

TAX RETURN FILING INSTRUCTIONS

FORM 990

FOR THE YEAR ENDING

June 30, 2019

Prepared For:

Platte Health Center Avera
601 E. 7th Street
Platte, SD 57369

Prepared By:

Eide Bailly LLP
200 E. 10th St., Ste. 500
Sioux Falls, SD 57104-6375

Amount Due or Refund:

Not applicable

Make Check Payable To:

Not applicable

Mail Tax Return and Check (if applicable) To:

Not applicable

Return Must be Mailed On or Before:

Not applicable

Special Instructions:

This copy of the return is provided ONLY for Public Disclosure purposes. Any confidential information regarding large donors has been removed.

Form **990**

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

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

2018

Department of the Treasury
Internal Revenue Service

▶ Do not enter social security numbers on this form as it may be made public.
▶ Go to www.irs.gov/Form990 for instructions and the latest information.

Open to Public Inspection

A For the 2018 calendar year, or tax year beginning **JUL 1, 2018** and ending **JUN 30, 2019**

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization PLATTE COMMUNITY MEMORIAL HOSPITAL, INC		D Employer identification number 46-0239781
	Doing business as PLATTE HEALTH CENTER AVERA		E Telephone number (605) 337-3364
	Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	
	601 E 7TH STREET		G Gross receipts \$ 14,898,641.
	City or town, state or province, country, and ZIP or foreign postal code PLATTE, SD 57369		
F Name and address of principal officer: MARK BURKET SAME AS C ABOVE		H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> 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.PHCAVERA.ORG**

K Form of organization: Corporation Trust Association Other ▶ **L** Year of formation: **1947** **M** State of legal domicile: **SD**

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: PROVIDE INPATIENT AND OUTPATIENT HEALTHCARE SERVICES.
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.
	3 Number of voting members of the governing body (Part VI, line 1a) 3 9
	4 Number of independent voting members of the governing body (Part VI, line 1b) 4 9
	5 Total number of individuals employed in calendar year 2018 (Part V, line 2a) 5 199
	6 Total number of volunteers (estimate if necessary) 6 30
	7 a Total unrelated business revenue from Part VIII, column (C), line 12 7a 0. b Net unrelated business taxable income from Form 990-T, line 38 7b 0.
Revenue	8 Contributions and grants (Part VIII, line 1h) 76,353. Prior Year 312,170. Current Year
	9 Program service revenue (Part VIII, line 2g) 13,837,877. 14,327,875.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d) 262,907. 193,927.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) 45,072. 64,669.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12) 14,222,209. 14,898,641.
	Expenses
14 Benefits paid to or for members (Part IX, column (A), line 4) 0. 0.	
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) 9,328,813. 9,716,310.	
16a Professional fundraising fees (Part IX, column (A), line 11e) 0. 0.	
b Total fundraising expenses (Part IX, column (D), line 25) ▶ 0.	
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e) 4,376,551. 4,484,280.	
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25) 13,706,984. 14,204,774.	
19 Revenue less expenses. Subtract line 18 from line 12 515,225. 693,867.	
Net Assets or Fund Balances	20 Total assets (Part X, line 16) 18,074,718. Beginning of Current Year 19,141,090. End of Year
	21 Total liabilities (Part X, line 26) 8,595,481. 8,787,145.
	22 Net assets or fund balances. Subtract line 21 from line 20 9,479,237. 10,353,945.

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		
	▶ MARK BURKET, CEO Type or print name and title				
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	LAURIE HANSON		03/04/20	<input type="checkbox"/>	P00851848
Preparer Use Only	Firm's name ▶ EIDE BAILLY LLP	Firm's EIN ▶ 45-0250958			
	Firm's address ▶ 200 E. 10TH ST., STE. 500 SIOUX FALLS, SD 57104-6375	Phone no. 605-339-1999			

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]

1 Briefly describe the organization's mission: PLATTE HEALTH CENTER AVERA IS A HEALTH MINISTRY ROOTED IN THE GOSPEL. OUR MISSION IS TO MAKE A POSITIVE IMPACT IN THE LIVES AND HEALTH OF PERSONS AND COMMUNITIES BY PROVIDING QUALITY SERVICES GUIDED BY CHRISTIAN VALUES.

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

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? [] Yes [X] No

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 \$ 12,245,070. including grants of \$ 4,184.) (Revenue \$ 14,327,875.) PLATTE COMMUNITY MEMORIAL HOSPITAL, INC OPERATED A 17-BED CRITICAL ACCESS HOSPITAL, AND A 48-BED LONG-TERM CARE FACILITY LOCATED IN PLATTE, SD, AND RURAL HEALTH CLINICS LOCATED IN PLATTE, GEDDES, AND WHITE LAKE, SD.

PROVISION OF INPATIENT AND OUTPATIENT HEALTHCARE SERVICES IN PLATTE, SD, AND THE SURROUNDING AREA. TOTAL PATIENT DAYS WERE 354; TOTAL SWING BED DAYS WERE 680; TOTAL NURSING HOME DAYS WERE 15,925. CLINIC VISITS TOTALED 10,964.

TO FULFILL ITS MISSION OF COMMUNITY SERVICE, THE HEALTH CENTER PROVIDES CARE TO PATIENTS WHO MEET CERTAIN CRITERIA UNDER ITS PATIENT ASSISTANCE

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 12,245,070.

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)? <i>If "Yes," complete Schedule A</i>	X	
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ?	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		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? <i>If "Yes," complete Schedule C, Part II</i>		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? <i>If "Yes," complete Schedule C, Part III</i>		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? <i>If "Yes," complete Schedule D, Part I</i>		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? <i>If "Yes," complete Schedule D, Part II</i>		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		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? <i>If "Yes," complete Schedule D, Part IV</i>	X	
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>	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? <i>If "Yes," complete Schedule D, Part VI</i>	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? <i>If "Yes," complete Schedule D, Part VII</i>	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? <i>If "Yes," complete Schedule D, Part VIII</i>		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? <i>If "Yes," complete Schedule D, Part IX</i>		X
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	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)? <i>If "Yes," complete Schedule D, Part X</i>	X	
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>	X	
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i>		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		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? <i>If "Yes," complete Schedule F, Parts I and IV</i>		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? <i>If "Yes," complete Schedule F, Parts II and IV</i>		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? <i>If "Yes," complete Schedule F, Parts III and IV</i>		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? <i>If "Yes," complete Schedule G, Part I</i>		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? <i>If "Yes," complete Schedule G, Part II</i>		X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		X
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>	X	
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	X	
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>		X

Part IV Checklist of Required Schedules (continued)

	Yes	No
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>		X
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	X	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>		X
26 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If "Yes," complete Schedule L, Part II</i>		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>		X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>		X
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>		X
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?		X
b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>		
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O	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		
b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	X	

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

Table with columns for question number, question text, and Yes/No columns. Includes questions 2a through 16 regarding employee counts, tax returns, business income, foreign accounts, prohibited transactions, and charitable contributions.

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

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

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

Table with 3 columns: Question, Yes, No. Rows include: 10a Did the organization have local chapters, branches, or affiliates?; 10b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?; 11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?; 11b 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; 12b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?; 12c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done; 13 Did the organization have a written whistleblower policy?; 14 Did the organization have a written document retention and destruction policy?; 15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?; 15a The organization's CEO, Executive Director, or top management official; 15b Other officers or key employees of the organization; 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?; 16b 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?

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed NONE
18 Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A 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 [] Other (explain in Schedule O)
19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
20 State the name, address, and telephone number of the person who possesses the organization's books and records VICKI JENSEN - (605) 337-3364 601 E. 7TH STREET, PLATTE, SD 57369

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

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) ROB REISER PRESIDENT UNTIL NOV 2018	4.00	X		X				0.	0.	0.
(2) RON ERICKSON VP/PRESIDENT BEG NOV 2018	4.00	X		X				0.	0.	0.
(3) DENNIS VANDERWERFF DIRECTOR/VP BEG NOV 2018	4.00	X		X				0.	0.	0.
(4) BRANDI DELANGE TREASURER	1.00	X		X				0.	0.	0.
(5) SANDY GANT SECRETARY	1.00	X		X				0.	0.	0.
(6) MARK MOUNT DIRECTOR UNTIL NOV 2018	1.00	X						0.	0.	0.
(7) RON MILLAR DIRECTOR	1.00	X						0.	0.	0.
(8) ROB GRAVES DIRECTOR	1.00	X						0.	0.	0.
(9) JESSE BLOCK DIRECTOR JOINED DEC 2018	1.00	X						0.	0.	0.
(10) BEN BOGENHAGEN DIRECTOR JOINED DEC 2018	1.00	X						0.	0.	0.
(11) ANN JOHNSON DIRECTOR JOINED DEC 2018	1.00	X						0.	0.	0.
(12) MARK BURKET CEO	40.00			X				186,264.	0.	55,493.
(13) VICKI JENSEN CFO	40.00			X				80,451.	0.	29,418.
(14) DR. JEROME BENTZ PHYSICIAN	40.00					X		279,402.	0.	50,372.
(15) DR. LISA MOFLE PHYSICIAN	40.00					X		346,772.	0.	39,810.
(16) DR. ROBERT HUBLEY PHYSICIAN	40.00					X		195,074.	0.	31,116.
(17) DR. NELSON BATOON PHYSICIAN	40.00					X		137,528.	0.	23,472.

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 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			
(18) JEFFREY KONSTANZ PHYSICIAN ASSISTANT	40.00					X		192,183.	0.	45,623.
1b Sub-total								1,417,674.	0.	275,304.
c Total from continuation sheets to Part VII, Section A								0.	0.	0.
d Total (add lines 1b and 1c)								1,417,674.	0.	275,304.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization 8

	Yes	No
3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	3	X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	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? <i>If "Yes," complete Schedule J for such person</i>	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
AVERA QUEEN OF PEACE 525 N FOSTER, MITCHELL, SD 57301	MANAGEMENT AGREE/SERVICES	742,597.
AVERA HEALTH 3900 W. AVERA DRIVE, SIOUX FALLS, SD 57104	TELEHEALTH SERVICES	146,849.

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 2

Part VIII Statement of Revenue

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

			(A)	(B)	(C)	(D)	
			Total revenue	Related or exempt function revenue	Unrelated business revenue	Revenue excluded from tax under sections 512 - 514	
Contributions, Gifts, Grants and Other Similar Amounts	1 a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c					
	d Related organizations	1d					
	e Government grants (contributions)	1e					
	f All other contributions, gifts, grants, and similar amounts not included above	1f	312,170.				
	g Noncash contributions included in lines 1a-1f: \$						
	h Total. Add lines 1a-1f			312,170.			
Program Service Revenue	2 a NET PATIENT SERVICE REVENUE	Business Code 322110	9,400,009.	9,400,009.			
	b NURSING HOME REVENUE	323110	3,102,245.	3,102,245.			
	c CLINIC REVENUE	621498	1,641,601.	1,641,601.			
	d OTHER REVENUE	900099	184,020.	184,020.			
	e						
	f All other program service revenue						
	g Total. Add lines 2a-2f			14,327,875.			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		20,393.			20,393.	
	4 Income from investment of tax-exempt bond proceeds						
	5 Royalties						
	6 a Gross rents	(i) Real	64,669.				
		(ii) Personal					
		Less: rental expenses	0.				
	c Rental income or (loss)		64,669.				
	d Net rental income or (loss)			64,669.		64,669.	
	7 a Gross amount from sales of assets other than inventory	(i) Securities	172,534.				
		(ii) Other	1,000.				
		Less: cost or other basis and sales expenses	0.				
		c Gain or (loss)	172,534.	1,000.			
d Net gain or (loss)			173,534.		173,534.		
8 a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	a						
	b Less: direct expenses						
	c Net income or (loss) from fundraising events						
9 a Gross income from gaming activities. See Part IV, line 19	a						
	b Less: direct expenses						
	c Net income or (loss) from gaming activities						
10 a Gross sales of inventory, less returns and allowances	a						
	b Less: cost of goods sold						
	c Net income or (loss) from sales of inventory						
Miscellaneous Revenue		Business Code					
11 a _____							
	b _____						
	c _____						
	d All other revenue						
e Total. Add lines 11a-11d							
12 Total revenue. See instructions			14,898,641.	14,327,875.	0.	258,596.	

Part IX Statement of Functional Expenses

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

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21 ...	4,184.	4,184.		
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	345,618.		345,618.	
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	7,394,287.	7,047,349.	346,938.	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	293,870.	287,018.	6,852.	
9 Other employee benefits	1,205,918.	1,148,814.	57,104.	
10 Payroll taxes	476,617.	442,883.	33,734.	
11 Fees for services (non-employees):				
a Management				
b Legal	2,636.		2,636.	
c Accounting	98,297.	3,355.	94,942.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)	636,049.	404,865.	231,184.	
12 Advertising and promotion	32,776.	6,883.	25,893.	
13 Office expenses	357,047.	309,096.	47,951.	
14 Information technology	312,831.	15,010.	297,821.	
15 Royalties				
16 Occupancy	380,265.	371,023.	9,242.	
17 Travel	81,092.	74,014.	7,078.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials ...				
19 Conferences, conventions, and meetings	46,396.	32,797.	13,599.	
20 Interest	314,199.	217,106.	97,093.	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	885,617.	673,627.	211,990.	
23 Insurance	95,937.	16,503.	79,434.	
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a SUPPLIES	674,343.	673,408.	935.	
b EQUIPMENT AND REPAIRS	279,131.	277,656.	1,475.	
c BAD DEBT EXPENSE	167,969.	167,969.		
d DUES AND SUBSCRIPTIONS	39,499.	27,917.	11,582.	
e All other expenses	80,196.	43,593.	36,603.	
25 Total functional expenses. Add lines 1 through 24e	14,204,774.	12,245,070.	1,959,704.	0.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

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

Part X Balance 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	1,099,778.	2	2,136,950.
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	1,933,110.	4	1,418,505.
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L	26,289.	5	0.
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instr). Complete Part II of Sch L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use	202,988.	8	182,003.
	9 Prepaid expenses and deferred charges	81,108.	9	96,584.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 17,027,686.		
	b Less: accumulated depreciation	10b 10,847,685.	6,250,789.	10c 6,180,001.
	11 Investments - publicly traded securities		11	
	12 Investments - other securities. See Part IV, line 11	8,169,102.	12	8,903,054.
	13 Investments - program-related. See Part IV, line 11	52,629.	13	50,159.
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11	258,925.	15	173,834.
16 Total assets. Add lines 1 through 15 (must equal line 34)	18,074,718.	16	19,141,090.	
Liabilities	17 Accounts payable and accrued expenses	1,342,414.	17	1,575,514.
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D	0.	21	1,781.
	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	7,163,919.	23	6,771,191.
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	89,148.	25	438,659.
	26 Total liabilities. Add lines 17 through 25	8,595,481.	26	8,787,145.
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	6,788,200.	27	7,545,025.
	28 Temporarily restricted net assets	846,384.	28	951,453.
	29 Permanently restricted net assets	1,844,653.	29	1,857,467.
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
33 Total net assets or fund balances	9,479,237.	33	10,353,945.	
34 Total liabilities and net assets/fund balances	18,074,718.	34	19,141,090.	

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	14,898,641.
2	Total expenses (must equal Part IX, column (A), line 25)	2	14,204,774.
3	Revenue less expenses. Subtract line 2 from line 1	3	693,867.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	9,479,237.
5	Net unrealized gains (losses) on investments	5	33,258.
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	147,583.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	10,353,945.

Part XII Financial Statements and Reporting

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

- 1 Accounting method used to prepare the Form 990: Cash Accrual Other _____
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
- 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
- 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.
- 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?
- b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits

	Yes	No
2a		X
2b	X	
2c	X	
3a		X
3b		

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

▶ Attach to Form 990 or Form 990-EZ.

