH CARE STUDENTS ENTERING OUR SYSTEM ARE REQUIRED TO HAVE ORIENTATION AND COMPUTER TRAINING.

INCLUDED IN THE NUMBER OF PARTICIPANTS RECEIVING CLINICAL EXPERIENCE AT MSHA, WERE 1,727 NURSING STUDENTS FROM VARIOUS COLLEGES, UNIVERSITIES AND PROGRAMS. THIS NURSING CLINICAL EXPERIENCE REQUIRED EXTENSIVE MSHA NURSING STAFF INVOLVEMENT AT FIVE MSHA FACILITIES. THE CLINICAL SETTING AND HANDS-ON INSTRUCTION COST MSHA $3,571,913.

MSHA PROVIDED A CLINICAL SETTING FOR ANOTHER 850 STUDENTS TRAINING IN HEALTH-RELATED PROGRAMS SUCH AS RADIOLOGY, PHARMACY, LABORATORY, PHYSICAL THERAPY, SOCIAL WORK, AND OTHER ALLIED-HEALTH DISCIPLINES. THESE ADDITIONAL CLINICAL STUDENTS COST MSHA $895,292.

MSHA PROVIDES SPACE TO WASHINGTON COUNTY EMS AND CHARGES THE EMS JUST $1. MSHA PAID $20,973 FOR THIS SPACE DURING FY14.

MSHA'S LEARNING RESOURCE CENTER (LRC), LOCATED AT JOHNSON CITY MEDICAL CENTER, IS A MEDICAL LIBRARY THAT PROVIDES ACCESS TO MEDICAL DATABASES, VARIOUS PAPER PUBLICATIONS AND FACILITATES INTER-LIBRARY JOURNAL LOANS TO INCREASE LIBRARY RESOURCES. THE LRC SUBSCRIBES TO SEVERAL ONLINE MEDICAL DATABASES AS WELL AS PRINTED MEDICAL EDUCATION MATERIALS. THE LRC IS UTILIZED BY PHYSICIANS, NURSES, PHARMACISTS, MEDICAL RESIDENTS, NURSING STUDENTS AND PHYSICAL/OCCUPATIONAL/SPEECH THERAPY STUDENTS. THIS SERVICE IS ALSO OPEN TO THE COMMUNITY. MORE THAN 3,000 ARTICLE REQUESTS ARE FILLED EVERY YEAR. THE FY14 COST OF PROVIDING THIS SERVICE WAS $277,579.

MSHA'S CORPORATE DEPARTMENT OF RESEARCH SERVES AS THE CENTRAL OFFICE FOR MULTI-SPECIALTY RESEARCH OVERSIGHT IN THE MSHA HEALTHCARE SYSTEM WHICH IS COMPOSED OF 14 HOSPITALS AND PROVIDES AN INTEGRATED COMPREHENSIVE CONTINUUM OF CARE TO OVER 1 MILLION PEOPLE IN 29 COUNTIES IN TENNESSEE, VIRGINIA, KENTUCKY, AND NORTH CAROLINA. IN ADDITION TO PROVIDING OVERSIGHT FOR ALL TYPES OF RESEARCH CONDUCTED AT MSHA FACILITIES, THE OFFICE ALSO PROVIDES SUPPORT TO PRINCIPAL INVESTIGATORS IN A VARIETY OF THERAPEUTIC AREAS (ONCOLOGY, TRAUMA/ORTHO, PEDIATRIC, CARDIOLOGY, AND NURSING). THE RESEARCH DEPARTMENT PROVIDES SUPPORT TO INVESTIGATORS IN COLLABORATIVE, INDUSTRY-SPONSORED AND INVESTIGATOR-INITIATED STUDIES BY FACILITATING REVIEW OF CONFIDENTIALITY AGREEMENTS, CLINICAL TRIAL AGREEMENTS, SERVICE PURCHASE AGREEMENTS, BUDGET

DEVELOPMENT/NEGOTIATIONS, REGULATORY SUBMISSIONS, APPROPRIATE COLLABORATIVE ARRANGEMENTS, INITIATION OF IMPLEMENTATION MEETINGS AND STAFF TRAINING. THE RESEARCH DEPARTMENT IS ALSO RESPONSIBLE FOR ADMINISTRATIVE FUNCTIONS REQUIRED TO MANAGE PROJECTS, RECONCILE FINANCIAL BUDGETS, AND MAINTAIN REGULATORY COMPLIANCE. AS A TEACHING ORGANIZATION, AND WITH HELP OF THE RESEARCH DEPARTMENT, MSHA SUPPORTS RESEARCH STUDIES INITIATED BY EAST TENNESSEE UNIVERSITY FACULTIES, RESIDENTS AND STUDENTS, AND PROVIDES MONTHLY EDUCATIONAL SESSIONS. DURING FY14, 17 RESEARCH PROJECTS WERE CLOSED WHILE 55 PROJECTS WERE ONGOING. THE UNREIMBURSED EXPENSES OF THE RESEARCH DEPARTMENT WERE $226,503.

MSHA PRESENTED THE 20TH ANNUAL PULMONARY CRITICAL CARE HEALTH SYMPOSIUM WITH A NET UNREIMBURSED COST OF MORE THAN $2,000. THIS TRANSDISCIPLINARY TWO-DAY SYMPOSIUM IS DESIGNED TO ENHANCE THE EDUCATION OF PHYSICIANS, RESPIRATORY THERAPISTS, NURSES, SLEEP TECHNOLOGISTS AND OTHER ALLIED HEALTH CARE PROFESSIONALS IN THE MOST RECENT SCIENTIFIC ADVANCEMENTS INVOLVING MANAGEMENT OF PULMONARY PATIENTS AND FUTURISTIC TRENDS.

WINGS AIR RESCUE PROVIDES AEROMEDICAL TRANSPORTATION OF CRITICALLY ILL OR INJURED PATIENTS. IMPORTANT TO THE EFFICIENT AND SAFE OPERATION OF THE AIR AMBULANCE IS A CLEAR UNDERSTANDING OF HOW TO CLEAR AND PREPARE LANDING ZONES AND APPROPRIATE METHODS FOR COMMUNICATING WITH AIR HELICOPTER PILOTS AT ACCIDENT SCENES AND TRANSPORT SITES. DURING FY14, WINGS AIR RESCUE MADE 168 TRAINING RUNS TO AREA EMERGENCY MEDICAL SERVICE FACILITIES AND EMERGENCY DEPARTMENTS TO PERFORM TRAINING OF EMS AND EMERGENCY DEPARTMENT PERSONNEL.

