



Public Disclosure for Tax-Exempt Organizations

Tax-exempt organizations are required to make a copy of their application for exemption and Form(s) 990 (and 990-T, if applicable) available for public inspection and to provide copies of such forms to individuals or organizations that request copies. Alternatively, the Internet may be used to make these documents available. (See the “Using the Internet” section which follows.) These rules apply to an organization’s Form(s) 990 (and 990-T, if applicable) for the last three years and to its application for exemption.¹ If the application was filed prior to July 15, 1987, disclosure is not required unless the organization had a copy of the application on July 15, 1987. An organization **may omit names and addresses of contributors from its return(s)**. Failure to comply with disclosure requirements can result in an enforcement action by the IRS.

While disclosure rules create an additional burden, they also provide an opportunity for your organization to showcase the community benefits that it provides. The rules also heighten the need to carefully review all responses, including narrative explanations, contained on your Form(s) 990/990-T before filing.

Where Must Information Be Provided?

Generally, an organization must make its documents available for public inspection at any location where it has three or more employees. If the only services provided at the site are in furtherance of exempt purposes and the site does not serve as an office for management staff, the documents are not required to be made available there.

How Quickly Must Organizations Reply?

Requests for copies can be made in person or in writing. When requests are made in person, the copies must generally be provided on the same business day. There are provisions for delays due to unusual circumstances. However, in no event may the period of delay exceed five business days. Unusual circumstances include times when those staff that are capable of fulfilling a request are absent.

Written Requests

Requested copies generally must be mailed within 30 days from the date of the receipt of the written request. However, if the organization requires advance payment of a reasonable fee for copying and postage, it may provide the copies within 30 days from the date it receives payment rather than the date of the original request.

What Can an Organization Charge?

You are currently allowed to charge a maximum fee of \$.20 cents per page in addition to actual postage costs.

¹ Certain information within an application for exemption can be withheld from public inspection if public availability would adversely affect the organization, *e.g.*, information relating to a trade secret, patent, process, style of work or apparatus of the organization.

If any organization receives a written request for copies with no payment enclosed and the organization requires payment in advance, the organization must request payment within seven days from the date it received the request. An organization is required to accept a personal check for written requests if it does not accept payment by credit card. If an organization does not require prepayment and the requester does not enclose a prepayment with the request, the organization must receive consent from a requester before providing copies for which the fee charge for copying and postage would be in excess of \$20.

Local or Subordinate Organizations

A local or subordinate organization that is covered by a group exemption letter is given additional time for responding to some requests. If this type of organization receives a request made in person for inspection of its application for tax exemption, the local organization is required to acquire and make available the application for a group exemption letter filed by the central or parent organization within not more than two weeks. The same general rule would apply with respect to a local or subordinate organization that does not file its own Form(s) 990/990-T but is covered under a group return. Again, the local or subordinate organization must make the group return available for inspection within a reasonable period which is defined as not more than two weeks. If the group return includes separate schedules with respect to each local or subordinate organization, the local or subordinate organization may exclude or omit any schedules relating only to other organizations which are included in the group return.

If a request is made for a personal inspection to a local or subordinate organization, it has the option of mailing the return to the requester rather than allowing an inspection. However, if this is done, the local or subordinate organization may not charge for the copying of the document unless the requester consents to the charge. If a local or subordinate organization receives a request for copies, then it must comply with the rules stated previously.

Using the Internet

As an alternative to providing copies, an organization may provide access to its exemption application and Form(s) 990 (and 990-T, if applicable) through the Internet. The website must provide instructions for downloading the document(s). The information on the Internet must be in such a format that it may be accessed, downloaded, viewed or printed in the same format as the actual documents. An organization would need to make the web address available to the general public.

There is nothing that prevents others from posting your Forms 990, 990-T and exemption application on the Internet. Based on this fact and the potential strain on your organization's resources from providing copies, organizations should consider posting these documents on the Internet.

What if the Requests Are a Form of Harassment?

If an organization believes it is subject to a harassment campaign, it can file an application for a harassment determination with the Internal Revenue Service. This would allow the organization to suspend compliance with these requests. In addition, an organization may disregard requests for copies in excess of two per month or four per year made by a single individual or sent from a single address, without submitting an application for a harassment determination.