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

OMB No. 1545-0047

2018

Open to Public Inspection

Name of the organization **PLATTE COMMUNITY MEMORIAL HOSPITAL, INC** Employer identification number **46-0239781**

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

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

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

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

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2014	(b) 2015	(c) 2016	(d) 2017	(e) 2018	(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) 2014	(b) 2015	(c) 2016	(d) 2017	(e) 2018	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
11 Total support. Add lines 7 through 10						
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2018 (line 6, column (f) divided by line 11, column (f))	14	%
15 Public support percentage from 2017 Schedule A, Part II, line 14	15	%
16a 33 1/3% support test - 2018. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 33 1/3% support test - 2017. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
17a 10% -facts-and-circumstances test - 2018. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 10% -facts-and-circumstances test - 2017. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions		<input type="checkbox"/>

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

(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2014	(b) 2015	(c) 2016	(d) 2017	(e) 2018	(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) 2014	(b) 2015	(c) 2016	(d) 2017	(e) 2018	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						

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

Section C. Computation of Public Support Percentage

15 Public support percentage for 2018 (line 8, column (f), divided by line 13, column (f))	15	%
16 Public support percentage from 2017 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2018 (line 10c, column (f), divided by line 13, column (f))	17	%
18 Investment income percentage from 2017 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2018. 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 - 2017. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ►

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

Part IV Supporting Organizations

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

Section A. All Supporting Organizations

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

Part IV Supporting Organizations (continued)

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

Section B. Type I Supporting Organizations

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

Section C. Type II Supporting Organizations

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

Section D. All Type III Supporting Organizations

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

Section E. Type III Functionally Integrated Supporting Organizations

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

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

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

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

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

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

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

Section D - Distributions	Current Year
1 Amounts paid to supported organizations to accomplish exempt purposes	
2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3 Administrative expenses paid to accomplish exempt purposes of supported organizations	
4 Amounts paid to acquire exempt-use assets	
5 Qualified set-aside amounts (prior IRS approval required)	
6 Other distributions (describe in Part VI). See instructions.	
7 Total annual distributions. Add lines 1 through 6.	
8 Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI). See instructions.	
9 Distributable amount for 2018 from Section C, line 6	
10 Line 8 amount divided by line 9 amount	

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2018	(iii) Distributable Amount for 2018
1 Distributable amount for 2018 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2018 (reasonable cause required- explain in Part VI). See instructions.			
3 Excess distributions carryover, if any, to 2018			
a From 2013			
b From 2014			
c From 2015			
d From 2016			
e From 2017			
f Total of lines 3a through e			
g Applied to underdistributions of prior years			
h Applied to 2018 distributable amount			
i Carryover from 2013 not applied (see instructions)			
j Remainder. Subtract lines 3g, 3h, and 3i from 3f.			
4 Distributions for 2018 from Section D, line 7: \$			
a Applied to underdistributions of prior years			
b Applied to 2018 distributable amount			
c Remainder. Subtract lines 4a and 4b from 4.			
5 Remaining underdistributions for years prior to 2018, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, explain in Part VI . See instructions.			
6 Remaining underdistributions for 2018. Subtract lines 3h and 4b from line 1. For result greater than zero, explain in Part VI . See instructions.			
7 Excess distributions carryover to 2019. Add lines 3j and 4c.			
8 Breakdown of line 7:			
a Excess from 2014			
b Excess from 2015			
c Excess from 2016			
d Excess from 2017			
e Excess from 2018			

Schedule B

(Form 990, 990-EZ, or 990-PF)

Department of the Treasury Internal Revenue Service

Schedule of Contributors

Attach to Form 990, Form 990-EZ, or Form 990-PF. Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2018

Name of the organization

PLATTE COMMUNITY MEMORIAL HOSPITAL, INC

Employer identification number

46-0239781

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, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

Special Rules

[] For an organization described in section 501(c)(3) 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), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions 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 an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I (entering "N/A" in column (b) instead of the contributor name and address), II, and III.

[] For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions exclusively for religious, charitable, etc., purposes, but no such contributions totaled 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. Don't complete any of the parts unless the General Rule applies to this organization because it received nonexclusively religious, charitable, etc., contributions totaling \$5,000 or more during the year

Caution: An organization that isn't covered by the General Rule and/or the Special Rules doesn't 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 its Form 990-PF, Part I, line 2, to certify that it doesn't meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization PLATTE COMMUNITY MEMORIAL HOSPITAL, INC	Employer identification number 46-0239781
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Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	<hr/> <hr/> <hr/>	\$ <u>300,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
<hr/>	<hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
<hr/>	<hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
<hr/>	<hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
<hr/>	<hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
<hr/>	<hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
<hr/>	<hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization PLATTE COMMUNITY MEMORIAL HOSPITAL, INC	Employer identification number 46-0239781
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Part II Noncash Property (see instructions). Use duplicate copies of Part II if additional space is needed.

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

Name of organization PLATTE COMMUNITY MEMORIAL HOSPITAL, INC	Employer identification number 46-0239781
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Part III Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. 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 info. once.) ▶ \$ _____
Use duplicate copies of Part III if additional space is needed.

(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	
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	

SCHEDULE D (Form 990)

Department of the Treasury Internal Revenue Service

Supplemental Financial Statements

Complete if the organization answered "Yes" on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b. Attach to Form 990.

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

OMB No. 1545-0047

2018

Open to Public Inspection

Name of the organization PLATTE COMMUNITY MEMORIAL HOSPITAL, INC Employer identification number 46-0239781

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

Table with 3 columns: Question, (a) Donor advised funds, (b) Funds and other accounts. Rows include total number at end of year, aggregate value of contributions, grants, and end of year, and two yes/no questions about donor property and grant fund usage.

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

Table with 3 columns: Question, (a) Donor advised funds, (b) Funds and other accounts. Rows include purpose(s) of conservation easements, a table for lines 2a-2d (Total number, acreage, certified historic structures, and acquired after 7/25/06), and questions about monitoring, expenses, and reporting.

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

Table with 3 columns: Question, (a) Donor advised funds, (b) Funds and other accounts. Rows include questions about reporting works of art, historical treasures, or other similar assets held for public exhibition, education, or research.

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

- 3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):
- a Public exhibition
 - b Scholarly research
 - c Preservation for future generations
 - d Loan or exchange programs
 - e Other _____
- 4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.
- 5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

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

- 1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No
- b If "Yes," explain the arrangement in Part XIII and complete the following table:
- | | Amount |
|---------------------------------|--------|
| c Beginning balance | 1c |
| d Additions during the year | 1d |
| e Distributions during the year | 1e |
| f Ending balance | 1f |
- 2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? Yes No
- b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	2,526,935.	2,355,888.	2,161,101.	2,211,336.	2,209,820.
b Contributions					1,516.
c Net investment earnings, gains, and losses	103,584.	171,047.	194,787.	-50,235.	
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance	2,630,519.	2,526,935.	2,355,888.	2,161,101.	2,211,336.

- 2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:
- a Board designated or quasi-endowment 0.00 %
 - b Permanent endowment 29.39 %
 - c Temporarily restricted endowment 70.61 %
- The percentages on lines 2a, 2b, and 2c should equal 100%.
- 3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:
- | | Yes | No |
|--|-------------------------------------|-------------------------------------|
| (i) unrelated organizations | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (ii) related organizations | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R? | <input type="checkbox"/> | <input type="checkbox"/> |
- 4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land	43,000.	222,952.		265,952.
b Buildings		12,109,379.	7,466,006.	4,643,373.
c Leasehold improvements		390,544.	357,350.	33,194.
d Equipment		4,259,267.	3,024,329.	1,234,938.
e Other		2,544.		2,544.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				6,180,001.

Part VII Investments - Other Securities.

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

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A) ASSETS LIMITED AS TO USE		
(B) - AVERA POOLED INVESTMENT	5,399,145.	COST
(C) INTEREST IN AVERA HEALTH		
(D) FOUNDATION	3,266,622.	COST
(E) UNDER LOAN AGREEMENT	237,287.	COST
(F)		
(G)		
(H)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 12.)	8,903,054.	

Part VIII Investments - Program Related.

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

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

Part IX Other Assets.

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

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

Part X Other Liabilities.

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

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) DEFERRED COMPENSATION PAYABLE	122,004.
(3) ESTIMATED THIRD-PARTY PAYOR	
(4) SETTLEMENTS	316,655.
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.)	438,659.

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

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

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

1	Total revenue, gains, and other support per audited financial statements	1	14,911,513.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains (losses) on investments	2a	33,258.
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII.)	2d	-20,386.
e	Add lines 2a through 2d	2e	12,872.
3	Subtract line 2e from line 1	3	14,898,641.
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	0.
5	Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12.)	5	14,898,641.

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

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

1	Total expenses and losses per audited financial statements	1	14,036,805.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIII.)	2d	
e	Add lines 2a through 2d	2e	0.
3	Subtract line 2e from line 1	3	14,036,805.
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	167,969.
c	Add lines 4a and 4b	4c	167,969.
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.)	5	14,204,774.

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 IV, LINE 2B:

THE NURSING HOME RESIDENTS ARE ALLOWED TO HAVE FUNDS IN THE RESIDENT TRUST ACCOUNT. THE MONEY CAN BE USED FOR ANY PERSONAL ITEMS THEY DESIRE: SNACKS, LUNCH, HAIRCUTS, ETC. THE RESIDENTS ARE NOT CHARGED ANY FEES FOR UTILIZING THE ACCOUNT. THE ACCOUNT IS RECONCILED MONTHLY BY THE BUSINESS OFFICE STAFF. INTEREST IS PAID TO ANY INDIVIDUAL RESIDENT WHO HAS OVER \$50 IN THEIR ACCOUNT.

PART V, LINE 4:

THE INCOME WILL BE USED TOWARD EXPENDITURES FOR HEALTHCARE SERVICES.

PART X, LINE 2:

Part XIII Supplemental Information (continued)

THE HEALTH CENTER IS ORGANIZED AS A SOUTH DAKOTA NONPROFIT CORPORATION AND HAS BEEN RECOGNIZED BY THE INTERNAL REVENUE SERVICE (IRS) AS EXEMPT FROM FEDERAL INCOME TAXES UNDER INTERNAL REVENUE CODE SECTION 501(C)(3). THE HEALTH CENTER IS ANNUALLY REQUIRED TO FILE A RETURN OF ORGANIZATION EXEMPT FROM INCOME TAX (FORM 990) WITH THE IRS. IN ADDITION, THE HEALTH CENTER IS SUBJECT TO INCOME TAX ON NET INCOME THAT IS DERIVED FROM BUSINESS ACTIVITIES THAT ARE UNRELATED TO ITS EXEMPT PURPOSE. THE HEALTH CENTER HAS DETERMINED IT IS NOT SUBJECT TO UNRELATED BUSINESS INCOME TAX AND HAS NOT FILED AN EXEMPT ORGANIZATION BUSINESS INCOME TAX RETURN (FORM 990T) WITH THE IRS.

THE HEALTH CENTER BELIEVES THAT IT HAS APPROPRIATE SUPPORT FOR ANY TAX POSITIONS TAKEN AFFECTING ITS ANNUAL FILING REQUIREMENTS, AND AS SUCH, DOES NOT HAVE ANY UNCERTAIN TAX POSITIONS THAT ARE MATERIAL TO THE FINANCIAL STATEMENTS. THE HEALTH CENTER WOULD RECOGNIZE FUTURE ACCRUED INTEREST AND PENALTIES RELATED TO UNRECOGNIZED TAX BENEFITS AND LIABILITIES IN INCOME TAX EXPENSE IF SUCH INTEREST AND PENALTIES ARE INCURRED.

PART XI, LINE 2D - OTHER ADJUSTMENTS:

CHANGE IN INTEREST IN NET ASSETS OF FOUNDATION	147,583.
BAD DEBT EXPENSE INCLUDED IN REVENUE ON F/S	-167,969.
TOTAL TO SCHEDULE D, PART XI, LINE 2D	-20,386.

PART XII, LINE 4B - OTHER ADJUSTMENTS:

BAD DEBT EXPENSES INCLUDED IN REVENUE ON F/S	167,969.
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**SCHEDULE H
(Form 990)**

Department of the Treasury
Internal Revenue Service

Hospitals

- ▶ Complete if the organization answered "Yes" on Form 990, Part IV, question 20.
- ▶ Attach to Form 990.
- ▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2018

Open to Public Inspection

Name of the organization **PLATTE COMMUNITY MEMORIAL HOSPITAL, INC** Employer identification number **46-0239781**

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	<input checked="" type="checkbox"/>	
b If "Yes," was it a written policy?	<input checked="" type="checkbox"/>	
2 If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year. <input checked="" type="checkbox"/> Applied uniformly to all hospital facilities <input type="checkbox"/> Applied uniformly to most hospital facilities <input type="checkbox"/> Generally tailored to individual hospital facilities		
3 Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year.		
a Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing <i>free</i> care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care: <input type="checkbox"/> 100% <input checked="" type="checkbox"/> 150% <input type="checkbox"/> 200% <input type="checkbox"/> Other _____ %	<input checked="" type="checkbox"/>	
b Did the organization use FPG as a factor in determining eligibility for providing <i>discounted</i> care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care: <input type="checkbox"/> 200% <input type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input checked="" type="checkbox"/> 400% <input type="checkbox"/> Other _____ %	<input checked="" type="checkbox"/>	
c If the organization used factors other than FPG in determining eligibility, describe in Part VI the criteria used for determining eligibility for free or discounted care. Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care.		
4 Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	<input checked="" type="checkbox"/>	
5a Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	<input checked="" type="checkbox"/>	
b If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?		<input checked="" type="checkbox"/>
c If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?		
6a Did the organization prepare a community benefit report during the tax year?		<input checked="" type="checkbox"/>
b If "Yes," did the organization make it available to the public?		

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

	(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
Financial Assistance and Means-Tested Government Programs						
a Financial Assistance at cost (from Worksheet 1)	1	38	64,000.		64,000.	.46%
b Medicaid (from Worksheet 3, column a)	1		309,653.	295,405.	14,248.	.10%
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d Total. Financial Assistance and Means-Tested Government Programs	2	38	373,653.	295,405.	78,248.	.56%
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)	3	174	17,940.	8,265.	9,675.	.07%
f Health professions education (from Worksheet 5)						
g Subsidized health services (from Worksheet 6)			7850002.	5579384.	2270618.	16.18%
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)						
j Total. Other Benefits	3	174	7867942.	5587649.	2280293.	16.25%
k Total. Add lines 7d and 7j	5	212	8241595.	5883054.	2358541.	16.81%

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.

Table with 7 columns: (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. Rows include Physical improvements and housing, Economic development, Community support, Environmental improvements, Leadership development and training for community members, Coalition building, Community health improvement advocacy, Workforce development, Other, and Total.

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

Table for Section A with 3 main columns: Question, Yes, No. Row 1: Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15? Yes, No (X). Row 2: Enter the amount of the organization's bad debt expense... 2 | 167,969. Row 3: Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy... 3 | 62,148.

Section B. Medicare

Table for Section B with 4 main columns: Question, Yes, No. Row 5: Enter total revenue received from Medicare (including DSH and IME) 5 | 4,096,853. Row 6: Enter Medicare allowable costs of care relating to payments on line 5 6 | 4,118,493. Row 7: Subtract line 6 from line 5. This is the surplus (or shortfall) 7 | -21,640. Row 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 [X] Other.

Section C. Collection Practices

Table for Section C with 3 main columns: Question, Yes, No. Row 9a: Did the organization have a written debt collection policy during the tax year? 9a | X. Row 9b: 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)

Table for Part IV with 5 columns: (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 %.