MSHA'S ORGANIZATIONAL DEVELOPMENT OFFERS AN ARRAY OF AMERICAN HEART ASSOCIATION (AHA) CLASSES THROUGH ITS COMMUNITY TRAINING CENTER, TEACHING CPR (CARDIOPULMONARY RESUSCITATION), ACLS (ADVANCED CARIOVASCULAR LIFE SUPPORT) AND PALS (PEDIATRIC ADVANCED LIFE SUPPORT). ALL MSHA TEAM MEMBERS WHO ARE DIRECT CARE GIVERS MUST HAVE AHA TRAINING, AND THESE CLASSES ARE ALSO OFFERED TO THE GENERAL PUBLIC THROUGHOUT THE YEAR. IN addition TO THE GENERAL PUBLIC, MSHA TRAINS OTHER LIFE-SAVING SERVICE PERSONNEL, BUSINESS ORGANIZATIONS, AND STUDENTS. THERE ARE ALSO CLASSES TO TRAIN OTHERS HOW TO TEACH THESE CLASSES – FURTHERING THE EDUCATION OF THE COMMUNITY. THE MSHA COMMUNITY TRAINING CENTER ACTIVELY WORKS WITH EMS AGENCIES IN BOTH NORTHEAST TENNESSEE AND SOUTHWEST VIRGINIA TO PROVIDE PRE-HOSPITAL TRAUMA COURSES SUCH AS INTERNATIONAL TRAUMA LIFE SUPPORT AND PEDIATRIC INTERNATIONAL TRAUMA LIFE SUPPORT.

PATIENT CARE SERVICES

DATA SHOWS THAT THE HEALTH STATUS OF MSHA'S SERVICE AREA IS GENERALLY POOR. MSHA'S PRIMARY SERVICE AREA CONSISTS OF COUNTIES IN TENNESSEE AND SOUTHWEST VIRGINIA. AMONG THE 50 STATES, TENNESSEE RANKS 45TH AND VIRGINIA RANKS 21ST IN TERMS OF HEALTH STATUS. HOWEVER, IT SHOULD BE NOTED THAT SOUTHWEST VIRGINIA AREAS (WHERE SOME MSHA FACILITIES ARE LOCATED) CLOSELY RESEMBLE THE HEALTH RANKINGS FOR TENNESSEE. SOME OF THE OVERWHELMING HEALTH ISSUES IN OUR SERVICE AREA INCLUDE:

1. HIGH PREVALENCE OF OBESITY
2. CANCER
3. DIABETES
4. POOR CARDIOVASCULAR HEALTH
5. HIGH RATE OF CIGARETTE SMOKING
6. POOR AIR QUALITY

GIVEN THIS HEALTH PROFILE, MSHA EXISTS TO IDENTIFY AND RESPOND TO THE HEALTHCARE NEEDS OF ALL INDIVIDUALS AND COMMUNITIES IN THE REGION AND TO ASSIST THEM IN ATTAINING THEIR HIGHEST POSSIBLE LEVEL OF HEALTH. MSHA LIVES ITS MISSION TO BRING LOVING CARE TO HEALTH CARE IN OUR REGION. MSHA OPERATES ON A NON-DISCRIMINATORY BASIS, PROVIDING QUALITY HEALTH CARE TO ALL PATIENTS REGARDLESS OF RACE, RELIGION, GENDER, ETHNICITY, DISABILITY, AGE OR ABILITY TO PAY.

MSHA ADDED A HOSPITAL-BASED TRANSITION OF CARE SERVICES PROGRAM IN 2012. IN 2015, AFTER REIMPLEMENTATION AS A PATIENT CARE NAVIGATOR SERVICES PROGRAM WITH A MSHA TEAM, THE SERVICE IS 80% DEPLOYED AT JCMC. ONE OF THE MAIN GOALS OF ADDING THIS SERVICE WAS TO PROVIDE SAFER AND MORE EFFICIENT PATIENT CARE AS PATIENTS TRANSITION FROM HOSPITAL TO HOME. BECAUSE AS MANY AS 50% OF PRESCRIPTIONS GO UNFILLED, THIS COMPREHENSIVE PATIENT CARE NAVIGATOR SERVICE ASSISTS PATIENTS WITH INSURANCE, PAYMENT OPTIONS, AND WORKS TO ENSURE PATIENTS HAVE THE MEDICATIONS THEY NEED UPON DISCHARGE. THE NEW PHARMACY HAS BEEN SUCCESSFUL WITH ITS GOAL OF LOWERING READMISSIONS. THE MSHA PHARMACY OFFERS AN OPTION FOR PATIENTS LEAVING LATE IN THE DAY, PATIENTS WHO ARE TIRED AND WANT TO GO STRAIGHT HOME; OR, FOR PATIENTS WHOSE PHARMACY DOESN'T HAVE A NEEDED MEDICATION IN STOCK CAUSING A DELAY IN STARTING THE DRUG. PATIENTS ARE APPRECIATIVE OF THE CONVENIENCE THIS PHARMACY OPTION GIVES THEM. FOR EXAMPLE, A SAME-DAY SURGERY PATIENT WHO CHOOSES THIS PHARMACY OPTION WILL HAVE EVERYTHING READY FOR THEM BEFORE BEING DISCHARGED. IN ADDITION, DME NEEDS ARE FULFILLED TO BEDSIDE OR COORDINATED FOR HOME DELIVERY FOR PATIENTS PRIOR TO DISCHARGE AS WELL. THE PATIENT CARE NAVIGATORS ALSO WORK WITH PATIENTS TO FACILITATE ANY OUTPATIENT SERVICE NEEDS SUCH AS MEDICATIONS FOR HOME INFUSION OR HOME HEALTH NEEDS.

BOTH IPMC AND JCMC ARE CERTIFIED BY THE JOINT COMMISSION AS CENTERS OF EXCELLENCE. IPMC'S CERTIFICATION WAS THE FIRST SUCH HONOR IN THE AREA, FOLLOWED CLOSELY BY JCMC. THERE ARE NO OTHER CERTIFIED JOINT REPLACEMENT CENTERS WITHIN A 75-MILE RADIUS TO THE TRI-CITIES. THE CERTIFICATION VALIDATES A COMMITMENT TO A HIGHER STANDARD OF SERVICE, PROVIDES A FRAMEWORK FOR ORGANIZATIONAL STRUCTURE AND MANAGEMENT, ENHANCES STAFF RECRUITMENT AND DEVELOPMENT, AND IS RECOGNIZED BY INSURERS AND OTHER THIRD PARTIES.

JCMC'S CONGESTIVE HEART FAILURE CLINIC WAS ESTABLISHED A COUPLE OF YEARS AGO TO HELP PATIENTS MANAGE THEIR DISEASE. OUR REGION HAS ONE OF THE HIGHEST RATES OF HEART FAILURE IN THE COUNTRY. THE CLINIC OFFERS FREE HELP TO CARDIAC HEART FAILURE (CHF) PATIENTS. THE CLINIC IS STAFFED BY A CERTIFIED FAMILY NURSE PRACTITIONER WHO WORKS IN COLLABORATION WITH CARDIOLOGISTS. THE CLINIC'S PRIMARY FOCUS IS EVALUATION AND EDUCATION, TO PREVENT THE LIKELIHOOD OF ACUTE EPISODES OF HEART FAILURE AND TO HELP PEOPLE MANAGE HEART FAILURE AND IMPROVE THEIR CARDIAC FUNCTION. THE CLINIC'S MISSION IS TO PROVIDE CARE THAT WILL REDUCE THE NUMBER OF HOSPITALIZATIONS FOR PATIENTS WITH CONGESTIVE HEART FAILURE THROUGH OUTPATIENT MANAGEMENT IN THE HEART FAILURE CLINIC. PATIENTS RECEIVE A LIFESTYLE ASSESSMENT AND COUNSELING, EDUCATION REGARDING THE HEART FAILURE PROCESS, MEDICATION MANAGEMENT, AND EVALUATION FOR CARDIAC RESYNCHRONIZATION THERAPY (DEVICE THERAPY). THE CHF CLINIC WORKS AS A TEAM AND WILL MAKE REFERRALS TO PHARMACISTS, PSYCHOLOGISTS/BEHAVIOR COUNSELORS, SOCIAL WORKERS, CARDIAC REHABILITATION, HOME HEALTH PROVIDERS, AND COMMUNITY SUPPORT GROUPS. THE COST TO MSHA OF PROVIDING THIS FREE CLINIC WAS $85,056 DURING FY14, AND CLOSE TO 400 PATIENTS WERE SEEN. ACCORDING TO AN ONGOING SURVEY OF THE CLINIC, THE PATIENT SATISFACTION RATE IS 99% AND THE AVERAGE HOSPITAL READMISSION RATE FOR THOSE SEEN IN THE CLINIC IS 15% COMPARED TO 27% FOR PATIENTS NOT TAKING ADVANTAGE OF THE FREE CLINIC.

CHARITY AND UNREIMBURSED COSTS

CHARITY CARE: WHILE REIMBURSEMENT FOR HEALTHCARE SERVICES RENDERED IS CRITICAL TO THE OPERATION AND SUSTAINABILITY OF THE ORGANIZATION, MSHA RECOGNIZES ITS OBLIGATION TO PROVIDE CARE TO INDIVIDUALS WHO CANNOT AFFORD ESSENTIAL MEDICAL SERVICES, INCLUDING EMERGENCY CARE. A PATIENT IS CLASSIFIED AS A CHARITY PATIENT WHEN THEY MEET THE ESTABLISHED POLICIES OF MSHA AND GUIDELINES OUTLINED BY THE FEDERAL GOVERNMENT. HOWEVER, FINANCIAL ASSISTANCE DECISIONS ARE NOT SOLELY BASED ON INCOME. UNIQUE FINANCIAL CIRCUMSTANCES ARE WEIGHED WITH VERIFIED PATIENT ASSETS WHICH CAN DETERMINE FINANCIAL ASSISTANCE ELIGIBILITY. IT IS NOT UNTIL AFTER VERIFICATION OF INCOME AND ASSETS

THAT A DECISION REGARDING THE AMOUNT OF WRITE-OFF WILL BE MADE. IN FISCAL YEAR 2014, MSHA INCURRED A LOSS OF $16,107,968 ATTRIBUTABLE TO THE PROVISION OF FREE CARE TO INDIGENT PATIENTS.

GOVERNMENTAL PROGRAM ENROLLEES: MSHA PROVIDES CARE TO PERSONS COVERED BY GOVERNMENTAL PROGRAMS, INCLUDING MEDICARE AND TNCARE/MEDICAID . IN FY14, THE UNREIMBURSED COST OF SERVICES PROVIDED TO THIS PATIENT POPULATION WAS $1,767,602 (MEDICARE, BASED ON MEDICARE ALLOWABLE COSTS) AND A $24,216,758 LOSS ON TNCARE/MEDICAID SERVICES.

BAD DEBT: MSHA PROVIDES AN INCREASING LEVEL OF SERVICE TO SELF-PAY PATIENTS FOR WHICH IT RECEIVES LITTLE OR NO PAYMENT. DURING FY14, BAD DEBT WAS REPORTED AT $85,394,567. MSHA BELIEVES MANY OF THE ACCOUNTS CLASSIFIED AS BAD DEBT WOULD HAVE QUALIFIED FOR FINANCIAL ASSISTANCE IF THE PATIENTS ASSOCIATED WITH THESE ACCOUNTS HAD PROVIDED FINANCIAL DOCUMENTATION TO OUR HOSPITALS. EVEN WHEN MSHA HOSPITAL TEAM MEMBERS ENCOURAGE PATIENTS AND TELL THEM IT IS LIKELY THEY WILL QUALIFY FOR ASSISTANCE, MANY PATIENTS REMAIN UNWILLING TO PROVIDE THE INFORMATION WE NEED TO DETERMINE ELIGIBILITY. THE VAST MAJORITY OF PATIENTS WHO SUPPLY FINANCIAL INFORMATION TO US DO, IN FACT, RECEIVE EITHER A COMPLETE ACCOUNT WRITE-OFF TO CHARITY OR A PARTIAL WRITE-OFF.

ROMOTE COMMUNITY HEALTH

MSHA OFFERS MANY REDUCED PRICE OR FREE SERVICES AND PROGRAMS YEAR-ROUND IN CARE SETTINGS THAT IT ESTABLISHED TO ACCOMMODATE THE WIDELY SCATTERED, AGING AND SOCIOECONOMICALLY DISADVANTAGED POPULATION. SUCH PROGRAMS SERVE BONA FIDE COMMUNITY HEALTH NEEDS AND RESULT IN FINANCIAL LOSSES TO THE ORGANIZATION.

WINGS AIR RESCUE (WINGS), THE REGION'S ONLY EMERGENCY MEDICAL HELICOPTER SERVICE, IS CONSIDERED BY MSHA TO BE A REGIONAL ASSET. LICENSED IN THE STATE OF TENNESSEE AND THE COMMONWEALTHS OF KENTUCKY AND VIRGINIA, WINGS PROVIDED AIR TRANSPORT OF CRITICALLY ILL AND INJURED PATIENTS TO THE CLOSEST TERTIARY FACILITIES, INCLUDING NON-MSHA FACILITIES. OF THE WINGS TRANSPORTS, 39% ARE TRAUMA PATIENTS FROM SCENES OR EMERGENCY DEPARTMENTS TO TERTIARY CARE CENTERS, WITH OTHERS BEING CARDIAC, OB, PEDIATRIC AND MEDICAL PATIENTS. DURING FY14, WINGS TRANSPORTED 1,198 PATIENTS AND MADE 5 SEARCH AND RESCUE FLIGHTS AT A NET OPERATING LOSS OF $1,617,521. IN ADDITION TO AIR TRANSPORT SERVICE, WINGS DISPATCH SERVES AS THE STATE DESIGNATED REGIONAL MEDICAL COMMUNICATIONS CENTER FOR TENNESSEE REGION 1. THE OMMUNICATION CENTER IS OPERATIONAL 24 HOURS DAILY AND PROVIDES COMMUNICATION SERVICES TO BOTH AIR AND GROUND EMERGENCY TRANSPORT SYSTEMS IN THE REGION.

OUTLYING FACILITIES CALL MSHA FOR NEONATAL/PEDIATRIC PATIENT TRANSFERS. MSHA RESPONDS WITH NO-CHARGE GROUND AMBULANCE SERVICE TO PICK UP THE BABY/CHILD. IN ADDITION TO THE EMS DRIVER, MSHA PROVIDES A REGISTERED NURSE AND RESPIRATORY THERAPIST FOR EACH TRANSPORT. THERE WERE 38 FREE NEONATAL/PEDIATRIC TRANSPORTS PROVIDED BY MSHA DURING FY14. THE COST TO MSHA FOR THIS SERVICE WAS $24,346.