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? 1

Name, address, primary website address, and state license number (and if a group return, the name and EIN of the subordinate hospital organization that operates the hospital facility)

1 PLATTE HEALTH CENTER AVERA
601 E 7TH STREET
PLATTE, SD 57369
WWW.PHCAVERA.ORG
10557

Table with columns: Licensed hospital, gen. medical & surgical, Children's hospital, Teaching hospital, Critical access hospital, Research facility, ER-24 hours, ER-other, Other (describe), Facility reporting group.

Part V Facility Information (continued)

Section B. Facility Policies and Practices

(complete a separate Section B for each of the hospital facilities or facility reporting groups listed in Part V, Section A)

Name of hospital facility or letter of facility reporting group PLATTE HEALTH CENTER AVERA

Line number of hospital facility, or line numbers of hospital facilities in a facility reporting group (from Part V, Section A): 1

	Yes	No
Community Health Needs Assessment		
1 Was the hospital facility first licensed, registered, or similarly recognized by a state as a hospital facility in the current tax year or the immediately preceding tax year?		X
2 Was the hospital facility acquired or placed into service as a tax-exempt hospital in the current tax year or the immediately preceding tax year? If "Yes," provide details of the acquisition in Section C		X
3 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 12	X	
If "Yes," indicate what the CHNA report describes (check all that apply):		
a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
b <input checked="" type="checkbox"/> Demographics of the community		
c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d <input checked="" type="checkbox"/> How data was obtained		
e <input checked="" type="checkbox"/> The significant health needs of the community		
f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
i <input checked="" type="checkbox"/> The impact of any actions taken to address the significant health needs identified in the hospital facility's prior CHNA(s)		
j <input type="checkbox"/> Other (describe in Section C)		
4 Indicate the tax year the hospital facility last conducted a CHNA: 20 <u>18</u>		
5 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	X	
6a Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C		X
b Was the hospital facility's CHNA conducted with one or more organizations other than hospital facilities? If "Yes," list the other organizations in Section C		X
7 Did the hospital facility make its CHNA report widely available to the public?	X	
If "Yes," indicate how the CHNA report was made widely available (check all that apply):		
a <input checked="" type="checkbox"/> Hospital facility's website (list url): <u>SEE PART V SECTION C</u>		
b <input type="checkbox"/> Other website (list url):		
c <input checked="" type="checkbox"/> Made a paper copy available for public inspection without charge at the hospital facility		
d <input type="checkbox"/> Other (describe in Section C)		
8 Did the hospital facility adopt an implementation strategy to meet the significant community health needs identified through its most recently conducted CHNA? If "No," skip to line 11	X	
9 Indicate the tax year the hospital facility last adopted an implementation strategy: 20 <u>18</u>		
10 Is the hospital facility's most recently adopted implementation strategy posted on a website?	X	
a If "Yes," (list url): <u>SEE PART V SECTION C</u>		
b If "No," is the hospital facility's most recently adopted implementation strategy attached to this return?		
11 Describe in Section C how the hospital facility is addressing the significant needs identified in its most recently conducted CHNA and any such needs that are not being addressed together with the reasons why such needs are not being addressed.		
12a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?		X
b If "Yes" to line 12a, did the organization file Form 4720 to report the section 4959 excise tax?		
c If "Yes" to line 12b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$		

Part V Facility Information (continued)

Financial Assistance Policy (FAP)

Name of hospital facility or letter of facility reporting group PLATTE HEALTH CENTER AVERA

		Yes	No
Did the hospital facility have in place during the tax year a written financial assistance policy that:			
13	Explained eligibility criteria for financial assistance, and whether such assistance included free or discounted care?	X	
If "Yes," indicate the eligibility criteria explained in the FAP:			
a	<input checked="" type="checkbox"/> Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of <u>150</u> % and FPG family income limit for eligibility for discounted care of <u>400</u> %		
b	<input type="checkbox"/> Income level other than FPG (describe in Section C)		
c	<input checked="" type="checkbox"/> Asset level		
d	<input checked="" type="checkbox"/> Medical indigency		
e	<input checked="" type="checkbox"/> Insurance status		
f	<input checked="" type="checkbox"/> Underinsurance status		
g	<input type="checkbox"/> Residency		
h	<input checked="" type="checkbox"/> Other (describe in Section C)		
14	Explained the basis for calculating amounts charged to patients?	X	
15	Explained the method for applying for financial assistance?	X	
If "Yes," indicate how the hospital facility's FAP or FAP application form (including accompanying instructions) explained the method for applying for financial assistance (check all that apply):			
a	<input checked="" type="checkbox"/> Described the information the hospital facility may require an individual to provide as part of his or her application		
b	<input checked="" type="checkbox"/> Described the supporting documentation the hospital facility may require an individual to submit as part of his or her application		
c	<input checked="" type="checkbox"/> Provided the contact information of hospital facility staff who can provide an individual with information about the FAP and FAP application process		
d	<input checked="" type="checkbox"/> Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications		
e	<input type="checkbox"/> Other (describe in Section C)		
16	Was widely publicized within the community served by the hospital facility?	X	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply):			
a	<input checked="" type="checkbox"/> The FAP was widely available on a website (list url): <u>SEE PART V SECTION C</u>		
b	<input checked="" type="checkbox"/> The FAP application form was widely available on a website (list url): <u>SEE PART V SECTION C</u>		
c	<input checked="" type="checkbox"/> A plain language summary of the FAP was widely available on a website (list url): <u>SEE PART V SECTION C</u>		
d	<input checked="" type="checkbox"/> The FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
e	<input checked="" type="checkbox"/> The FAP application form was available upon request and without charge (in public locations in the hospital facility and by mail)		
f	<input checked="" type="checkbox"/> A plain language summary of the FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
g	<input checked="" type="checkbox"/> Individuals were notified about the FAP by being offered a paper copy of the plain language summary of the FAP, by receiving a conspicuous written notice about the FAP on their billing statements, and via conspicuous public displays or other measures reasonably calculated to attract patients' attention		
h	<input checked="" type="checkbox"/> Notified members of the community who are most likely to require financial assistance about availability of the FAP		
i	<input checked="" type="checkbox"/> The FAP, FAP application form, and plain language summary of the FAP were translated into the primary language(s) spoken by Limited English Proficiency (LEP) populations		
j	<input type="checkbox"/> Other (describe in Section C)		

Part V Facility Information (continued)

Billing and Collections

Name of hospital facility or letter of facility reporting group PLATTE HEALTH CENTER AVERA

	Yes	No
<p>17 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained all of the actions the hospital facility or other authorized party may take upon nonpayment?</p>	X	
<p>18 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP:</p> <p>a <input type="checkbox"/> Reporting to credit agency(ies)</p> <p>b <input type="checkbox"/> Selling an individual's debt to another party</p> <p>c <input type="checkbox"/> Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP</p> <p>d <input type="checkbox"/> Actions that require a legal or judicial process</p> <p>e <input type="checkbox"/> Other similar actions (describe in Section C)</p> <p>f <input checked="" type="checkbox"/> None of these actions or other similar actions were permitted</p>		
<p>19 Did the hospital facility or other authorized party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP?</p> <p>If "Yes," check all actions in which the hospital facility or a third party engaged:</p> <p>a <input type="checkbox"/> Reporting to credit agency(ies)</p> <p>b <input type="checkbox"/> Selling an individual's debt to another party</p> <p>c <input type="checkbox"/> Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP</p> <p>d <input type="checkbox"/> Actions that require a legal or judicial process</p> <p>e <input type="checkbox"/> Other similar actions (describe in Section C)</p>		X
<p>20 Indicate which efforts the hospital facility or other authorized party made before initiating any of the actions listed (whether or not checked) in line 19 (check all that apply):</p> <p>a <input checked="" type="checkbox"/> Provided a written notice about upcoming ECAs (Extraordinary Collection Action) and a plain language summary of the FAP at least 30 days before initiating those ECAs (if not, describe in Section C)</p> <p>b <input checked="" type="checkbox"/> Made a reasonable effort to orally notify individuals about the FAP and FAP application process (if not, describe in Section C)</p> <p>c <input checked="" type="checkbox"/> Processed incomplete and complete FAP applications (if not, describe in Section C)</p> <p>d <input checked="" type="checkbox"/> Made presumptive eligibility determinations (if not, describe in Section C)</p> <p>e <input type="checkbox"/> Other (describe in Section C)</p> <p>f <input type="checkbox"/> None of these efforts were made</p>		

Policy Relating to Emergency Medical Care

<p>21 Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that required the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?</p> <p>If "No," indicate why:</p> <p>a <input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions</p> <p>b <input type="checkbox"/> The hospital facility's policy was not in writing</p> <p>c <input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Section C)</p> <p>d <input type="checkbox"/> Other (describe in Section C)</p>	X	
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Part V Facility Information *(continued)*

Charges to Individuals Eligible for Assistance Under the FAP (FAP-Eligible Individuals)

Name of hospital facility or letter of facility reporting group PLATTE HEALTH CENTER AVERA

		Yes	No			
<p>22 Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care.</p> <p>a <input type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service during a prior 12-month period</p> <p>b <input checked="" type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period</p> <p>c <input type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicaid, either alone or in combination with Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period</p> <p>d <input type="checkbox"/> The hospital facility used a prospective Medicare or Medicaid method</p>						
<p>23 During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care?</p> <p>If "Yes," explain in Section C.</p>		23	X			
<p>24 During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual?</p> <p>If "Yes," explain in Section C.</p>		24	X			

Part V Facility Information *(continued)*

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

PLATTE HEALTH CENTER AVERA:

PART V, SECTION B, LINE 5: THE CHNA COORDINATOR COLLECTED QUALITATIVE OR PRIMARY REVIEW DATA THROUGH THE USE OF A COMMUNITY WIDE SURVEY AS WELL AS TWO FOCUS GROUPS AND THREE KEY INFORMANT INTERVIEWS.

THE GREATEST PORTION OF THE PCHA'S PATIENTS AND CUSTOMERS RESIDE IN THE COUNTY OF CHARLES MIX AND THE TOWNS OF PLATTE, GEDDES, AND WHITE LAKE. ONLINE AND PAPER SURVEYS WERE UTILIZED TO SOLICIT BROADER INPUT FROM THE COMMUNITY REGARDING POTENTIAL HEALTH NEEDS. PAPER COPIES WERE AVAILABLE UPON REQUEST FREE OF CHARGE. THE ORGANIZATION EVEN REACHED OUT ON SOCIAL MEDIA, UTILIZING THE FACILITY'S FACEBOOK PAGE TO MAKE THE LINK AVAILABLE TO AS MANY PEOPLE AS POSSIBLE. THE PLATTE GEDDES SCHOOL PLACED THE LINK ON THEIR FACEBOOK PAGE TO HELP WITH REACHING AS MANY PEOPLE AS POSSIBLE. PAPER SURVEYS WERE PLACED AROUND SEVERAL BUSINESSES AND IN GEDDES WITH INFORMATION OF HOW TO TAKE THE SURVEY ONLINE OR WHERE TO PLACE THE PAPER SURVEYS AFTER THEY WERE FILLED OUT. THE SURVEY WAS OPENED ON DECEMBER 6, 2018 AND CLOSED ON FEBRUARY 1, 2019. A TOTAL OF 158 SURVEYS WERE COLLECTED.

FOCUS GROUPS CONSISTED OF DEPARTMENT DIRECTORS WITHIN THE HOSPITAL AND BOARD MEMBERS FROM WITHIN THE COMMUNITY. INTERVIEWS WERE CONDUCTED WITH THE FOLLOWING KEY COMMUNITY MEMBERS: CHARLES MIX COUNTY COMMUNITY HEALTH NURSE, THE PLATTE-GEDDES SCHOOL COUNSELOR, AND RIVERSIDE COUNSELING'S LICENSED COUNSELOR.

Part V Facility Information (continued)

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

PLATTE HEALTH CENTER AVERA:

PART V, SECTION B, LINE 11: AS PART OF THE CURRENT YEAR CHNA, PLATTE HEALTH CENTER AVERA IDENTIFIED THE FOLLOWING HEALTH NEEDS IN OUR COMMUNITY:

- 1. PROVIDING ACCESS TO PREVENTIVE AND SCREENING PROGRAMS.
- 2. HEALTH PROMOTION AND EDUCATION TO DECREASE THE RATE OF OBESITY, CARDIOVASCULAR DISEASE, AND DIABETES.
- 3. IMPROVE ACCESS TO MENTAL HEALTH SERVICES TO INCLUDE SUBSTANCE ABUSE.

THESE THREE WERE DETERMINED BY THE FACILITY'S CHNA COMMITTEE THROUGH A SERIES OF SURVEYS, FOCUS GROUPS, AND INTERVIEWS WITH KEY MEMBERS OF THE COMMUNITY.

PLATTE HEALTH CENTER AVERA WILL ADDRESS THE COMMUNITY HEALTH NEEDS BY SETTING AND ACHIEVING GOALS SPECIFIC TO EACH NEED.

- MAINTAIN AND IMPROVE ACCESS TO PREVENTION AND SCREENING PROGRAMS WITHIN THE COMMUNITY THROUGH HOSPITAL AND PUBLIC HEALTH COALITION INITIATIVES.

PLATTE HEALTH CENTER AVERA WILL CONTINUE TO COLLABORATE WITH AVERA HEART HOSPITAL AND PROVIDE THE STAFFING AND RESOURCES FOR THE PROVISION OF PLANET HEART SCREENING SERVICES IN THE COMMUNITY. ADDITIONALLY, THE FACILITY WILL FURTHER COLLABORATE WITH LOCAL BUSINESSES AND THE COMMUNITY TO PROVIDE THE STAFFING AND RESOURCES TO PROMOTE SCREENING ACTIVITIES FOR MAMMOGRAPHY, COLORECTAL CANCER AND PROSTATE CANCER AND ENCOURAGE ANNUAL HEALTH CHECKUPS.

- PROMOTE HEALTHY LIFESTYLE CHOICES AND HEALTH PROMOTION INITIATIVES TO PROMOTE PHYSICAL ACTIVITY, WEIGHT MANAGEMENT, AND REDUCE INCIDENCE OF CARDIOVASCULAR DISEASE AND DIABETES.

Part V Facility Information *(continued)*

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

PLATTE HEALTH CENTER AVERA WILL CONTINUE TO PROVIDE THE STAFFING AND RESOURCES FOR DIABETIC EDUCATION PROGRAMS AND ACTIVITIES. THE FACILITY WILL EXPLORE OTHER COMMUNITY PARTNERSHIPS TO PROMOTE PHYSICAL ACTIVITY CLASSES AND OTHER INITIATIVES. THESE MAY INCLUDE THE WELLNESS CENTER, SCHOOL SYSTEM, AVERA HEALTH PLANS, AND LOCAL BUSINESSES. THE GOAL OF THESE INITIATIVES WILL BE TO PROMOTE PHYSICAL ACTIVITY AND REDUCE THE ANTICIPATED LONG TERM IMPACT RELATED TO OBESITY, CARDIOVASCULAR DISEASE AND DIABETES.

- IMPROVE ACCESS TO MENTAL HEALTH SERVICES IN THE SERVICE AREA. PLATTE HEALTH CENTER AVERA WILL EXPLORE THE COMMUNITY, AVERA, AND OTHER RESOURCES AND PROVIDE ACCESS TO FACILITY SPACE AND NECESSARY STAFFING RESOURCES TO PROMOTE ACCESS TO MENTAL HEALTH SERVICES. PLATTE HEALTH CENTER AVERA WILL WORK WITH OTHER COMMUNITY RESOURCES AND PUBLIC HEALTH SERVICE AND SAFETY AGENCIES TO ADDRESS SUBSTANCE ABUSE ISSUES.