NURSELINK MEDICAL CALL CENTER IS A 24-HOUR TOLL-FREE MEDICAL INFORMATION PHONE LINE. EXPERIENCED REGISTERED NURSES SPEAK WITH CALLERS TO PROVIDE INVALUABLE CONFIDENTIAL HEALTH INFORMATION AND TRIAGE UTILIZING PHYSICIAN-APPROVED GUIDELINES. IN FY14, NURSELINK HANDLED 26,000 CALLS. MSHA INCURRED AN EXPENSE OF $281,580 TO PROVIDE THIS SERVICE AT NO COST TO THE COMMUNITY.

THE HEALTH RESOURCES CENTER (HRC) IS A COMMUNITY OUTREACH SERVICE PROVIDED BY MSHA. THE JOHNSON CITY HRC IS CONVENIENTLY LOCATED IN THE REGION'S LARGEST SHOPPING MALL AND THE HRC IN KINGSPORT IS LOCATED IN THE KINGSPORT TOWN CENTER. THE HRC OFFERS FREE CLASSES, SCREENINGS, BLOOD PRESSURE CHECKS, INFORMATIONAL MATERIALS AND RESOURCES AS WELL AS A NUMBER OF OTHER SERVICES IN AN EFFORT TO MEET COMMUNITY MEMBERS' HEALTH AND HEALTH EDUCATION NEEDS. THE JOHNSON CITY HRC HAD 20,937 VISITS TO THEIR OFFICE AND PERFORMED 817 HEALTH SCREENINGS IN FY14. THIS HRC ALSO HOSTED MORE THAN 6,418 ATTENDEES WHO PARTICIPATED IN MONTHLY HEALTH EDUCATION PROGRAMS. THE HRC ALSO PROVIDED OUTREACH SERVICES WHERE THEY CONNECTED WITH AN ADDITIONAL 5,042 COMMUNITY MEMBERS. THE UNCOMPENSATED COST OF THE JOHNSON CITY HRC WAS $333,594. THE HRC IN KINGSPORT HAD 13,474 VISITS TO THE OFFICE AND PERFORMED 604 HEALTH SCREENINGS. THIS HRC HOSTED 4,670 ATTENDEES AT MONTHLY HEALTH EDUCATION PROGRAMS AND PROVIDED OUTREACH SERVICES TO ANOTHER 6,052 COMMUNITY MEMBERS. THE KINGSPORT HRC'S UNCOMPENSATED COST IN FY14 WAS $279,195.

MSHA'S MOUNTAIN STATES MOBILE HEALTH UNIT IS A MOBILE CARDIOVASCULAR SCREENING CENTER THAT IS OFFERED IN EAST TENNESSEE AND SOUTHWEST VIRGINIA. DURING FY14, THE MOBILE UNIT PROVIDED 634 CARDIOVASCULAR SCREENINGS. OF THESE SCREENINGS, 68 HAD ABNORMAL RESULTS FOR CARDIOVASCULAR ISSUES, GLUCOSE, AND BLOOD PRESSURE. THERE WERE 183 RESPONSES TO SLEEP QUESTIONNAIRES. THE STAFF OF THE MOBILE UNIT WAS ABLE TO PROVIDE REFERRALS FOR APPROPRIATE FOLLOW-UP REGARDING PARTICIPANTS' CONDITIONS. IN FY14, THE MOBILE UNIT HAD UNREIMBURSED EXPENSES OF $155,225. THE MOBILE UNIT PROVIDED 87 FREE SCREENINGS AT A REMOTE AREA MEDICAL (RAM) CLINIC IN WISE, LEE COUNTIES AND GRUNDY, VIRGINIA. RAM, A KNOXVILLE, TENNESSEE BASED CHARITABLE ORGANIZATION, PROVIDES FREE MEDICAL CARE TO PEOPLE IN REMOTE AREAS

AND MSHA WAS PLEASED TO OFFER THE SERVICES OF OUR MOBILE UNIT TO THE RAM CLINIC.

BASED ON COMMUNITY NEEDS, MSHA INCURRED EXPENSES OF $120,179 FOR PHYSICIAN RECRUITMENT TO PROVIDE PHYSICIAN SERVICES FOR MEDICALLY UNDERSERVED AND FEDERALLY DESIGNATED CRITICAL ACCESS AREAS. MSHA INCURRED AN ADDITIONAL EXPENSE OF $1,524,163 TO RECRUIT PHYSICIANS INTO OTHER CLINICAL/GEOGRAPHIC AREAS. ALL PHYSICIAN RECRUITMENT ACTIVITIES ARE BASED ON DOCUMENTED COMMUNITY NEED.

JOHNSON COUNTY COMMUNITY HOSPITAL (JCCH) IS A FEDERALLY DESIGNATED CRITICAL ACCESS HOSPITAL. THIS FACILITY IS LOCATED IN ONE OF TENNESSEE'S POOREST COUNTIES AND PROVIDES EMERGENCY INPATIENT AND OUTPATIENT CARE TO THE COUNTY'S RESIDENTS, MANY OF WHOM ARE OVER 65 YEARS OLD. JCCH'S LOCATION IS DESIGNATED AS A PHYSICIAN SHORTAGE AREA FOR MANY SPECIALTIES. JCCH OPERATES A PHYSICIAN SPECIALTY CLINIC INSIDE THE HOSPITAL. THE SPECIALTY CLINIC INCLUDES GENERAL SURGERY, PODIATRY, CARDIOLOGY AND OTHER SPECIALTY SERVICES. THE CLINIC CONTINUES TO BE A VALUABLE RESOURCE TO THE RESIDENTS OF THE AREA BY SOLVING TRANSPORTATION ISSUES (OTHER PHYSICIAN OFFICES ARE LOCATED MORE THAN AN HOUR AWAY), RESOLVING ACCESS LIMITATIONS FOR SPECIALTY SERVICES, AND PROVIDING RELIEF TO THE SPECIAL HEALTH PROBLEMS OF A LARGELY ELDERLY POPULATION. JCCH INCURRED A LOSS OF $46,904 DURING FY14 OPERATING THE CLINIC.

MSHA GIFTS A LAND LEASE TO THE RONALD MCDONALD HOUSE AT A FAIR MARKET VALUE OF $60,000. THE RONALD MCDONALD HOUSE IS LOCATED ON THE CAMPUS OF NISWONGER CHILDREN'S HOSPITAL AND JOHNSON CITY MEDICAL CENTER.

JCMC LACTATION CONSULTANTS AT JCMC CONTINUED A PROGRAM BEGUN LAST YEAR TO INCREASE BREASTFEEDING RATES IN OUR COMMUNITY BY GIVING EXPECTANT MOTHERS MORE EDUCATION ABOUT THE BENEFITS OF BREASTFEEDING BEFORE THEY COME TO THE HOSPITAL FOR DELIVERY. MSHA LACTATION CONSULTANTS SPENT MORE THAN 400 HOURS VISITING TWO AREA OB/GYN PRACTICES DURING THE YEAR. IN PRIOR YEARS, THE RATE FOR MOTHERS WHO EXCLUSIVELY BREASTFED RANGED BETWEEN 36% - 40%. SINCE IMPLEMENTING THE LACTATION PROGRAM, RATES HAVE BEEN CONSISTENTLY 50% AND OUR NURSES HOPE TO SEE AN EVEN HIGHER RATE OVER TIME. THIS OUTREACH PROGRAM COSTS MSHA MORE THAN $14,000, WITH NO COST TO THE COMMUNITY.

MSHA OFFERS A VARIETY OF SCREENINGS, SUPPORT GROUPS, HEALTH EDUCATION, AND HEALTH FAIRS ON AN ONGOING BASIS THROUGHOUT THE YEAR. MOST OF THESE WERE FREE OF CHARGE. THE FEW THAT IMPOSED A CHARGE SET A LOW FEE OF $5 - $10. SOME OF THE FREE CLASSES AND SUPPORT

GROUPS OFFERED TO THE PUBLIC BY MSHA INCLUDE: SMOKING CESSATION ; DIABETES EDUCATION AND MANAGEMENT; NUTRITION AND COOKING; CPR; CANCER EDUCATION AND SUPPORT GROUPS; HEART HEALTH; RELAXATION TRAINING; SAFE BABYSITTING TRAINING; BREASTFEEDING; BALANCE AND FALLS PREVENTION; CHILD ILLNESSES AND SPECIAL NEEDS PROGRAMS AND CLASSES; WEIGHT LOSS AND SUPPORT GROUPS; MEDICARE INFORMATION SESSIONS FOR SENIORS TURNING 65; SENIOR CAREGIVER SUPPORT GROUP; OTHER DISEASE-SPECIFIC CLASSES AND SUPPORT GROUPS; AND, MANY GENERAL HEALTH CLASSES.

THE HOSPICE PROGRAM OFFERS EXTENDED 13-MONTH BEREAVEMENT SUPPORT RATHER THAN THE REQUIRED 12-MONTH PERIOD, THUS SUPPORTING FAMILIES DURING THE ANNIVERSARY MONTH OF THE PATIENT'S DEATH, WHICH CAN BE A CHALLENGING TIME. ALSO PROVIDED IS A CELEBRATION OF LIFE PROGRAM FOR FAMILIES OF FORMER HOSPICE PATIENTS AND THE COMMUNITY AT LARGE.

THE PARISH NURSE PROGRAM IS SPONSORED BY MSHA'S HOME HEALTH ORGANIZATION, WITH GOALS OF RECRUITING AREA CHURCHES AND REGISTERED NURSES TO THE PROGRAM AND PROVIDING PARTICIPANTS WITH EDUCATION ABOUT PARISH NURSING. PARISH NURSING IS AN AMALGAM OF SOCIAL WORK, GOOD NEIGHBORING AND NURSING. THE PARISH NURSE PROVIDES SUPPORT, HEALTH EDUCATION AND COUNSELING TO THOSE WITH HEALTHCARE NEEDS WITHIN THEIR PLACE OF WORSHIP. OTHER SERVICES PROVIDED BY THE PARISH NURSE INCLUDE BLOOD DRIVES, HEALTH SCREENINGS, HEALTH FAIRS AND MONTHLY BLOOD PRESSURE CLINICS. THE NURSE ALSO MAINTAINS AN ACTIVE VISITATION TO PARISHIONERS WHO ARE HOMEBOUND, HOSPITALIZED, OR IN LONG TERM CARE FACILITIES. SEVERAL OF THE NURSES ARE CERTIFIED TO TEACH CPR AND FIRST AID AT NO COST TO PARISHIONERS. MSHA PROVIDES THE PARISH NURSE PROGRAM WITH A COORDINATOR, SPONSORED ORIENTATION, MONTHLY EDUCATIONAL PROGRAMS AND OTHER SUPPORT FUNCTIONS. CURRENTLY, THERE ARE 24 CHURCHES IN TENNESSEE AND THREE IN SOUTHWEST VIRGINIA WITH PARISH NURSES ON STAFF. MSHA'S FY14 COST FOR THE PARISH NURSE PROGRAM WAS $57,268.

THE RESPOND DEPARTMENT AT WOODRIDGE HOSPITAL OFFERS ASSESSMENTS AND REFERRALS FOR INDIVIDUALS DEALING WITH MENTAL HEALTH ISSUES AND SUBSTANCE ABUSE. PROFESSIONAL STAFF INCLUDES BEHAVIORAL HEALTH COUNSELORS AND RNS WHO ARE AVAILABLE 24 HOURS A DAY, SEVEN DAYS A WEEK TO ANSWER CALLS FROM THE COMMUNITY CONCERNING TREATMENT. THROUGHOUT THE ASSESSMENT PROCESS, RESPOND COLLABORATES WITH A PSYCHIATRIST TO DETERMINE THE MOST APPROPRIATE LEVEL OF CARE. THE RESPOND DEPARTMENT INCURRED UNREIMBURSED COSTS OF $706,267 DURING FY14.

COMMUNITY CONTRIBUTIONS

AS THE SECOND LARGEST EMPLOYER IN THE REGION, MSHA IS ONE OF THE AREA'S PRINCIPAL BENEFACTORS AND HAS MADE CORPORATE CITIZENSHIP AN INTEGRAL PART OF ITS CULTURE. FROM SYSTEM-WIDE INITIATIVES TO INDIVIDUAL EFFORTS OF CARING TEAM MEMBERS, ITS AIM IS TO ENRICH THE COMMUNITIES THAT THE ORGANIZATION SERVES. MSHA'S COMMITMENT INCLUDES FINANCIAL CONTRIBUTIONS, IN-KIND (NON-CASH) CONTRIBUTIONS AND LEADERSHIP RESOURCES WITHIN THREE BROAD CATEGORIES OF GIVING:

1) DIRECT CONTRIBUTIONS THAT SUPPORT COMMUNITY HEALTHCARE NEEDS AND THOSE NON-PROFIT AGENCIES THAT ADVOCATE THE HEALTH AND WELL-BEING OF COMMUNITY MEMBERS;
2) MSHA-RUN AND MSHA-SUPPORTED PROGRAMS THAT CONTRIBUTE TO THE HEALTH AND WELL-BEING OF AREA RESIDENTS; AND
3) EDUCATION/TRAINING; BOTH AS A COMMUNITY CITIZEN AND AS AN EMPLOYER.

1.) <u>DIRECT CONTRIBUTIONS – CASH AND IN-KIND</u>

MSHA LEADERS SUPPORT AND ENCOURAGE ALL TEAM MEMBERS TO VOLUNTEER TIME, MONEY AND SKILLS TO COMMUNITY SERVICE PROJECTS AND CHARITABLE ORGANIZATIONS. SENIOR LEADERS AND BOARD MEMBERS SET A POSITIVE EXAMPLE FOR MSHA TEAM MEMBERS, SERVING VOLUNTARILY ON COMMITTEES AND MANAGING BOARDS OF LOCAL SERVICE AND NON-PROFIT ORGANIZATIONS. MANY ALSO SERVE AS MEMBERS AND CONSULTANTS ON PROFESSIONAL COMMITTEES AND TASK FORCES THAT AFFECT REGIONAL DEVELOPMENT IN HEALTH CARE AND EDUCATION.