PHCA DID IDENTIFY ADDITIONAL COMMUNITY HEALTH NEEDS; HOWEVER, MANY OF THEM ARE AREAS THAT THE FACILITY IS UNABLE TO ADDRESS ON THEIR OWN. THE COMMUNITY HEALTH NEEDS ASSESSMENT IDENTIFIED AFFORDABLE HOUSING, AFFORDABLE DAYCARE, AFTERSCHOOL ACTIVITIES, ACCESS TO INFORMATION ABOUT THE COMMUNITY, AND ACCESS TO DENTAL SERVICES. DUE TO LIMITED FINANCIAL RESOURCES, THE HOSPITAL IS NOT ABLE TO ADDRESS ALL OF THE IDENTIFIED NEEDS. INFORMATION AROUND THE NEEDS OF AFFORDABLE HOUSING, DAY CARE AND AFTERSCHOOL ACTIVITIES WILL BE SHARED WITH THE PLATTE CHAMBER OF COMMERCE AND DEVELOPMENT CORPORATION AND PLATTE-GEDDES SCHOOL DISTRICT AS THESE NEEDS ARE BEYOND THE SCOPE OF THE HOSPITAL'S SERVICES. ACCESS TO DENTAL SERVICE CONCERNS WILL BE SHARED WITH THE LOCAL DENTAL CLINIC AS THEY ARE BEYOND THE SCOPE OF THE HOSPITAL'S CURRENT SERVICES.

Part V Facility Information (continued)

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

PLATTE HEALTH CENTER AVERA:

PART V, SECTION B, LINE 13H: PRESUMPTIVE CHARITY CARE IS A TOOL OF LAST RESORT AND APPLIES ONLY AFTER ALL OTHER AVENUES HAVE BEEN EXHAUSTED. THERE ARE OCCASIONS WHEN A PATIENT MAY APPEAR ELIGIBLE FOR A CHARITY CARE DISCOUNT, BUT THERE IS NO FINANCIAL ASSISTANCE FORM ON FILE BECAUSE DOCUMENTATION WAS LACKING THAT WOULD SUPPORT THE PROVISION OF FINANCIAL AID. SUCH INSTANCES HAVE RESULTED IN A PATIENT'S BILL BEING ASSIGNED TO A COLLECTION AGENCY AND ULTIMATELY RECOGNIZED IN THE ACCOUNTING RECORDS AS A BAD DEBT EXPENSE, DUE TO A LACK OF PAYMENT. THIS APPROACH, HOWEVER, RESULTS NEITHER IN A FAIR SOLUTION FOR THE PATIENT NOR IN AN APPROPRIATE ACCOUNTING OF THE TRANSACTION. OFTEN THERE IS ADEQUATE INFORMATION PROVIDED BY THE PATIENT OR THROUGH OTHER SOURCES, WHICH COULD PROVIDE PHCA WITH SUFFICIENT EVIDENCE TO PROVIDE THE PATIENT WITH A CHARITY CARE DISCOUNT, WITHOUT NEEDING TO DETERMINE ELIGIBILITY FOR MEDICAL INDIGENCE. THIS PRESUMPTIVE ELIGIBILITY, WHEN PROPERLY DOCUMENTED INTERNALLY BY PHCA STAFF, IS SUFFICIENT TO PROVIDE A CHARITY CARE DISCOUNT TO PATIENTS WHO QUALIFY. ONCE DETERMINED, DUE TO THE INHERENT NATURE OF THE PRESUMPTIVE CIRCUMSTANCES, THE ONLY DISCOUNT THAT CAN BE GRANTED TO THE PATIENT BY PHCA IS A 100% WRITE-OFF OF THE ACCOUNT BALANCE.

PLATTE HEALTH CENTER AVERA:

PART V, SECTION B, LINE 24: THE POLICY DOES NOT COVER ELECTIVE PROCEDURES AND THE FACILITY HAS CONFIRMED NO FAP PATIENTS HAD ELECTIVE PROCEDURES.

Part V Facility Information *(continued)*

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

PART V SECTION B, LINE 10A

THE IMPLEMENTATION STRATEGY IS AVAILABLE UPON REQUEST AND AT

[HTTPS://WWW.AVERA.ORG/APP/FILES/PUBLIC/74951/2019-CHNA-PLATTE-IMPLEMENTATION-PLAN.PDF](https://www.avera.org/app/files/public/74951/2019-CHNA-PLATTE-IMPLEMENTATION-PLAN.PDF)

PART V SECTION B, LINE 7A

THE COMMUNITY HEALTH NEEDS ASSESSMENT IS AVAILABLE AT

[HTTPS://WWW.AVERA.ORG/APP/FILES/PUBLIC/74952/2019-CHNA-PLATTE.PDF](https://www.avera.org/app/files/public/74952/2019-CHNA-PLATTE.PDF)

PART V SECTION B, LINE 16

THE FAP IS AVAILABLE AT

[HTTP://WWW.AVERA.ORG/APP/FILES/PUBLIC/55374/PLATTE-FINANCIAL-ASSISTANCE.PDF](http://www.avera.org/app/files/public/55374/PLATTE-FINANCIAL-ASSISTANCE.PDF)

THE FAP APPLICATION IS AVAILABLE AT

[HTTP://WWW.AVERA.ORG/APP/FILES/PUBLIC/55375/PLATTE-FINANCIAL-ASSISTANCE.PDF](http://www.avera.org/app/files/public/55375/PLATTE-FINANCIAL-ASSISTANCE.PDF)

THE FAP PLAIN LANGUAGE SUMMARY IS AVAILABLE AT

[HTTP://WWW.AVERA.ORG/APP/FILES/PUBLIC/64345/PLATTE-SUMMARY-OF-FINANCIAL-ASSISTANCE.PDF](http://www.avera.org/app/files/public/64345/PLATTE-SUMMARY-OF-FINANCIAL-ASSISTANCE.PDF)

Part V Facility Information *(continued)*

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

(list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? 4

Name and address	Type of Facility (describe)
1 PLATTE CARE CENTER AVERA (NURSING HOME 601 E 7TH STREET PLATTE, SD 57360	NURSING HOME
2 PLATTE MEDICAL CLINIC 612 E 8TH STREET PLATTE, SD 57369	MEDICAL CLINIC
3 GEDDES MEDICAL CLINIC PO BOX 167 GEDDES, SD 57342	MEDICAL CLINIC
4 WHITE LAKE MEDICAL CLINIC 306 S JOHNSTON ST, WHITE LAKE, SD 57383	MEDICAL CLINIC

Part VI Supplemental Information

Provide the following information.

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

PART I, LINE 3C:

IN ADDITION TO FPG, PLATTE HEALTH CENTER AVERA (PHC) UTILIZES OTHER FACTORS INCLUDING AN ASSET TEST, MEDICAL INDIGENCY, INSURANCE STATUS, AND UNDERINSURANCE STATUS TO DETERMINE ELIGIBILITY FOR FINANCIAL ASSISTANCE. PRESUMPTIVE CHARITY CARE MAY ALSO BE USED BASED ON INDIVIDUAL LIFE CIRCUMSTANCES (HOMELESSNESS, PATIENTS WITH NO INCOME, PATIENTS WHO HAVE QUALIFIED FOR OTHER FINANCIAL ASSISTANCE PROGRAMS SUCH AS FOOD STAMPS OR WIC).

PART I, LINE 7:

CHARITY CARE EXPENSE WAS CONVERTED TO COST ON LINE 7A BASED ON AN OVERALL COST-TO-CHARGE RATIO ADDRESSING ALL PATIENT SEGMENTS.
LINE 7B WAS DETERMINED USING IRS WORKSHEET 3.
LINE 7E WAS OBTAINED UTILIZING THE ACTUAL GENERAL LEDGER SYSTEM.
LINE 7G WAS DETERMINED USING THE MEDICARE COST REPORT.

PART I, LINE 7G:

LINE 7G INCLUDES REVENUE OF \$1,818,089 AND EXPENSE OF \$2,562,086 FROM

Part VI Supplemental Information (Continuation)

RURAL HEALTH CLINICS, RESULTING IN COMMUNITY BENEFIT OF \$743,997.

PART I, LN 7 COL(F):

BAD DEBT EXPENSE OF \$167,969 WAS SUBTRACTED FROM TOTAL OPERATING EXPENSE.

PART III, LINE 2:

BAD DEBT IS BASED ON CHARGES.

PART III, LINE 3:

THE AMOUNT ON LINE 3 OF \$62,148 IS ABOUT 37 PERCENT OF BAD DEBT EXPENSE.

THIS NUMBER IS BASED ON A DETAILED REVIEW OF THE CURRENT YEAR ACCOUNTS

THAT WERE CANCELLED BY ACCOUNTS MANAGEMENT, INC. AND DEEMED UNCOLLECTIBLE.

UPON REVIEWING EACH OF THOSE HOUSEHOLD ACCOUNTS, IT WAS FOUND THAT ABOUT

37 PERCENT OF THE OUTSTANDING BALANCES MAY HAVE BEEN ELIGIBLE UNDER THE

FACILITY'S CHARITY CARE POLICY. SINCE WE ARE IN A SMALL COMMUNITY, WE WERE

ABLE TO IDENTIFY WHICH ACCOUNTS MAY HAVE QUALIFIED FOR CHARITY CARE

BECAUSE OF LOW INCOME, MEDICAID ELIGIBILITY, OR SOME OTHER KNOWN HARDSHIP

TO THE HOUSEHOLD.

PART III, LINE 4:

THE FOOTNOTE THAT DESCRIBES BAD DEBT EXPENSE IS ON PAGE 8 OF THE ATTACHED

AUDIT REPORT.

PART III, LINE 8:

MEDICARE ALLOWABLE COST OF CARE WAS CALCULATED FROM THE MEDICARE COST

REPORT FOR FISCAL YEAR ENDING 6/30/19. MEDICAL SERVICES ARE PROVIDED TO

PATIENTS WITH MEDICARE COVERAGE REGARDLESS OF WHETHER OR NOT A SURPLUS OR

DEFICIT IS REALIZED. PROVIDING MEDICARE SERVICES PROMOTES ACCESS TO

Part VI Supplemental Information (Continuation)

HEALTHCARE SERVICES WHICH ARE VITALLY NEEDED BY OUR COMMUNITY. THE
MEDICARE COST REPORT IS COMPLETED BASED ON THE RULES AND REGULATIONS SET
FORTH BY THE CENTERS FOR MEDICARE AND MEDICAID SERVICES.

PART III, LINE 9B:

IF A PATIENT QUALIFIES FOR THE ORGANIZATION'S FINANCIAL ASSISTANCE POLICY
FOR LOW-INCOME, UNINSURED, OR UNDER-INSURED PATIENTS AND IS COOPERATING
WITH THE ORGANIZATION WITH REGARD TO EFFORTS TO SETTLE AN OUTSTANDING BILL
WITHIN A REASONABLE TIME PERIOD, THE ORGANIZATION OR ITS AGENT SHALL NOT
SEND, NOR INTIMATE THAT IT WILL SEND, THE UNPAID BILL TO ANY OUTSIDE
COLLECTION AGENCY. AT SUCH TIME AS THE ORGANIZATION SENDS THE UNCOLLECTED
ACCOUNT TO AN OUTSIDE COLLECTION AGENCY, THE AMOUNT REFERRED TO THE AGENCY
SHALL REFLECT THE REDUCED-PAYMENT LEVEL FOR WHICH THE PATIENT WAS ELIGIBLE
UNDER THE ORGANIZATION'S FINANCIAL ASSISTANCE POLICY FOR LOW-INCOME
UNINSURED PATIENTS. PHC DOES NOT REPORT ANY DATA TO ANY OF THE CREDIT
AGENCIES, HOWEVER, THE COLLECTION AGENCIES PHC UTILIZES MAY REPORT TO THE
CREDIT AGENCIES.

A DETERMINATION THAT A PATIENT IS PRESUMED ELIGIBLE FOR CHARITY CARE WHEN
ADEQUATE INFORMATION IS PROVIDED BY THE PATIENT OR THROUGH OTHER SOURCES
WHICH ALLOW PHCA TO DETERMINE THAT THE PATIENT QUALIFIES FOR CHARITY CARE.
FOR EXAMPLE: MEDICAID ELIGIBILITY, HOMELESS, NO INCOME, PARTICIPATION IN
WIC, SUBSIDIZED SCHOOL LUNCH PROGRAM ELIGIBILITY, DECEASED WITH NO KNOWN
ESTATE, OR IF THE PATIENT IS INCARCERATED.

PART VI, LINE 2:

THE PLATTE HEALTH CENTER AVERA IS CONSTANTLY EVALUATING THE NEEDS OF OUR
PATIENTS AND THE COMMUNITIES WE SERVE. PATIENT SURVEYS ARE INSTRUMENTAL

Part VI Supplemental Information (Continuation)

IN BOTH SHORT AND LONG-TERM STRATEGIC PLANNING. THE PLATTE, GEDDES, AND WHITE LAKE MEDICAL CLINICS PERFORM AN ANNUAL PATIENT SATISFACTION SURVEY EACH MARCH. THE NURSING HOME ALSO PERFORMS ANNUAL SURVEYS IN MARCH. THE HOSPITAL SURVEYS ARE ONGOING. EMERGENCY AND INPATIENT SURVEYS ARE PERFORMED BY AN INDEPENDENT THIRD PARTY UPON DISCHARGE, WITH QUARTERLY SCORES BEING PROVIDED TO ADMINISTRATION. ALL OF THE SURVEY RESULTS ARE REVIEWED BY ADMINISTRATION AND THEN DISCUSSED AT THE BOARD LEVEL. THE BOARD AGENDA HAS A STANDING STRATEGIC PLANNING ITEM THAT DISCUSSES FACILITY GOALS AND COMMUNITY NEEDS; AND HOW EACH CAN BE ACHIEVED. MONTHLY PROVIDER MEETINGS ARE ALSO INSTRUMENTAL TO MEETING THE NEEDS OF OUR PATIENTS. ADMINISTRATION, PHYSICIANS, AND ADVANCED PRACTICE PROVIDERS MEET REGULARLY TO DISCUSS THE NEED FOR NEW SERVICES, EVALUATING CURRENT SERVICES, AND ESTABLISHING BEST PRACTICES TO ENSURE WE OFFER A TOP NOTCH PATIENT EXPERIENCE.

PART VI, LINE 3:

THE PATIENT ASSISTANCE POLICY IS POSTED ON OUR FACILITY'S WEBSITE AT WWW.PHCAVERA.ORG. SIGNAGE IS ALSO POSTED THROUGHOUT OUR FACILITY THAT EXPLAINS WHAT PATIENTS SHOULD DO IF THEY HAVE CONCERNS ABOUT PAYING THEIR BILL. DISCHARGE PACKETS INCLUDE THE SUMMARY FOR FINANCIAL ASSISTANCE DOCUMENT.

UPON OUTPATIENT SERVICE REGISTRATIONS AND/OR ADMISSION, THE BUSINESS OFFICE STAFF WORKS TO EDUCATE ALL SELF-PAY PATIENTS ON OUR PATIENT ASSISTANCE POLICY. SELF-PAY PATIENTS WHO MAY BE ELIGIBLE FOR MEDICAID OR OTHER STATE/FEDERAL BENEFITS ARE INFORMED OF A THIRD PARTY VENDOR WHOM THE FACILITY HAS ENLISTED TO ASSIST PATIENTS IN EXPLORING BENEFITS THAT MAY BE AVAILABLE. THE THIRD PARTY VENDOR IS A PUBLIC INTEREST LAW FIRM THAT

Part VI Supplemental Information (Continuation)

PROVIDES FREE LEGAL SERVICES TO THOSE WHO QUALIFY. A REPRESENTATIVE FROM THAT VENDOR WILL CONTACT PATIENTS TO DETERMINE WHETHER IT IS APPROPRIATE FOR THEM TO ASSIST IN AN APPLICATION FOR BENEFITS. WHEN THE GROUP ACCEPTS A CASE, THEY FOLLOW IT UNTIL APPLICATIONS HAVE BEEN APPROVED OR DENIED. ALL OF THIS IS DONE AT NO CHARGE TO THE PATIENT.

THE SUMMARY OF FINANCIAL ASSISTANCE DOCUMENT AND THE PATIENT ASSISTANCE FORM ARE SENT OUT WITH THE INITIAL SELF-PAY BILL TO ALL SELF-PAY PATIENTS WITHIN 7-10 DAYS OF THE DATE OF SERVICE. SELF-PAY BALANCES THAT GO UNPAID FOR 60 DAYS WILL RECEIVE A SERIES OF TWO LETTERS WITH THEIR MONTHLY STATEMENT. THE LETTERS EXPLAIN THE FACILITY'S COLLECTION PROCESS, AND INCLUDE THE PLAIN LANGUAGE DOCUMENT, THE PATIENT ASSISTANCE FORM, AND POLICY FOR THE GUARANTOR TO COMPLETE. THE FORM IS REQUIRED TO BE COMPLETED AND RETURNED IN A TIMELY MANNER. UPON RECEIPT OF THE PATIENT ASSISTANCE FORM, THE CEO/CFO WILL DETERMINE THE AMOUNT OF THE DISCOUNT THE PATIENT QUALIFIES FOR PER POLICY. A FOLLOW-UP LETTER IS MAILED TO THE PATIENT EXPLAINING THE AMOUNT OF DISCOUNT AND PAYMENT PLAN FOR THE REMAINING BALANCE. FAILURE TO RETURN THE COMPLETED PATIENT ASSISTANCE FORM OR CONTACTING THE FACILITY FOR PAYMENT ARRANGEMENTS WILL RESULT IN THE PATIENT ACCOUNT GOING TO THE FACILITY'S COLLECTION AGENCY PROVIDED AT LEAST 120 DAYS HAVE PASSED SINCE THE FIRST POST DISCHARGE BILLING STATEMENT WAS SENT TO THE PATIENT. IF THE PATIENT RETURNS THE COMPLETED ASSISTANCE FORM WITHIN 240 DAYS FROM THE FIRST POST DISCHARGE BILLING STATEMENT, PHCA WILL HALT COLLECTION ACTIVITY UNTIL A DETERMINATION OF FINANCIAL ASSISTANCE ELIGIBILITY CAN BE MADE. IF PHCA APPROVES THE PATIENT FOR FINANCIAL ASSISTANCE, COLLECTION ACTIONS WILL CEASE.

PART VI, LINE 4:

Part VI Supplemental Information (Continuation)

PLATTE HEALTH CENTER AVERA IS A CRITICAL ACCESS HOSPITAL IN PLATTE, SD.

PLATTE IS A RURAL COMMUNITY WITH ALMOST 1,400 RESIDENTS LOCATED IN SOUTH CENTRAL SOUTH DAKOTA. THE FACILITY SERVES AN AREA OF ABOUT 5,000 PEOPLE IN CHARLES MIX, DOUGLAS, GREGORY, AURORA, AND BRULE COUNTIES. THE DOMINANT INDUSTRIES INCLUDE SMALL FAMILY BUSINESSES AND FAMILY FARMS. THE AREA IS VERY WELL KNOWN FOR RECREATIONAL HUNTING AND FISHING, WHICH BOOSTS THE POPULATION BY ABOUT 20 PERCENT THROUGHOUT MAY TO OCTOBER.

THE PHCA ALSO PROVIDES CARE FOR THREE DIFFERENT HUTTERITE COLONIES IN ITS GEOGRAPHIC SERVICE AREA: THE PLATTE COLONY, CEDAR GROVE COLONY, AND GRASS RANCH COLONY. THESE COLONIES MAKE UP A LARGE PORTION OF OUR POPULATION AND COMPRISE SOME UNIQUE CULTURAL DIFFERENCES. THE PLATTE HOSPITAL MAKES AN EXTRA EFFORT TO ENSURE WE ARE MEETING THE HEALTHCARE NEEDS OF THEIR COMMUNITIES. HUTTERITE COLONIES ARE NOT A PART OF THE REFERENCED CENSUS DATA.

THE MAJORITY OF PEOPLE SERVED BY PHC ARE LIVING IN NORTHERN CHARLES MIX COUNTY. THE COUNTY IS AN ESTIMATED 1,100 SQUARE MILES AND HAS A POPULATION OF 9,338. CONSISTENTLY 80 PERCENT OF PLATTE HEALTH CENTER AVERA'S HOSPITAL DISCHARGES COME FROM CHARLES MIX COUNTY, AND ABOUT 74 PERCENT OF ALL SERVICES. CHARLES MIX COUNTY IS COMPRISED OF ABOUT 64 PERCENT CAUCASIAN PEOPLE, 32 PERCENT NATIVE AMERICAN, AND 4 PERCENT OTHER. PHC PREDOMINANTLY SERVES A CAUCASIAN POPULATION. ACCORDING TO THE US CENSUS BUREAU, THE ANNUAL MEDIAN HOUSEHOLD INCOME FOR CHARLES MIX COUNTY IN 2017 IS \$44,104; HOWEVER, ALMOST 25 PERCENT OF THE POPULATION LIVES BELOW THE POVERTY LEVEL (\$24,600/YEAR FOR A FAMILY OF FOUR). THERE ARE AN ESTIMATED 2,136 (OR 23%) PEOPLE ELIGIBLE FOR MEDICAID; 648 ADULTS AND 1,488 CHILDREN. YET ALMOST 17 PERCENT OF THE POPULATION REMAINS UNINSURED, WHICH IS MORE THAN DOUBLE THE

Part VI Supplemental Information (Continuation)

STATE AVERAGE OF 9 PERCENT. THE LOCAL PLATTE-GEDES SCHOOL DISTRICT HAS APPROXIMATELY 31% OF THE STUDENTS ON FREE/REDUCED MEAL PLANS.

PART VI, LINE 5:

OUR BOARD CONSISTS OF NINE VOLUNTEER MEMBERS WHO REPRESENT ALL OF OUR SERVICE AREAS, INCLUDING PLATTE, GEDES, ACADEMY, AND HARRISON, SD. THE BOARD HAS COMMITTED TO CONTRIBUTING FUNDS ANNUALLY TO THE AVERA POOLED INVESTMENTS. THESE FUNDS ARE INTENDED TO SUPPORT EQUIPMENT UPGRADES AND FUTURE BUILDING PROJECTS.

MEDICAL STAFF PRIVILEGES ARE EXTENDED TO ALL QUALIFIED PHYSICIANS IN THE AREA. IN TOTAL WITH AVERA ESERVICES, THE FACILITY HAS ABOUT 100 CREDENTIALLED PHYSICIANS. THIS NUMBER INCLUDES THREE FULL-TIME EMPLOYED FAMILY PRACTICE PHYSICIANS AND A HOST OF SPECIALTY PHYSICIANS VIA OUTREACH CLINICS AND ESERVICES.

PHC IS THE ONLY HOSPITAL IN THE PLATTE COMMUNITY. THE NEXT CLOSEST CRITICAL ACCESS HOSPITAL IS 35 MILES TO THE EAST; AND THE CLOSEST REGIONAL HOSPITAL IS 66 MILES NORTHEAST. PHC WORKS VERY HARD TO PROVIDE QUALITY HEALTHCARE IN A RURAL SETTING. PHC PROVIDES INNOVATIVE TECHNOLOGY APPLICATIONS LEVERAGED BY HIGHLY TRAINED STAFF WITH ECARE SERVICES, WHICH INCLUDE EEMERGENCY, EICU, EPHARMACY, ECONSULT AND EULTRASOUND. THROUGH A GROWING TELECOMMUNICATIONS NETWORK, WE OFFER VIDEO TELECONFERENCING FOR EDUCATIONAL AND MEDICAL SERVICES. WE EXTEND OUR MISSION IN THE REGION THROUGH MOBILE OUTREACH PROGRAMS, AND PROVIDE LOCAL HEALTH CARE SPECIALISTS VISITS RIGHT HERE IN PLATTE SAVING OUR PATIENTS TIME AND TRAVEL EXPENSES.

Part VI Supplemental Information (Continuation)

THE FACILITY IS CERTIFIED AS A TRAUMA RECEIVING FACILITY WITH FULLY INTEGRATED EEMERGENCY AND ESTROKE SERVICES IN BOTH EMERGENCY ROOM (ER) BAYS. EMERGENCY ROOM SERVICES ARE A SUBSIDIZED SERVICE FOR THE ORGANIZATION. THIS SERVICE IS NOT ONLY PROVIDED TO COMPLY WITH REGULATORY REQUIREMENTS, BUT HAS ALSO BEEN IDENTIFIED AS A CRITICAL SERVICE FOR THE COMMUNITY AND ORGANIZATION AS IT ENSURES ACCESS TO EMERGENCY SERVICES FOR OUR CUSTOMERS.

PLATTE HEALTH CENTER IS A FARM (FRONTIER AND RURAL MEDICINE) SITE. THE FARM PROGRAM IS THE UNIVERISTY OF SOUTH DAKOTA SANFORD SCHOOL OF MEDICINE'S RURAL TRACK MEDICAL STUDENT PROGRAM. THIS IS A UNIQUE OPPORTUNITY FOR A SELECT GROUP OF MEDICAL STUDENTS TO OBTAIN NINE MONTHS OF THEIR CLINICAL TRAINING IN RURAL COMMUNITIES. THE PROGRAM EDUCATES MEDICAL STUDENTS ON THE NEED FOR PHYSICIANS IN RURAL FAMILY MEDICINE; AND THE FACILITY BUILDS ON RELATIONSHIPS THAT COULD RESULT IN THE RECRUITMENT OF FUTURE PHYSICIANS. THIS IS A COMPETITIVE PROGRAM IN WHICH BOTH THE HOSPITAL AND MEDICAL STUDENT MUST APPLY FOR THROUGH AN APPLICATION PROCESS.

IN 2019, PLATTE HEALTH CENTER RECEIVED A NATIONAL AWARD FOR ONE OF THE TOP 20 CRITICAL ACCESS HOSPITALS IN THE COUNTRY.

PLATTE HEALTH CENTER AVERA IS A HEALING MINISTRY FOR THE SICK, THE ELDERLY, AND THE OPPRESSED, AND PROVIDES HEALTHCARE SERVICES TO ALL PERSONS IN NEED, WITHOUT REGARD TO AGE, RACE, SEX, CREED, NATIONAL ORIGIN, OR ABILITY TO PAY.

IN CONJUNCTION WITH THE FACILITY'S COMMUNITY HEALTH NEEDS ASSESSMENT, THE FACILITY MAKES OTHER CONTRIBUTIONS TO THE COMMUNITY IT SERVES.

Part VI Supplemental Information (Continuation)

THE PLATTE HEALTH CENTER ENCOURAGES VOLUNTEERING AT ALL LEVELS OF THE FACILITY. FACILITY EMPLOYEES ROUTINELY DONATE TIME AND MONEY TO SOME VERY WORTHY CAUSES. SOME OF THE VOLUNTEER PROJECTS COMPLETED IN THE COMMUNITY THIS YEAR WERE AS FOLLOWS:

- PLATTE HEALTH CENTER STAFF VOLUNTEERS TO OPERATE THE PUBLIC MOVIE THEATER THE SECOND SATURDAY OF EVERY MONTH.
- STAFF DONATED AN ESTIMATED 300 POUNDS OF FOOD AND \$100 CASH TO THE LOCAL HELPING HANDS FOOD PANTRY.
- THE MEDICAL CLINICS HOSTED COMMUNITY BAKE SALES. THE PROCEEDS WERE USED TO COVER THE EXPENSE OF MEDICAL LICENSES FOR TWO PHYSICIANS WHO ARE FULFILLING A MEDICAL MISSION IN NORTH AFRICA.
- EDUCATION COORDINATORS VOLUNTEER TO PROVIDE A WEEKLY EXERCISE PROGRAM AT THE LOCAL SENIOR CITIZEN CENTER; AS WELL AS HOST HEALTHY EATING/COOKING CLASSES.
- EDUCATION COORDINATORS HOSTED BLOOD SUGAR SCREENINGS FOR THE COMMUNITY AT THE LOCAL PHARMACY; AND HEALTH SCREENINGS FOR SCHOOL STAFF.
- THE FACILITY'S LAB DEPARTMENT PROVIDES AN EDUCATION SESSION WITH THE LOCAL HIGH SCHOOL. THE PURPOSE IS TO PARTNER WITH THE SCHOOL/STUDENTS TO EXPOSE THEM TO FUTURE CAREER OPPORTUNITIES. STUDENTS ARE ALSO ALLOWED TO JOB SHADOW IN AREAS OF INTEREST.
- OUR RADIOLOGY DEPARTMENT CONDUCTED GO PINK EVENTS IN OCTOBER FOR BREAST CANCER AWARENESS. FUNDS WERE RAISED TO SUPPORT THE LOCAL BREAST CANCER SURVIVOR SUPPORT GROUP.
- THE LAUNDRY AND HOUSEKEEPING DEPARTMENTS CONDUCTED A SCHOOL SUPPLY DRIVE FOR THE TWO LOCAL SCHOOL DISTRICTS.
- SURPLUS DINING ROOM EQUIPMENT WAS DONATED TO THE NEW HOPE CHRISTIAN CAMP & RETREAT CENTER LOCATED THREE MILES SOUTH OF PLATTE.

Part VI Supplemental Information (Continuation)

- EMPLOYEES COLLECTED SUPPLIES AND CASH FOR THE FLOOD VICTIMS IN
NEBRASKA.

PART VI, LINE 6:

THE HOSPITAL IS AFFILIATED WITH THE AVERA HEALTH SYSTEM, AND IS A MANAGED FACILITY OF AVERA QUEEN OF PEACE. AVERA QUEEN OF PEACE AND THE PHCA WORK COOPERATIVELY TO ENHANCE HEALTHCARE THROUGHOUT THE COMMUNITIES IT SERVES.

AS A MANAGED FACILITY, THE PHCA IS ABLE TO PARTICIPATE IN AVERA E-CARE SERVICES. THESE SERVICES INCLUDE AVERA E-ICU, E-EMERGENCY, E-PHARMACY AND E-CONSULT. THESE SERVICES ALLOW RURAL PATIENTS TO BE CARED FOR AT THEIR LOCAL HOSPITALS, PROVIDE RURAL HOSPITALS ACCESS TO IMMEDIATE SPECIALTY CARE AND SUPPORT, AND HELP REDUCE HEALTH CARE COSTS AND TRAVEL.

THE HOSPITAL ALSO HAS ACCESS TO "BACK OFFICE" SUPPORT SERVICES, SUCH AS LEGAL CONSULTATION, QUALITY BENCHMARKING, CODING, COMPUTER SERVICES, CONTRACT NEGOTIATIONS, ADMINISTRATIVE CONSULTATION, GROUP PURCHASING, HUMAN RESOURCE ASSISTANCE, AND MANY OTHER SERVICES. AVERA HEALTH IS ABLE TO PROVIDE THESE SERVICES TO THE HOSPITAL AT A COST BELOW THAT WHICH THE HOSPITAL COULD OTHERWISE ACHIEVE. IN TURN, LOCAL CAREGIVERS ARE ABLE TO DEVOTE MORE RESOURCES TO PATIENT AND RESIDENT CARE.