SUMMARY LIST OF CHARITABLE GIVING: IN FY14, MSHA MADE DONATIONS TO NUMEROUS HEALTH AND HUMAN SERVICE ORGANIZATIONS, SOCIAL AND WELL-BEING NON-PROFITS, AND OTHERS WITHIN OUR SERVICE AREA:

- APPALACHIAN MOUNTAIN PROJECT ACCESS - $116,964
- FRIENDS IN NEED HEALTH CENTER - $10,062
- GOVERNOR'S FDN FOR HEALTH & WELLNESS - $25,000
- KINGSPORT TOMORROW HEALTHCARE SYMPOSIUM - $5,000
- ETSU LATINO HEALTH FAIR - $1,500
- JOHNSON CITY PARKS & RECREATION FOUNDATION - $5,824
- GOOD SAMARITAN MINISTRY - $3,110
- VARIOUS DONATIONS TO THE ARTS - $27,801
- CRUMLEY HOUSE - $818
- STONE MOUNTAIN HEALTH SERVICE - $2,000
- FAMILY PROMISE - $5,462
- VARIOUS RESCUE SQUADS - $7,804
- JOHNSTON MEMORIAL HOSPITAL AUXILIARY - $2,000
- RED LEGACY RECOVERY, INC. - $2,000
- LAUGHLIN HEALTHCARE FOUNDATION - $1,000

- SYCAMORE SHOALS STATE HISTORIC AREA - $5,592
- UMOJA UNITY FESTIVAL - $1,867
- LOCAL CHURCHES - $2,700
- JOHNSON CITY SYMPHONY ORCHESTRA, INC. - $7,246
- FRIENDS OF OLDE DOWNTOWNE - $2,500
- VARIOUS ORGANIZATIONS TO ASSIST THOSE WITH LOW INCOMES AND THE POOR - $2,485
- VARIOUS PROGRAMS TO BENEFIT SENIORS - $4,768
- VARIOUS HEALTH ORGANIZATIONS - $57,890
- SMALL DOLLAR MISCELLANEOUS DONATIONS - $680
- BARTER THEATRE - $18,000

MSHA, IN COLLABORATION WITH AREA HEALTH AGENCIES AND PROVIDERS, MAY OFFER ASSISTANCE WITH COORDINATION, ADVOCACY AND PUBLICITY; PROVIDE SPACE; OR CONTRIBUTE SUPPLIES TO SUPPORT GROUPS FOR THEIR PROGRAM ACTIVITIES.

THROUGHOUT THE YEAR, MSHA MAKES CONTRIBUTIONS TO LOCAL SCHOOLS AND ORGANIZATIONS THAT PROVIDE EDUCATIONAL, HEALTH, AND SOCIAL SUPPORT FOR YOUNG PEOPLE. THE SIGNIFICANT MAJORITY OF OUR DONATIONS ARE DIRECTED TO PROGRAMS THAT FOCUS ON REDUCING CHILDHOOD OBESITY. SOME OF THE CONTRIBUTIONS TO YOUTH PROGRAMS INCLUDE:

- ETSU FIT KIDS PROGRAM - $11,500
- BOYS & GIRLS CLUB OF KINGSPORT - $62,000
- ETSU PEDIATRIC CONFERENCE - $5,000
- VIRGINIA HIGHLANDS COMMUNITY COLLEGE - $30,000
- GRANTS TO AREA SCHOOLS FOR PROGRAMS THAT FOCUS ON CHILDHOOD OBESITY - $16,000
- OTHER LOCAL ORGANIZATIONS FOR PROGRAMS THAT FOCUS ON REDUCING CHILDHOOD OBESITY - $40,710
- COALITION FOR KIDS - $4,958
- HANDS ON REGIONAL MUSEUM - $7,500
- HOLSTON UNITED METHODIST HOME FOR CHILDREN - $2,500
- SUMMIT LEADERSHIP FDN CHILDRENS CAMP - $1,000
- CASA FOR KIDS - $500
- STEPPENSTONE YOUTH TREATMENT CENTER - $1,000
- RONALD MCDONALD HOUSE CHARITIES, INC. - $3,754
- JASON WITTEN SCORE FOUNDATION - $3,750
- KERMIT TIPTON SCHOLARSHIP FOUNDATION - $2,500
- GIRLS, INCORPORATED - $1,184
- CITY YOUTH BALLET - $700
- OTHER AREA SCHOOL DONATIONS - $1,432
- ST. JUDE'S RESEARCH CENTER - $500

- FUN FEST (HEALTH EDUCATION AT 3 DAY EVENT) - $4,900

MSHA CONTRIBUTES ANNUALLY TO LOCAL CHAPTERS OF SEVERAL NATIONAL 'ON-PROFIT ORGANIZATIONS WHOSE RESEARCH FOCUSES ON THOSE DISEASES AND CONDITIONS MOST PREVALENT IN THE REGION.

FY14:

- ALS ASSOCIATION TN CHAPTER - $2,500
- AMERICAN DIABETES ASSOCIATION - $5,000
- AMERICAN HEART ASSOCIATION - $62,963
- JUVENILE DIABETES RESEARCH FOUNDATION - $5,000
- MARCH OF DIMES - $15,000
- SUSAN G. KOMEN BREAST CANCER FOUNDATION - $3,095
- AMERICAN CANCER SOCIETY - $26,774
- UNITED WAY - $2,420
- ALZHEIMER'S FOUNDATION - $250

2.) COMMUNITY PROGRAMS

DEMOGRAPHIC ANALYSES INDICATE THE NECESSITY OF HAVING A WIDE ARRAY OF FREE AND PRICE-REDUCED SERVICES THAT ARE WELL-SITUATED FOR EASY ACCESS FROM RURAL, MOUNTAINOUS AREAS.

AMONG INITIATIVES AND ONGOING SERVICES THAT PROMOTE COMMUNITY HEALTH AND SOCIAL WELL-BEING ARE DISEASE MANAGEMENT; WELLNESS PROGRAMS; HEALTH-RELATED EDUCATION SESSIONS BY MSHA NURSES, STAFF PHYSICIANS, NUTRITIONISTS, AND OTHER SPECIALISTS; HEALTH SCREENINGS; AND FINANCIAL SUPPORT. MSHA ALSO OFFERS SPECIAL PROGRAMS FOR YOUTH, THE ELDERLY, THE DISABLED AND THE MEDICALLY UNDERSERVED.

MSHA CONDUCTED ITS FIRST COMMUNITY HEALTH NEEDS ASSESSMENT IN 2011 AND 2012 (PUBLISHED IN 2012) IN AN EFFORT TO PROFILE THE HEALTH OF THE RESIDENTS WITHIN THE LOCAL REGION. THIS ASSESSMENT SPECIFICALLY FOCUSED ON MSHA'S 13-COUNTY CORE SERVICE AREA, WHICH INCLUDES, BUT IS NOT LIMITED TO, ALL THE COUNTIES IN WHICH MSHA HAS A FACILITY. THE SEVEN TENNESSEE COUNTIES INCLUDED IN THIS NEEDS ASSESSMENT WERE: CARTER COUNTY, GREENE COUNTY, HAWKINS COUNTY, JOHNSON COUNTY, SULLIVAN COUNTY, UNICOI COUNTY, AND WASHINGTON COUNTY. THE SIX VIRGINIA COUNTIES ARE LOCATED IN SOUTHWEST VIRGINIA AND INCLUDE: DICKENSON COUNTY, RUSSELL COUNTY, SMYTH COUNTY, BRISTOL CITY/WASHINGTON COUNTY, SCOTT COUNTY, AND NORTON/WISE COUNTY. AFTER ANALYZING THE MANY HEALTH DISPARITIES IN THE REGION, MSHA 'HOSE CHILDHOOD OBESITY AS ITS HEALTH PRIORITY.