AVERA QUEEN OF PEACE AND THE HOSPITAL DEDICATE RESOURCES TO ENDEAVORS THAT MAKE A POSITIVE DIFFERENCE TO IMPROVE THE HEALTH OF THE COMMUNITIES THEY SERVE. THESE ACTIVITIES INCLUDE LEADERSHIP DEVELOPMENT AND TRAINING FOR COMMUNITY MEMBERS, ECONOMIC DEVELOPMENT, PHYSICAL IMPROVEMENTS IN THE COMMUNITY, CONTRIBUTIONS TO NONPROFIT COMMUNITY ORGANIZATIONS, NONPROFIT EVENT SPONSORSHIPS, DONATED MEDICAL SUPPLIES, COMMUNITY HEALTH EDUCATION

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees
 ▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23.
 ▶ Attach to Form 990.
 ▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2018

Open to Public Inspection

Name of the organization: **PLATTE COMMUNITY MEMORIAL HOSPITAL, INC**
 Employer identification number: **46-0239781**

Part I Questions Regarding Compensation

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

- | | |
|--|--|
| <input type="checkbox"/> First-class or charter travel | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (such as maid, chauffeur, chef) |

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

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

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

- | | |
|--|---|
| <input type="checkbox"/> Compensation committee | <input type="checkbox"/> Written employment contract |
| <input type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study |
| <input type="checkbox"/> Form 990 of other organizations | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

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

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

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

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

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

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

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

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

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

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

	Yes	No
1b		
2		
4a		<input checked="" type="checkbox"/>
4b		<input checked="" type="checkbox"/>
4c		<input checked="" type="checkbox"/>
5a		<input checked="" type="checkbox"/>
5b		<input checked="" type="checkbox"/>
6a		<input checked="" type="checkbox"/>
6b		<input checked="" type="checkbox"/>
7		<input checked="" type="checkbox"/>
8		<input checked="" type="checkbox"/>
9		

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

Schedule J (Form 990) 2018

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

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

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) MARK BURKET CEO	(i)	185,402.	0.	862.	28,242.	27,552.	242,058.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(2) DR. JEROME BENTZ PHYSICIAN	(i)	274,751.	0.	4,651.	26,100.	24,730.	330,232.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(3) DR. LISA MOFLE PHYSICIAN	(i)	328,325.	0.	18,447.	13,750.	26,533.	387,055.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(4) DR. ROBERT HUBLEY PHYSICIAN	(i)	192,153.	0.	2,921.	13,345.	18,086.	226,505.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(5) DR. NELSON BATOON PHYSICIAN	(i)	137,528.	0.	0.	0.	23,945.	161,473.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(6) JEFFREY KONSTANZ PHYSICIAN ASSISTANT	(i)	161,103.	21,857.	9,223.	26,662.	19,232.	238,077.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
	(i)							
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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.

SCHEDULE J, PART I

PHYSICIANS AND ADVANCED PRACTICE PROVIDERS CAN ACHIEVE INCENTIVE PAY
BASED ON EXCEEDING PRODUCTIVITY STANDARDS AS OUTLINED IN THEIR
RESPECTIVE EMPLOYMENT CONTRACTS. THE INCENTIVE PAY IS FIXED BASED ON
THE FORMULA IN THE EMPLOYMENT CONTRACT.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

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

OMB No. 1545-0047

2018

Open to Public
Inspection

Name of the organization

PLATTE COMMUNITY MEMORIAL HOSPITAL, INC

Employer identification number

46-0239781

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

POLICY WITHOUT CHARGE OR AMOUNTS LESS THAN ITS ESTABLISHED RATES. THIS
AMOUNT EXCLUDES EXPENSES ASSOCIATED WITH A NUMBER OF ADDITIONAL
COMMUNITY SERVICES PROVIDED BY THE HEALTH CENTER.

PHC ATTESTED TO THE PROGRAM YEAR 2018 OF MEANINGFUL USE. THIS
ATTESTATION TO CMS STATES PHC WILL MEET AND COMPLY WITH THE
REQUIREMENTS FOR MEANINGFUL USE. WITH THIS, PHC HAS ENHANCED PATIENT
CARE BY IMPLEMENTING AN ELECTRONIC HEALTH RECORD SYSTEM AS WELL AS THE
MANY PATIENT SAFETY MEASURES THAT COMES WITH IT.

FORM 990, PART VI, SECTION A, LINE 1:

THE EXECUTIVE COMMITTEE SHALL HAVE THE BOARD PRESIDENT AS ITS CHAIRMAN AND
RESPONSIBLE PERSON. THE EXECUTIVE COMMITTEE SHALL HAVE POWER TO TRANSACT
ALL REGULAR BUSINESS OF THE FACILITY DURING THE INTERIM BETWEEN THE
MEETINGS OF THE BOARD OF DIRECTORS, PROVIDED ANY ACTION TAKEN SHALL NOT
CONFLICT WITH THE POLICIES AND EXPRESSED WISHES OF THE BOARD OF DIRECTORS
AND THAT IT SHALL REFER ALL MATTERS OF MAJOR IMPORTANCE TO THE BOARD OF
DIRECTORS. ALL OTHER COMMITTEES ARE ADVISORY TO THE BOARD OF DIRECTORS.

FORM 990, PART VI, SECTION A, LINE 8B:

IF AND WHEN THE EXECUTIVE COMMITTEE MEETS, IT DOES NOT PREPARE MINUTES FOR
THEIR MEETINGS. INSTEAD, IT REPORTS TO THE BOARD AND DISCUSSION OF
EXECUTIVE COMMITTEE MEETINGS IS INCLUDED IN THE BOARD MEETING MINUTES.

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

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

Schedule O (Form 990 or 990-EZ) (2018)

Name of the organization

PLATTE COMMUNITY MEMORIAL HOSPITAL, INC

Employer identification number

46-0239781

THE CEO AND CFO REVIEW THE FORM 990. AFTER THEIR REVIEW, A COPY OF THE COMPLETED FORM 990 IS GIVEN TO ALL BOARD MEMBERS FOR THEIR FEEDBACK. THE CFO FILES THE TAX RETURN WITH THE IRS AFTER VERIFYING WITH THE BOARD THAT IT IS OKAY TO PROCEED.

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

THE BOARD IS REQUIRED ANNUALLY TO SIGN-OFF ON THE CONFLICT OF INTEREST POLICY. PER POLICY, BOARD MEMBERS ARE EXPECTED TO DISCLOSE CONFLICTS AS THEY ARISE. THE FULL BOARD REVIEWS THE POTENTIAL CONFLICTS OF INTEREST AND DETERMINES WHETHER A CONFLICT EXISTS. IF A CONFLICT EXISTS, THE AFFECTED PERSON IS REQUIRED TO ABSTAIN FROM VOTING ON THE ITEM THAT GIVES RISE TO THE CONFLICT.

ALL EMPLOYEES ARE REQUIRED TO FOLLOW THE CONFLICT OF INTEREST POLICY. ADMINISTRATION REVIEWS AND RESOLVES ANY CONFLICTS AS THEY ARISE. IN MATTERS OF PATIENT CARE, ADMINISTRATION WOULD CONVENE AN ETHICS COMMITTEE.

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

EFFECTIVE JANUARY 1ST, 2017, THE CEO BECAME EMPLOYED BY THE PLATTE HEALTH CENTER. PER THE CONTRACT, THE CEO ANNUAL COMPENSATION SHALL BE AGREED UPON AT AN ANNUAL REVIEW OF THE CEO'S COMPENSATION AND PERFORMANCE BY THE BOARD. IF NO OTHER AMOUNT IS SET AT THE ANNUAL REVIEW, THE SALARY SHALL REMAIN THE SAME FOR THE NEXT CALENDAR YEAR, SUBJECT TO ANNUAL INVLATIONARY INCREASE. THIS ANNUAL REVIEW SHALL OCCUR THREE MONTHS PRIOR TO THE END OF EACH YEAR OF THE CONTRACT.

THE COMPENSATION PACKAGE FOR THE CFO IS BASED ON A REVIEW OF THE SDAHO ANNUAL COMPENSATION SURVEY AND APPROVED BY THE CEO. THE ANNUAL SDAHO SURVEY

Name of the organization PLATTE COMMUNITY MEMORIAL HOSPITAL, INC	Employer identification number 46-0239781
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IS BASED ON MARKET BY FACILITY SIZE AND LOCATION. ANY MARKET INCREASES ARE AWARDED ON JULY 1ST ANNUALLY. ANNUAL MERIT INCREASES (NOT TO EXCEED 2.5 PERCENT) ARE GIVEN BASED ON A PERFORMANCE REVIEW ON THE CFO'S ANNIVERSARY DATE OF EMPLOYMENT.

FORM 990, PART VI, SECTION C, LINE 19:
THESE DOCUMENTS ARE MADE AVAILABLE UPON REQUEST.

FORM 990, PART XI, LINE 9, CHANGES IN NET ASSETS:
CHANGE IN INTEREST IN NET ASSETS OF FOUNDATION 147,583.

Application for Automatic Extension of Time To File an Exempt Organization Return

Department of the Treasury
Internal Revenue Service

▶ **File a separate application for each return.**
▶ **Go to www.irs.gov/Form8868 for the latest information.**

Electronic filing (e-file). You can electronically file Form 8868 to request a 6-month automatic extension of time to file any of the forms listed below with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, for which an extension request must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/e-file-providers/e-file-for-charities-and-non-profits.

Automatic 6-Month Extension of Time. Only submit original (no copies needed).

All corporations required to file an income tax return other than Form 990-T (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

	Enter filer's identifying number	
Type or print	Name of exempt organization or other filer, see instructions. PLATTE COMMUNITY MEMORIAL HOSPITAL, INC	Employer identification number (EIN) or 46-0239781
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. 601 E 7TH STREET	Social security number (SSN)
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. PLATTE, SD 57369	

Enter the Return Code for the return that this application is for (file a separate application for each return) 0 | 1

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

VICKI JENSEN

- The books are in the care of ▶ **601 E. 7TH STREET - PLATTE, SD 57369**
Telephone No. ▶ **(605) 337-3364** Fax No. ▶ _____
- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension is for.

1 I request an automatic 6-month extension of time until **MAY 15, 2020** , to file the exempt organization return for the organization named above. The extension is for the organization's return for:
▶ calendar year _____ or
▶ tax year beginning **JUL 1, 2018** , and ending **JUN 30, 2019** .

2 If the tax year entered in line 1 is for less than 12 months, check reason: Initial return Final return
 Change in accounting period

3a If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$	0.
b If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$	0.
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$	0.

Caution: If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

Electronic Filing PDF Attachment



Financial Statements
June 30, 2019 and 2018

**Platte Community Memorial
Hospital, Inc. d/b/a
Platte Health Center, Inc.**

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Independent Auditor's Report

To the Board of Directors
Platte Community Memorial Hospital, Inc. d/b/a Platte Health Center, Inc.
Platte, South Dakota

Report on the Financial Statements

We have audited the accompanying financial statements of Platte Community Memorial Hospital, Inc. d/b/a Platte Health Center, Inc. (Health Center), which comprise the balance sheets as of June 30, 2019 and 2018, and the related statements of operations, changes in net assets, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Health Center's preparation and fair presentation of the financial statements to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Health Center's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Platte Community Memorial Hospital, Inc. d/b/a Platte Health Center, Inc. as of June 30, 2019 and 2018, and the results of its operations, changes in net assets, and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

The image shows a handwritten signature in black ink that reads "Eide Sully LLP". The signature is written in a cursive, flowing style.

Sioux Falls, South Dakota
October 30, 2019

Platte Health Center, Inc.

Balance Sheets

June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Assets		
Current Assets		
Cash and cash equivalents	\$ 2,136,950	\$ 1,099,778
Receivables		
Patient and resident, net	1,418,505	1,933,110
Other	67,811	130,356
Estimated third-party payor settlements	-	83,445
Supplies	182,003	202,988
Prepaid expenses	96,584	81,108
Total current assets	<u>3,901,853</u>	<u>3,530,785</u>
Assets Limited as to Use		
By board for funded depreciation	5,399,145	4,793,353
Under loan agreement	237,287	236,343
Interest in net assets of foundation	3,266,622	3,139,406
Total assets limited as to use	<u>8,903,054</u>	<u>8,169,102</u>
Property and Equipment, Net	<u>6,137,001</u>	<u>6,207,789</u>
Other Assets		
Property held for future use	43,000	43,000
Other receivables	34,178	34,894
Other	122,004	89,148
Total other assets	<u>199,182</u>	<u>167,042</u>
Total assets	<u>\$ 19,141,090</u>	<u>\$ 18,074,718</u>

Platte Health Center, Inc.

Balance Sheets

June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Liabilities and Net Assets		
Current Liabilities		
Current maturities of long-term debt	\$ 423,600	\$ 404,900
Accounts payable		
Trade	597,661	205,705
Estimated third-party payor settlements	316,655	-
Accrued expenses		
Salaries and wages	301,577	293,111
Vacation	625,742	666,339
Payroll taxes and other	41,603	165,962
Interest	10,712	11,297
Total current liabilities	<u>2,317,550</u>	<u>1,747,314</u>
Long-term Liabilities		
Long-term debt, net	6,347,591	6,759,019
Other	122,004	89,148
Total long-term liabilities	<u>6,469,595</u>	<u>6,848,167</u>
Total liabilities	<u>8,787,145</u>	<u>8,595,481</u>
Net Assets		
Without donor restrictions	7,545,025	6,788,200
With donor restrictions	2,808,920	2,691,037
Total net assets	<u>10,353,945</u>	<u>9,479,237</u>
Total liabilities and net assets	<u>\$ 19,141,090</u>	<u>\$ 18,074,718</u>

Platte Health Center, Inc.
Statements of Operations
Years Ended June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Revenues, Gains and Other Support Without Donor Restrictions		
Net patient and resident service revenue	\$ 14,110,479	\$ 13,687,057
Provision for bad debts	<u>(167,969)</u>	<u>(109,482)</u>
Net patient and resident service revenue less provision for bad debts	13,942,510	13,577,575
Other revenue	<u>294,235</u>	<u>272,245</u>
Total revenues, gains, and other support	<u>14,236,745</u>	<u>13,849,820</u>
Expenses		
Salaries and wages	7,694,495	7,327,089
Employee benefits	2,021,815	1,986,844
Medical fees	2,275	2,015
Purchased services	267,572	248,217
Supplies	898,131	920,290
Repairs and maintenance	279,131	248,334
Other	1,247,144	1,225,176
Insurance	95,937	59,526
Utilities	330,491	355,243
Interest	314,199	334,624
Depreciation and amortization	<u>885,615</u>	<u>890,144</u>
Total expenses	<u>14,036,805</u>	<u>13,597,502</u>
Operating Income	<u>199,940</u>	<u>252,318</u>
Other Income (Expense)		
Investment income	226,185	375,771
Gain (loss) on sale of assets	1,000	(161)
Change in interest in net assets of foundation	<u>29,700</u>	<u>63,170</u>
Other income (expense), net	<u>256,885</u>	<u>438,780</u>
Revenues in Excess of Expenses	456,825	691,098
Contributions for Long-Lived Assets	<u>300,000</u>	<u>-</u>
Change in Net Assets Without Donor Restrictions	<u>\$ 756,825</u>	<u>\$ 691,098</u>

Platte Health Center, Inc.
 Statements of Changes in Net Assets
 Years Ended June 30, 2019 and 2018

	2019	2018
Net Assets Without Donor Restrictions		
Revenues in excess of expenses	\$ 456,825	\$ 691,098
Contributions for long-lived assets	300,000	-
Change in net assets without donor restrictions	756,825	691,098
Net Assets With Donor Restrictions		
Contributions and investment income restricted for specific purposes	105,068	170,867
Change in interest in net assets of foundation	12,815	12,368
Change in net assets with donor restrictions	117,883	183,235
Change in Net Assets	874,708	874,333
Net Assets, Beginning of Year	9,479,237	8,604,904
Net Assets, End of Year	\$ 10,353,945	\$ 9,479,237

Platte Health Center, Inc.
Statements of Cash Flows
Years Ended June 30, 2019 and 2018

	2019	2018
Operating Activities		
Change in net assets	\$ 874,708	\$ 874,333
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation and amortization	885,615	890,144
Provision for bad debts	167,969	109,482
Interest expense attributable to amortization of debt issuance costs	2,794	2,794
(Gain) loss on the sale of assets	(1,000)	161
Net realized and unrealized gain on investments	(205,792)	(338,496)
Undistributed portion of change in interest in net assets of foundation	(147,583)	(257,393)
Contributions for long-lived assets	(300,000)	-
Changes in assets and liabilities		
Receivables	409,897	(365,063)
Estimated third-party payor settlements	400,100	(174,047)
Supplies	20,985	(26,745)
Prepaid expenses and other	(48,332)	(32,229)
Accounts payable	67,910	(92,472)
Accrued expenses and other	(124,219)	70,945
Net Cash from Operating Activities	2,003,052	661,414
Investing Activities		
Purchase of property and equipment	(490,781)	(338,206)
Purchase of assets limited as to use	(400,944)	(449,042)
Proceeds from disposal of property and equipment	1,000	-
Net Cash used for Investing Activities	(890,725)	(787,248)
Financing Activities		
Principal payments on long-term debt	(395,522)	(382,750)
Distributions from foundation	20,367	24,848
Contributions for long-lived assets	300,000	-
Net Cash used for Financing Activities	(75,155)	(357,902)
Net Change in Cash and Cash Equivalents	1,037,172	(483,736)
Cash and Cash Equivalents, Beginning of Year	1,099,778	1,583,514
Cash and Cash Equivalents, End of Year	\$ 2,136,950	\$ 1,099,778
Supplemental Disclosure of Cash Flow Information		
Cash payments for interest	\$ 311,990	\$ 329,745
Accounts payable - property and equipment	324,046	-

Note 1 - Organization and Significant Accounting Policies

Organization

Platte Community Memorial Hospital, Inc. d/b/a Platte Health Center, Inc. (Health Center) operates a 17-bed critical access hospital, a 48-bed long-term care facility and a congregate living center located in Platte, South Dakota, and rural health clinics located in Platte, South Dakota, Geddes, South Dakota, and White Lake, South Dakota. The Health Center is organized as a South Dakota nonprofit corporation and is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Health Center's legal name is Platte Community Memorial Hospital, Inc.; however, the Health Center conducts all business as Platte Health Center, Inc.

Cash and Cash Equivalents

Cash and cash equivalents include highly liquid investments with an original maturity of three months or less, excluding assets limited as to use.

Patient and Resident Receivables

Patient and resident receivables are uncollateralized customer and third-party payor obligations. Unpaid patient and resident receivables, excluding amounts due from third-party payors, with invoice dates over 90 days old have interest assessed at 1 percent per month. Due to the uncertainty of collecting private pay accounts, these interest charges are recognized as income when received. Payments of patient and resident receivables are allocated to the specific claims identified on the remittance advice or, if unspecified, are applied to the earliest unpaid claim.

Patient and resident accounts receivable are reduced by an allowance for doubtful accounts. In evaluating the collectability of accounts receivable, the Health Center analyzes its history and identifies trends for each of its major payor sources of revenue to estimate the appropriate allowance for doubtful accounts and provision for bad debts. Management regularly reviews data about these major payor sources of revenue in evaluating the sufficiency of the allowance for doubtful accounts. For receivables associated with services provided to patients who have third party coverage, the Health Center analyzes contractually due amounts and provides an allowance for doubtful accounts and a provision for bad debts, if necessary. For receivables associated with self-pay patients, which includes both patients without insurance and patients with deductible and copayment balances due for which third-party coverage exists for part of the bill, the Health Center 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 difference between the standard rates and the amounts collected after all reasonable collection efforts have been exhausted is charged off against the allowance for doubtful accounts.

The Health Center's process for calculating the allowance for doubtful accounts for self-pay patients has not significantly changed from June 30, 2018 to June 30, 2019. The Health Center does not maintain a material allowance for doubtful accounts from third-party payors, nor did it have significant write offs from third-party payors. The Health Center has not significantly changed its charity care or uninsured discount policies during fiscal years 2019 or 2018. Patient and resident receivables are shown net of estimated uncollectibles and other allowances of approximately \$991,000 and \$1,025,000 as of June 30, 2019 and 2018, of which approximately \$521,000 and \$385,000 was recorded for the allowance for doubtful accounts.

Physician and Employee Notes Receivable

The Health Center issues notes to employees and physicians as part of its recruitment process. Notes are repayable over a three-year period and are issued at market interest rates. The notes are issued with forgiveness provisions over the life of the note to encourage retention. Based on historical analysis, it is anticipated that the balance of the notes will be forgiven.

At June 30, 2019 and 2018, notes receivable from physicians and employees totaled \$50,159 and \$78,918 and are recorded as other current and noncurrent receivables.

Supplies

Supplies are stated at lower of cost (first-in, first-out) or net realizable value.

Assets Limited as To Use

Assets limited as to use include assets set aside by the Board of Directors for funded depreciation to be used for future capital expenditures, over which the Board retains control and may, at its discretion, subsequently use for other purposes and assets restricted under a loan agreement. Assets limited as to use also includes the interest in the net assets of the Avera Health Foundation. Assets limited as to use that are available for obligations classified as current liabilities are reported in current assets.

Investments and Investment Income

Investments with readily determinable market values are stated at fair value. The fair value of all debt and equity securities with readily determinable fair values are based on quotations obtained from national and foreign securities exchanges. All investments are classified as trading securities, therefore investment income or loss (including interest income, dividends, net changes in unrealized gains and losses, and net realized gains and losses) is included in revenues in excess of expenses unless the income or loss is restricted by donor or law.

The Health Center, through its affiliation with Avera Health, participates in the Avera Pooled Investment Fund, a fund administered by Avera Health. The Pooled Investment Fund has a portion of its holdings in alternative investments, which are not readily marketable. These alternative investments include partnerships and other interests that invest in hedge funds, real asset funds, and private equity/venture capital funds, among others. Many of these alternative investments have fair values that are determined using the net asset value (NAV) provided by the investment manager. NAV is a practical expedient to determine the fair value of investments that do not have readily determinable fair values and prepare their financial statements consistent with the measurement principles of an investment company or have the attributes of an investment company. Investment income, including interest, dividends, realized gains and losses, and unrealized gains and losses are allocated to participants of the Avera Pooled Investment Fund based upon their pro rata share of the investments.

Fair Value Measurements

The Health Center has determined the fair value of certain assets and liabilities in accordance with generally accepted accounting principles, which provides a framework for measuring fair value.

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs.

A fair value hierarchy has been established, which prioritizes the valuation inputs into three broad levels. Level 1 inputs consist of quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the related asset or liability. Level 3 inputs are unobservable inputs related to the asset or liability.

Interest in Net Assets of Foundation

Avera Health Foundation (Foundation), an affiliate of the Health Center, solicits contributions and holds funds on behalf of the Health Center. The Health Center's interest in these funds is recorded as assets limited as to use in the accompanying financial statements as net assets with donor restrictions if donors have placed restrictions on the use of the funds. Changes in the funds held by the Foundation are recorded as changes in net assets of foundation in the accompanying financial statements.

Property and Equipment

Property and equipment acquisitions in excess of \$5,000 are capitalized and recorded at cost. Depreciation is provided over the estimated useful life of each depreciable asset and is computed using the straight-line method. Equipment under capital lease obligations is amortized on the straight-line method over the shorter period of the lease term or the estimated useful life of the equipment. Amortization is included in depreciation and amortization in the accompanying financial statements. The estimated useful lives of property and equipment are as follows:

Land improvements	8 - 25 years
Buildings and improvements	5 - 40 years
Equipment	3 - 20 years

Gifts of long-lived assets such as land, buildings, or equipment are reported as net assets without donor restrictions, and are excluded from revenues in excess of expenses, unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as net assets with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

Property Held for Future Use

Property held for future use consists of property that is being held in the event that additional property is needed for the future expansion of the hospital campus.

Impairment of Long-lived Assets

The Health Center considers whether indicators of impairment are present and performs the necessary analysis to determine if the carrying values of assets are appropriate. No impairment was identified for the years ended June 30, 2019 and 2018.

Net Assets with Donor Restrictions

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Revenues in Excess of Expenses

Revenues in excess of expenses excludes contributions of long-lived assets; including assets acquired using contributions which were restricted by donors.

Net Patient and Resident Service Revenue

The Health Center has agreements with third-party payors that provide for payments to the Health Center at amounts different from its established rates. Payment arrangements include prospectively determined rates, reimbursed costs, discounted charges, and per diem payments. Net patient and resident service revenue is reported at the estimated net realizable amounts from patients, residents, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

The Health Center recognizes patient and resident service revenue associated with services provided to patients and residents who have third-party payor coverage on the basis of contractual rates for the services rendered, as noted above. For uninsured patients that do not qualify for charity care, the Health Center recognizes revenue on the basis of its standard rates for services provided. On the basis of historical experience, a significant portion of the Health Center's uninsured patients and residents will be unable or unwilling to pay for the services provided. Thus, the Health Center records a significant provision for bad debts related to uninsured and other self-pay patients and residents in the period the services are provided.

Net patient and resident service revenue, but before the provision for bad debts, recognized for the years ended June 30, 2019 and 2018 from these major payor sources, is as follows:

	2019	2018
Net patient and resident service revenue		
Third-party payors	\$ 12,221,627	\$ 11,988,972
Self-pay	1,888,852	1,698,085
Total all payors	\$ 14,110,479	\$ 13,687,057

Charity Care

The Health Center provides health care services to patients who meet certain criteria under its charity care policy without charge or at amounts less than established rates. Since the Health Center does not pursue collection of these amounts, they are not reported as patient service revenue. The estimated cost of providing these services was approximately \$64,000 and \$77,000 for the years ended June 30, 2019 and 2018, calculated by multiplying the ratio of cost to gross charges for the Health Center by the gross uncompensated charges associated with providing charity care to its patients.

Donor-Restricted Gifts

The Health Center reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of changes in net assets as net assets released from restrictions.

Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

Income Taxes

The Health Center is organized as a South Dakota nonprofit corporation and has been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes under Internal Revenue Code Section 501(c)(3). The Health Center is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the Health Center is subject to income tax on net income that is derived from business activities that are unrelated to its exempt purpose. The Health Center has determined it is not subject to unrelated business income tax and has not filed an Exempt Organization Business Income Tax Return (Form 990T) with the IRS.

The Health Center believes that it has appropriate support for any tax positions taken affecting its annual filing requirements, and as such, does not have any uncertain tax positions that are material to the financial statements. The Health Center would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred.

Advertising Costs

The Health Center expenses advertising costs as incurred. Advertising costs for the years ended June 30, 2019 and 2018 were \$32,773 and \$34,837, respectively.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Functional Allocation of Expenses

The financial statements report categories that are attributed to program service activities or supporting activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The functional expenses report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Costs not directly attributable to a function, such as depreciation and amortization, interest, and other occupancy costs are allocated to a function based on a square-footage or units-of-service basis while the remainder of expenses are allocated on the basis of estimates of time and effort. Note 11 presents the natural classification detail of expenses by function.

Change in Accounting Policy

As of July 1, 2018, the Health Center adopted the provisions of Accounting Standards Update (ASU) 2016-14, *Presentation of Financial Statements for Not-For-Profit Entities*. The provisions of the ASU replace the existing three classes of net assets with two new classes (net assets without donor restrictions and net assets with donor restrictions) and enhance the disclosure requirements for the Health Center's donor restricted endowment funds. As a result of implementation, 2018 temporarily restricted net assets of \$846,384 and permanently restricted net assets of \$1,844,653 have been combined for presentation as net assets with donor restrictions.

The ASU introduces new disclosure requirements to provide information about what is included or excluded from the Health Center's intermediate measure of operations as well as disclosures to improve a financial statement user's ability to assess the Health Center's liquidity and exposure to risk. The ASU also introduces new reporting requirements to present expenses by both function and natural classification in a single location and to present investment returns on the statement of operations net of external and direct internal investment expenses. The amendments should be applied on a retrospective basis; however, if presenting comparative financial statements, the ASU allows for the option to omit, for any periods presented before the period of adoption, the analysis of expenses by both natural classification and functional classification (the separate presentation of expenses by functional classification and expenses by natural classification is still required), and the disclosure about liquidity and availability of resources. The Health Center has elected to apply the practical expedient and not disclose prior year functional expenses by both natural classification and by function and liquidity and availability of resources. The Health Center has adopted this standard as management believes the standard improves the usefulness and understandability of the Center's financial reporting.

Reclassifications

Certain reclassifications of amounts previously reported have been made to the accompanying financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets or changes in net assets.

Subsequent Events

The Health Center has evaluated subsequent events through October 30, 2019, the date which the financial statements were available to be issued.

Note 2 - Net Patient and Resident Service Revenue

The Health Center has agreements with third-party payors that provide for payments to the Health Center at amounts different from its established rates. A summary of the payment arrangements with major third-party payors follows:

Medicare – Hospital: The Health Center is licensed as a Critical Access Hospital (CAH). The Health Center is reimbursed for most inpatient, outpatient, and clinic services on a cost-based methodology with final settlement determined after submission of annual cost reports by the Health Center and are subject to audits thereof by the Medicare Administrative Contractor. The Health Center's Medicare cost reports have been audited by the Medicare Administrative Contractor through June 30, 2017.

Medicare – Clinics: The clinics are designated as Provider Based Rural Health Clinics by the Medicare program. As a result, clinical services rendered to Medicare program beneficiaries are reimbursed under a cost reimbursement methodology.

Medicaid: Inpatient acute care services rendered to Medicaid program beneficiaries are paid at prospectively determined rates per discharge. These rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors. Clinical and outpatient services rendered to Medicaid program beneficiaries are reimbursed under a prospectively determined reimbursement methodology based on historical costs. There are no retroactive settlements resulting from the Medicaid program.

Wellmark – Blue Cross: Inpatient services rendered to Blue Cross subscribers are paid based on prospectively determined rates per discharge. Outpatient services rendered to Blue Cross subscribers are paid at prospectively determined rates per ambulatory encounter or visit.

Medicaid – Nursing Home: The Health Center is reimbursed for Medicaid nursing home resident services at established billing rates which are determined on a prospective basis subject to certain limitations as prescribed by the South Dakota Department of Social Services regulations. These rates are subject to retroactive adjustment by field audit.

Other: The Health Center has also entered into payment agreements with certain commercial insurance carriers and managed care insurance carriers and other organizations. The basis for payment to the Health Center under these agreements includes prospectively determined rates per discharge, discounts from established charges, and prospectively determined daily rates.

Revenue from the Medicare and Medicaid programs accounted for approximately 42% and 13% of the Health Center’s net patient service revenue for the year ended June 30, 2019 and 42% and 13% for the year ended June 30, 2018. Laws and regulations governing the Medicare, Medicaid, and other programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. The net patient service revenue for the years ended June 30, 2019 and 2018 increased approximately \$65,000 and \$100,000, respectively, due to removal of allowances previously estimated that were no longer necessary as a result of final settlements and years that are no longer likely subject to audits, reviews, and investigations.

A summary of patient and resident service revenue and contractual adjustments for the years ended June 30, 2019 and 2018, is as follows:

	<u>2019</u>	<u>2018</u>
Patient and resident service revenue	\$ 19,909,865	\$ 18,730,763
Contractual adjustments	<u>(5,799,386)</u>	<u>(5,043,706)</u>
Net patient and resident service revenue	14,110,479	13,687,057
Provision for bad debts	<u>(167,969)</u>	<u>(109,482)</u>
Net patient and resident service revenue less provision for bad debts	<u>\$ 13,942,510</u>	<u>\$ 13,577,575</u>

Note 3 - Investments and Investment Income

Assets Limited as to Use

The composition of assets limited as to use at June 30, 2019 and 2018, is shown in the following table.