MSHA PROVIDED FUNDING OF MORE THAN $52,000 FOR 20 COMMUNITY GRANTS OF $2,000 AND $5,000 EACH TO LOCAL COMMUNITY ORGANIZATIONS SUCH AS CHURCHES, COMMUNITY GROUPS, SCHOOLS AND EMPLOYERS THAT WANT TO EXPLORE CHILDHOOD OBESITY REDUCTION EFFORTS.

ANOTHER $5,210 WAS AWARDED TO A SCHOOL FOR THE 5-2-1-0 PROGRAM. THIS GRANT AMOUNT REPRESENTS: 5 OR MORE SERVINGS OF FRUITS OR VEGETABLES, 2 HOURS OR LESS OF RECREATIONAL SCREEN TIME, 1 HOUR OR MORE OF VIGOROUS EXERCISE, AND 0 SUGARY DRINKS, AND MORE WATER AND LOW-FAT MILK. THIS SCHOOL MAINTAINS A STUDENT GARDEN THAT SUPPLIES THE CAFETERIA. OTHER INITIATIVES INCLUDE THE USE OF CD'S AND DVD'S THAT COMBINE LEARNING WITH PHYSICAL MOVEMENT AND WORKING ON A FITNESS TRAIL LOCATED ON THE SCHOOL'S CAMPUS. OUR OTHER GRANT RECIPIENTS ADHERE TO THE 5-2-1-0 INITIATIVE THAT THEY STARTED IN A PRIOR YEAR ALONG WITH EXPANDED ACTIVITIES THIS YEAR.

ANOTHER SCHOOL IS DEVELOPING A PROGRAM THAT FOCUSES ON LIFETIME OUTDOOR RECREATIONAL ACTIVITIES. THIS SCHOOL IS ALSO USING ACTIVITY BALLS IN THE CLASSROOM TO PROMOTE PHYSICAL ACTIVITY AND IT CONTINUES A STUDENT PLANTING GARDEN STARTED FROM A MSHA GRANT RECEIVED IN A PRIOR YEAR.

MANY INNOVATIVE PROGRAMS HAVE BEEN AIDED BY MSHA GRANTS. MOST OF OUR GRANTS GO TO ORGANIZATIONS THAT PARTNER WITH OTHERS TO COMBINE RESOURCES, EXPERIENCE, AND EXPERTISE. AN EXAMPLE INCLUDES AFTER SCHOOL AND CAMP PROGRAMS THAT INCLUDE PHYSICAL ACTIVITIES, HEALTHY EATING, WELL-BEING AND SELF CONFIDENCE. MANY PROGRAMS TARGET AT-RISK/LOW INCOME CHILDREN. SOME PROGRAMS ARE AIMED AT TEENS TO PROVIDE OPPORTUNITIES THAT ENCOURAGE INTERESTS THEY MIGHT NOT HAVE OTHERWISE HAD SINCE MANY OF OUR GRANTS GO TO ORGANIZATIONS/AGENCIES IN HIGH POVERTY AREAS. SOME OF THE GRANT RECIPIENTS USE EVIDENCE-BASED ACTIVITIES AND UTILIZE COMPONENTS OF SIMILAR AND SUCCESSFUL PROGRAMS WHEN DEVELOPING THEIR OWN ACTIVITIES. ALL OF THE HEAL RECIPIENTS ARE EXPECTED TO PROVIDE MEASURABLE RESULTS TO MSHA.

IN FY14, MSHA RECEIVED OVER 40 APPLICATIONS FOR THE COMMUNITY GRANTS. MSHA'S SOCIAL RESPONSIBILITY COMMITTEE EVALUATES LOCAL PROGRAM GRANT APPLICANTS AS TO THEIR ABILITY TO MAKE A MEASURABLE IMPACT ON THE LEVEL OF CHILDHOOD OBESITY THROUGHOUT THE REGION. THIS COMMITTEE THEN MAKES RECOMMENDATIONS TO MSHA EXECUTIVE LEADERSHIP FOR DIRECTING FINANCIAL SUPPORT FOR SUCCESSFUL PROGRAMS.

IN ADDITION TO MSHA'S COMMUNITY GRANTS, MSHA MADE A CHARITABLE CONTRIBUTION OF $11,500 TO ETSU'S FIT KIDS PROGRAM, ANOTHER PROGRAM

WITH A FOCUS ON REDUCING CHILDHOOD OBESITY AND IMPROVING THE HEALTH OF CHILDREN.

¬ROGRAMS FOR SPECIAL POPULATIONS

DUE TO THE USE OF EMERGENCY DEPARTMENTS AS WALK-IN CLINICS BY THE POOR AND UNDERSERVED, MSHA HAS HELPED ESTABLISH AND FINANCE ALTERNATIVE CARE SETTINGS SUCH AS THE ETSU COLLEGE OF NURSING'S JOHNSON CITY COMMUNITY HEALTH CENTER (JCCHC). THE JCCHC IS DEDICATED TO SERVING THE PRIMARY NEEDS OF THE HOMELESS, INDIGENT AND UNINSURED POPULATIONS, PROVIDING THEM WITH FREE LABORATORY TESTING AND ASSISTANCE WITH THEIR DIAGNOSIS AND TREATMENTS. MSHA GIFTS THE JCCHC RENT FOR THEIR DAY CENTER, A SATELLITE CLINIC OF THE JCCHC, LOCATED IN DOWNTOWN JOHNSON CITY, WHICH IS VALUED AT $35,000 ANNUALLY.

MSHA PROCESSED LAB SPECIMENS FOR VARIOUS LOCAL ORGANIZATIONS THAT PROVIDE HEALTH SERVICES TO THE POOR. MSHA WROTE OFF $156,458 IN LAB CHARGES FOR THESE LAB TESTS.

MSHA OPERATED A SATELLITE DISPENSARY OF HOPE TO PROVIDE PRESCRIPTION DRUGS TO THOSE WHO MAY NOT HAVE OTHERWISE BEEN ABLE TO AFFORD NEEDED MEDICATIONS. THE SITE HAS ITS OWN PHARMACIST AND PHARMACY TECH. THE LOCAL DISPENSARY OF HOPE IS STAFFED, IN PART, BY VOLUNTEER HARMACISTS FROM THE COMMUNITY AND SERVES AS A TRAINING SITE FOR THE BILL GATTON COLLEGE OF PHARMACY AT EAST TENNESSEE STATE UNIVERSITY. DURING FY14, MSHA INCURRED UNREIMBURSED EXPENSES OF $148,782 FOR THIS PROGRAM.

MSHA ASSISTED SOME PATIENTS WHO COULD NOT PAY FOR THEIR PRESCRIPTIONS UPON DISCHARGE FROM THE HOSPITAL. DURING FY14, MSHA'S UNREIMBURSED COST FOR THESE PRESCRIPTIONS WAS $28,341.

MSHA HAS PARTNERED WITH THE COMPANY, FIRSTSOURCE SOLUTIONS USA, TO WORK WITH SELF-PAYING PATIENTS WHO HAVE LIMITED FINANCIAL RESOURCES. DURING FY14, FIRSTSOURCE REPRESENTATIVES WERE AVAILABLE AT ALL MSHA FACILITIES. FIRSTSOURCE REPRESENTATIVES WERE ABLE TO DETERMINE GOVERNMENTAL MEDICAL ASSISTANCE (TENNCARE OR MEDICAID) ELIGIBILITY, AND TO HELP WITH THE APPLICATION PROCESS AND FOLLOW-UP. DURING FY14, 1,775 PATIENTS WERE APPROVED FOR COVERAGE. ONCE A PERSON IS APPROVED FOR TENNCARE OR MEDICAID THROUGH THIS PROGRAM OFFERED THROUGH MSHA, THEY RETAIN COVERAGE FOR FUTURE MEDICAL CARE. FIRSTSOURCE IS COMPENSATED BY MSHA. DURING FY14, MSHA'S COST FOR THIS PROGRAM WAS $572,031.

THE NORTHEAST TENNESSEE REGIONAL PERINATAL CENTER AT JCMC IS ONE OF FIVE STATE DESIGNATED TERTIARY CENTERS IN THE STATE OF TENNESSEE. IT IS

THE REFERRAL HUB FOR PREGNANT WOMEN IN THE NORTHEAST TENNESSEE REGION WHO NEED HIGHER LEVEL OBSTETRICAL SERVICES AND OR NEONATOLOGY SERVICES THROUGH A LEVEL IV NICU. DURING THIS FISCAL YEAR, THE CENTER FACILITATED 1,356 BIRTHS AND 1,594 OUTPATIENT CONSULTATIONS. ANOTHER COMPONENT OF THE PERINATAL CENTER IS OUTREACH EDUCATION, 643 OB EDUCATIONAL HOURS WERE PROVIDED THROUGHOUT THE REGION. ON THE NEONATAL SIDE, 582 ADMISSIONS WERE ACCEPTED AT THE CENTER OF WHICH 233 WERE TRANSPORTED. OVER THE COURSE OF THE YEAR, A TOTAL OF 710 HOURS OF NEONATAL EDUCATION WAS PROVIDED TO THE REGION. THE PERINATAL GRANT HAS RECEIVED GRANT FUNDING FOR THE PAST 20-PLUS YEARS. MSHA'S LOSS (NET OF THE GRANT) FOR THE YEAR FOR THESE SERVICES WAS $101,729.

MSHA'S SERVICE AREA COMPRISES A STABLE, AGING POPULATION, SO THE ORGANIZATION HAS ESTABLISHED A NUMBER OF PROGRAMS TO SERVE THE NEEDS OF SENIOR CITIZENS. AN EXAMPLE OF A SENIOR PROGRAM IS THE PINNACLE CLUB – A COMMUNITY OUTREACH PROGRAM FOR SERVICE-AREA SENIORS. DURING FY14, MSHA INCURRED A NET OPERATING LOSS OF ALMOST $2,000 ATTRIBUTABLE TO ITS SUPPORT OF THE PROGRAM.

NISWONGER CHILDREN'S HOSPITAL OFFERS ACTIVITIES FOR CHILDREN DESIGNED TO ENCOURAGE PHYSICAL ACTIVITY. THE COST OF THESE ACTIVITIES WAS JUST UNDER $25,000.

COMMUNITY HEALTH EDUCATIONAL PROGRAMS

MSHA PROVIDED A VARIETY OF WELLNESS AND HEALTH INFORMATION TO HELP EDUCATE AREA RESIDENTS ABOUT COMMUNITY-SPECIFIC HEALTH ISSUES. INFORMATION WAS PROVIDED THROUGH PRINTED MATERIALS, SPEAKING ENGAGEMENTS, RADIO AND TELEVISION INTERVIEWS, AND HEALTH FAIRS AND EXPOS.

MSHA ALSO PROVIDES ACCESS TO SEVERAL ONLINE HEALTH INFORMATION SERVICES. "MY HEALTH NEWS" ALLOWS ACCESS TO HEALTH INFORMATION TOPICS AND SERVICES THAT MATTER TO THE USER. THIS SERVICE SENDS UP-TO-DATE INFORMATION FROM NATIONAL HEALTH RESOURCES TAILORED TO THE INDIVIDUAL'S NEEDS AND IS FREE OF CHARGE. MSHA PAYS $24,000 YEARLY FOR MY HEALTH NEWS. MSHA PROVIDES ACCESS TO "KIDSHEALTH", A SERVICE THAT PROVIDES PRACTICAL PARENTING INFORMATION AND NEWS. THIS SERVICE ALSO PROVIDES HOMEWORK HELP FOR KIDS AND STRAIGHT TALK ANSWERS FOR TEENS. MSHA PAYS $15,750 ANNUALLY TO PROVIDE KIDSHEALTH. OTHER HEALTH INFORMATION LINKS ARE PROVIDED TO THE PUBLIC ON OUR WEBSITE, INCLUDING "VIRTUAL WOMEN'S CENTER" AND MANY OTHERS.

IN ADDITION, WE PROVIDE "YOUR HEALTH MATTERS" TELEVISION HEALTH NEWS FOR A COST OF $110,825.

THE HEALTH RESOURCES CENTER HOSTED THREE-MINUTE SEGMENTS ABOUT VARIOUS HEALTH TOPICS WHICH AIRED THREE TIMES A WEEK ON LOCAL TV. THEY CONTRACTED FOR 30-SECOND ANNOUNCEMENTS TO INFORM THE PUBLIC ABOUT THE HRC CALENDAR EACH WEEK, MONDAY-SUNDAY. THE COST OF THE PROGRAMMING WAS $26,180.

MSHA PARTNERS WITH THE TENNESSEE DEPARTMENT OF HEALTH TO REDUCE SLEEP-RELATED INFANT DEATHS. TWENTY PERCENT OF ALL INFANT DEATHS IN TENNESSEE ARE DUE TO UNSAFE SLEEP PRACTICES. STUDIES HAVE SHOWN THAT WHEN PARENTS GO HOME, THEY PUT THEIR BABIES TO SLEEP THE SAME WAY THEY SEE THEIR BABY POSITIONED IN THE HOSPITAL. BUT AT HOME, BABIES DO NOT HAVE THE SAME MONITORING AND SUPERVISION AS IN THE HOSPITAL. THIS IS WHY NISWONGER CHILDREN'S HOSPITAL, FRANKLIN WOODS COMMUNITY HOSPITAL AND INDIAN PATH MEDICAL CENTER HAVE IMPLEMENTED A SAFE-SLEEP POLICY FOR ALL INFANTS IN THE HOSPITAL. TEAM MEMBERS RECEIVE ANNUAL TRAINING ON BEST PRACTICES FOR SAFE SLEEP AND HOW TO EDUCATE NEW PARENTS ON PLACING BABIES TO SLEEP WHEN THEY GO HOME.