	<u>2019</u>	<u>2018</u>
By board for funded depreciation		
Interest in Pooled Investment Fund *	<u>\$ 5,399,145</u>	<u>\$ 4,793,353</u>
Under loan agreement		
Cash and cash equivalents	<u>\$ 237,287</u>	<u>\$ 236,343</u>
Interest in net assets of foundation		
Interest in Pooled Investment Fund *	<u>\$ 3,266,622</u>	<u>\$ 3,139,406</u>

Pooled Investment Fund *

The Health Center is a participant in the Avera Pooled Investment Fund, a fund administered by Avera Health that is maintained for the benefit of facilities that are sponsored, operated, or managed by Avera Health. Investments are made in conformity with the objectives and guidelines of the Avera Health Pooled Investment Committee. Within the fund, facilities share in a pool of investments that are managed by various fund managers. Asset valuation and income and losses of the fund are allocated to participating members based upon their pro rata share of the investments. Substantially all pooled investment holdings are recorded at fair value, with the exception of certain alternative investments.

As of June 30, 2019 and 2018, the Avera Pooled Investment Fund assets consisted of the following types of investments:

	<u>2019</u>	<u>2018</u>
Equity mutual funds	36.9%	32.2%
Alternative investments		
Multi-strategy, private equity, and hedge funds	17.4%	18.5%
Real asset	1.6%	1.5%
Fixed income mutual funds	17.6%	17.2%
Cash and short-term investments	7.1%	4.2%
Publicly traded equity securities	6.2%	6.1%
Foreign equities	5.3%	6.6%
Corporate bonds	4.7%	5.6%
U.S. government issues	2.0%	1.9%
Other fixed income	1.2%	1.6%
Balanced mutual funds	0.0%	4.6%
	<u>100.0%</u>	<u>100.0%</u>

Investment Income

Investment income and gains and losses on assets limited as to use and cash equivalents consist of the following for the years ended June 30, 2019 and 2018:

	2019	2018
Other income		
Interest income	\$ 20,393	\$ 37,275
Realized gains on investments, net	172,534	225,793
Change in unrealized gains and losses on investments	33,258	112,703
Total investment income	\$ 226,185	\$ 375,771

Note 4 - Property and Equipment

	2019		2018	
	Cost	Accumulated Depreciation	Cost	Accumulated Depreciation
Land	\$ 222,952	\$ -	\$ 222,952	\$ -
Land improvements	390,544	357,350	390,544	353,314
Buildings and improvements	12,109,379	7,466,006	11,932,980	7,030,133
Equipment	4,259,267	3,024,329	4,029,496	2,984,736
Construction in progress	2,544	-	-	-
	\$ 16,984,686	\$ 10,847,685	\$ 16,575,972	\$ 10,368,183
Net property and equipment		\$ 6,137,001		\$ 6,207,789

Note 5 - Leases

The Health Center leases certain equipment under noncancelable long-term lease agreements. Certain leases have been recorded as capital leases and others as operating leases. Total lease expense for the years ended June 30, 2019 and 2018, for all operating leases was \$91,075 and \$88,099, respectively.

The equipment leased under capital lease agreements consists of:

	2019	2018
Radiology equipment	\$ 448,367	\$ 448,367
Less accumulated amortization (included as depreciation and amortization on the accompanying financial statements)	(425,949)	(336,276)
	\$ 22,418	\$ 112,091

Minimum future lease payments for capital leases are as follows:

<u>Years Ending June 30,</u>	<u>Capital Leases</u>
2020	\$ 79,122
2021	28,771
Total minimum lease payments	<u>107,893</u>
Less interest	<u>(3,420)</u>
Present value of minimum lease payments - Note 6	<u><u>\$ 104,473</u></u>

Note 6 - Long-Term Debt

Long-term debt consists of:

	<u>2019</u>	<u>2018</u>
USDA note payable, 4.125% as of June 30, 2019 (effective interest rate of 4.2%), due in monthly installments of \$19,575 through June 2049	\$ 3,886,485	\$ 3,959,420
Unamortized debt issuance costs	(28,535)	(29,962)
Mortgage note payable, 4.56% as of June 30, 2019, interest rate to be adjusted in May 2021, then recalculated every five years according to a preset formula (effective interest rate of 4.9%), due in varying annual installments through to 2036	2,831,790	3,081,695
Unamortized debt issuance costs	(23,022)	(24,390)
Capital lease obligations	<u>104,473</u>	<u>177,156</u>
	6,771,191	7,163,919
Less current maturities	<u>(423,600)</u>	<u>(404,900)</u>
Total long-term debt, net	<u><u>\$ 6,347,591</u></u>	<u><u>\$ 6,759,019</u></u>

Long-term debt maturities are as follows:

<u>Years Ending June 30,</u>	
2020	\$ 423,600
2021	384,800
2022	372,500
2023	389,400
2024	407,000
Thereafter	4,845,448
	<u>6,822,748</u>
Less unamortized debt issuance costs	<u>(51,557)</u>
	<u><u>\$ 6,771,191</u></u>

Under the terms of the USDA note payable agreement, the Health Center is required to maintain certain restricted deposits. Such deposits are included with assets limited as to use in the financial statements. Substantially all of the Health Center's assets at June 30, 2019, are pledged as collateral for the debt obligations.

The Health Center's debt agreements contain certain financial and other covenants. Management believes the Health Center is in compliance with all debt covenants as of June 30, 2019 and 2018.

Unamortized debt issuance costs are deferred and amortized using the straight-line method over the term of the related indebtedness, which is a reasonable approximation of the effective interest method. Amortization of unamortized debt issuance costs is included in interest expense in the financial statements.

Note 7 - Net Assets With Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes or periods at June 30, 2019 and 2018:

	2019	2018
Subject to expenditure for a specified purpose		
Interest in Foundation, consisting of investment held to support various programs and capital projects	\$ 951,452	\$ 846,384
Perpetual time restriction		
Interest in Foundation, consisting of investments to be held in perpetuity, the income from which is expendable to support various health care services of the Health Center	1,857,468	1,844,653
	\$ 2,808,920	\$ 2,691,037

Note 8 - Endowment

The Health Center's endowments consist of a portion of their interest in the net assets of the Avera Health Foundation. The Avera Health Foundation includes endowment funds which have been established for a variety of purposes. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments (if any), are classified and reported based on the existence or absence of donor-imposed restrictions. The Health Center's restricted endowment funds are donor restricted and totaled \$2,630,519 and \$2,526,935 at June 30, 2019 and 2018, respectively. The corpus of endowment giving was \$1,857,468 and \$1,844,653, for the years ended June 30, 2019 and 2018, respectively.

Interpretation of Relevant Law

The Health Center has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Health Center retains in perpetuity (a) the original value of initial and subsequent gift amounts donated to the endowment and (b) any accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with UPMIFA, the Health Center considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund
2. The purposes of the Health Center and the donor-restricted endowment fund
3. General economic conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the Health Center
7. The investment policies of the Health Center

At June 30, 2019 the Health Center had the following endowment net asset composition by type of fund:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donors	\$ -	\$ 1,857,468	\$ 1,857,468
Accumulated investment gains	-	773,051	773,051
	\$ -	\$ 2,630,519	\$ 2,630,519

At June 30, 2018 the Health Center had the following endowment net asset composition by type of fund:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donors	\$ -	\$ 1,844,653	\$ 1,844,653
Accumulated investment gains	-	682,282	682,282
	\$ -	\$ 2,526,935	\$ 2,526,935

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the level that the donor requires the Health Center to retain as a fund of perpetual duration. In accordance with generally accepted accounting principles, deficiencies of this nature are reported in net assets with donor restrictions. There were no such deficiencies that were deemed material as of June 30, 2019 and 2018.

Return Objectives and Risk Parameters

Through its affiliation with the Avera Health Foundation, the Health Center has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Health Center must hold in perpetuity or for a donor-specified period(s). Under these policies, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that meet the price and yield investment returns established by the Avera Pooled Investment Committee while assuming a moderate level of investment risk. The Health Center expects its endowment funds with the Avera Health Foundation, over time, to provide an average rate of return of approximately 6%-8% annually. Actual returns in any given year may vary from this amount.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Health Center relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Health Center targets a diversified asset allocation including equity securities, fixed income securities, hedge funds, and private equity to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives relate to Spending Policy

The Avera Health Foundation Board of Directors determines the annual spending rate and distribution amounts based on a review of the average market value of the endowment fund over the most recent 20 quarters. Local governing boards review the spending rate and distribution information and determine if payouts that would invade the corpus would be fiscally responsible.

Changes in Endowment net assets for the year ended June 30, 2019 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ -	\$ 2,526,935	\$ 2,526,935
Change in interest in net assets of Avera Health Foundation	-	103,584	103,584
Endowment net assets, end of year	<u>\$ -</u>	<u>\$ 2,630,519</u>	<u>\$ 2,630,519</u>

Changes in Endowment net assets for the year ended June 30, 2018 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ -	\$ 2,355,888	\$ 2,355,888
Change in interest in net assets of Avera Health Foundation	-	171,047	171,047
Endowment net assets, end of year	<u>\$ -</u>	<u>\$ 2,526,935</u>	<u>\$ 2,526,935</u>

Note 9 - Benefit Plans

Defined Contribution Plan

The Health Center has a defined contribution pension plan under which employees become participants upon reaching age 21 and completion of one year of service during which the employee completes at least 1,000 hours of service. The Health Center matches the employees' contribution up to 5%. Contributions are deposited with the plan trustee who invests the plan assets. Total pension plan expense for the years ended June 30, 2019 and 2018, was \$308,880 and \$310,448, respectively.

Deferred Compensation Agreement

Effective January 1, 2017, the Health Center adopted a deferred compensation plan (Plan) for the Health Center's administrative council, employed physicians, and allied health professionals as approved by the Health Center's chief executive officer. The Plan is a salary reduction agreement but allows for an employer match at the Health Center's discretion. As of June 30, 2019 and 2018, the Plan had a balance of \$122,004 and \$89,148, respectively. The Health Center records a liability for expected future payments in other long-term liabilities and an asset for related investments in other noncurrent assets in the accompanying financial statements.

Note 10 - Concentrations of Credit Risk

The Health Center grants credit, without collateral, to its patients and residents, most of whom are insured under third-party payor agreements. The mix of receivables from third-party payors, patients and residents at June 30, 2019 and 2018, was as follows:

	2019	2018
Medicare	30%	46%
Medicaid	10%	5%
Blue Cross	7%	7%
Patients and residents	36%	20%
Other third-party payors	17%	22%
	<u>100%</u>	<u>100%</u>

The Health Center's cash balances are maintained in various bank deposit accounts. At various times during the years ended June 30, 2019 and 2018, the balances of these deposits were in excess of federally insured limits.

Note 11 - Functional Expenses

The Health Center provides health care services to residents within its geographic location. Expenses related to providing these services by functional class for the year ended June 30, 2019 are as follows:

	Health Care Services		General and Administrative	Total
	Patient Services	Nursing Home Services		
Salaries and wages	\$ 4,856,926	\$ 2,190,422	\$ 647,147	\$ 7,694,495
Employee benefits	1,279,844	598,871	143,100	2,021,815
Medical fees	2,275	-	-	2,275
Purchased services	236,814	515	30,243	267,572
Supplies	798,436	91,283	8,412	898,131
Repairs and maintenance	253,202	24,454	1,475	279,131
Other	349,895	163,799	733,450	1,247,144
Insurance	16,503	-	79,434	95,937
Utilities	178,631	140,313	11,547	330,491
Interest	217,106	-	97,093	314,199
Depreciation and amortization	626,849	46,779	211,987	885,615
	<u>\$ 8,816,481</u>	<u>\$ 3,256,436</u>	<u>\$ 1,963,888</u>	<u>\$ 14,036,805</u>

Expenses related to providing these services by functional class for the year ended June 30, 2018 are as follows:

Patient and resident health care services	\$ 12,131,858
General and administrative	<u>1,465,644</u>
	<u>\$ 13,597,502</u>

Note 12 - Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following as of June 30:

	<u>2019</u>
Cash and cash equivalents	\$ 2,136,950
Receivables	
Patient, net of estimated uncollectibles	1,418,505
Other	67,811
Estimated third-party payor settlements	-
Assets limited as to use	
By board for funded depreciation	<u>5,399,145</u>
	<u>\$ 9,022,411</u>

Assets limited as to use that are considered available for general expenditure consist of amounts designated by the Board for future capital improvements. Although the Health Center does not intend to use these funds for general expenditures, these amounts could be made available if necessary.

Note 13 - Commitments & Contingencies

Malpractice and Other Insurance

The Health Center has malpractice insurance coverage to provide protection for professional liability losses on a claims-made basis subject to a limit of \$1 million per claim and an annual aggregate limit of \$3 million. The Health Center is also insured under an excess umbrella liability claims-made policy with a limit of \$40 million. Should the claims-made policy not be renewed or replaced with equivalent insurance, claims based on occurrences during its term, but reported subsequently, would be uninsured.

The Health Center has accrued malpractice and workers' compensation losses of \$-0- and \$86,000 at June 30, 2019 and 2018. These liabilities are included in current liabilities as payroll taxes and other in the accompanying financial statements. As of June 30, 2019, receivables of \$-0- and \$86,000 have been recorded for expected insurance recoveries related to the malpractice claims. The receivables are included in current assets as other receivables in the accompanying financial statements.

Litigation, Claims, and Disputes

The Health Center is subject to the usual contingencies in the normal course of operations relating to the performance of its tasks under its various programs. In the opinion of management, the ultimate settlement of any litigation, claims, and disputes in process will not be material to the financial position, operations, or cash flows of the Health Center.

The health care industry is subject to numerous laws and regulations of federal, state, and local governments. Compliance with these laws and regulations, specifically those relating to the Medicare and Medicaid programs, can be subject to government review and interpretation, as well as regulatory actions unknown and unasserted at this time. Federal government activity has increased with respect to investigations and allegations concerning possible violations by health care providers of regulations, which could result in the imposition of significant fines and penalties, as well as significant repayments of previously billed and collected revenues from patient and resident services.



Supplementary Information
June 30, 2019 and 2018

**Platte Community Memorial
Hospital, Inc. d/b/a
Platte Health Center, Inc.**



Independent Auditor's Report on Supplementary Information

The Board of Directors
Platte Community Memorial Hospital, Inc. d/b/a Platte Health Center, Inc.
Platte, South Dakota

We have audited the financial statements of Platte Community Memorial Hospital, Inc. d/b/a Platte Health Center, Inc. (Health Center) as of and for the years ended June 30, 2019 and 2018, and our report thereon dated October 30, 2019, which expressed an unmodified opinion on those financial statements, appears on page 1. Our audits were conducted for the purpose of forming an opinion on the financial statements taken as a whole. The operational, financial, and statistical information, on page 26, is presented for the purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Eide Bailly LLP

Sioux Falls, South Dakota
October 30, 2019

Platte Health Center, Inc.
Operational, Statistical, and Financial Highlights - Unaudited
Years Ended June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Patient Days (1)		
Medicare	317	297
Non-Medicare	37	47
Total	<u>354</u>	<u>344</u>
Swing-Bed Days	680	507
Nursing Home Days	15,925	15,608
Nursery Days	-	-
Number of Discharges (1)		
Medicare	180	160
Non-Medicare	24	26
Total	<u>204</u>	<u>186</u>
Outpatient Visits	11,413	11,757
Number of Beds - Hospital	17	17
Percent of Occupancy - Hospital	17%	14%
Percent of Occupancy - Nursing Home	91%	89%
Collection Statistics		
Patient and resident receivables, net	\$ 1,418,505	\$ 1,933,110
Number of days charges outstanding (2)	47	52
Uncollectible accounts (3)	\$ 261,235	\$ 217,940
Percentage of uncollectible accounts to total charges	1.31%	1.16%

(1) Excludes nursery.

(2) Based on average daily gross patient and resident charges for the last three months of the fiscal year.

(3) Includes provision for bad debts and charity care at charges.