Please contact your BKD advisor if you have questions about these rules.

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

- ▶ Do not enter Social Security numbers on this form as it may be made public.
- ▶ Information about Form 990 and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2017

Open to Public Inspection

A For the **2017** calendar year, or tax year beginning **10/01, 2017**, and ending **09/30, 2018**

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization RUTLAND HOSPITAL INC			D Employer identification number 03-0183483		
	Doing Business As RUTLAND REGIONAL MEDICAL CENTER			E Telephone number (802) 775-7111		
	Number and street (or P.O. box if mail is not delivered to street address)		Room/suite			
	160 ALLEN STREET					
	City or town, state or province, country, and ZIP or foreign postal code RUTLAND, VT 05701			G Gross receipts \$ 282,745,545.		
F Name and address of principal officer: CLAUDIO D. FORT 160 ALLEN STREET RUTLAND, VT 05701			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)			
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527			J Website: ▶ WWW.RRMC.ORG			
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶			L Year of formation: 1892 M State of legal domicile: VT			

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: TO PROVIDE COMPREHENSIVE INPATIENT AND OUTPATIENT MEDICAL SERVICES AND TO IMPROVE HEALTH OF THE RESIDENTS OF RUTLAND AND SURROUNDING COUNTIES. SEE SCHEDULE O ADD'L INFORMATION.	
	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 19.
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4 14.
	5 Total number of individuals employed in calendar year 2017 (Part V, line 2a)	5 1,933.
	6 Total number of volunteers (estimate if necessary)	6 323.
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a 3,003,213.
b Net unrelated business taxable income from Form 990-T, line 34	7b 178,429.	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year: 4,023,170. Current Year: 3,833,818.
	9 Program service revenue (Part VIII, line 2g)	257,500,461. 274,404,086.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	3,189,523. 3,188,773.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	84,510. -231,943.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	264,797,664. 281,194,734.
	Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)
14 Benefits paid to or for members (Part IX, column (A), line 4)		0. 0.
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)		150,187,163. 161,654,118.
16a Professional fundraising fees (Part IX, column (A), line 11e)		0. 0.
b Total fundraising expenses (Part IX, column (D), line 25) ▶ 217,398.		
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)		106,135,857. 113,861,731.
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)		256,995,051. 276,209,693.
19 Revenue less expenses. Subtract line 18 from line 12	7,802,613. 4,985,041.	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year: 274,435,855. End of Year: 280,501,247.
	21 Total liabilities (Part X, line 26)	83,784,181. 74,446,048.
	22 Net assets or fund balances. Subtract line 21 from line 20.	190,651,674. 206,055,199.

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	
	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 P00422601
	Firm's name ▶ BKD, LLP	Firm's EIN ▶ 44-0160260		
	Firm's address ▶ 910 E ST LOUIS #200/PO BOX 1190 SPRINGFIELD, MO 65806-2523	Phone no. 417 865-8701		

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

For Paperwork Reduction Act Notice, see the separate instructions.

Form **990** (2017)

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission:

TO IMPROVE THE HLTH OF THE RUTLAND REGION AND SURROUNDING COMMUNITIES BY PROVIDING APPROPRIATE, SUPERIOR, INTEGRATED, PREVENTATIVE, DIAGNOSTIC AND THERAPEUTIC HEALTH SERVICES IN A CARING ENVIRONMENT THROUGH THE STRENGTH OF OUR PEOPLE, TECHNOLOGY & RELATIONSHIPS.

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 \$ 117,759,486. including grants of \$) (Revenue \$ 145,571,267.) ANCILLARY CARE. ANCILLARY CARE SERVICES INCLUDE OPERATING ROOM, EMERGENCY ROOM, PHYSICAL REHABILITATION, ANESTHESIOLOGY, ONCOLOGY, PULMONARY, RESPIRATORY, PHYSICAL THERAPY, CARDIAC CATH, ENDOSCOPY, AMBULATORY, DELIVERY, RADIATION, PSYCHIATRIC COUNSELING, OCCUPATIONAL THERAPY, RECOVERY, HIV CLINIC, AND SPEECH THERAPY. SEE SCHEDULE O FOR MORE INFORMATION.

4b (Code:) (Expenses \$ 46,044,409. including grants of \$) (Revenue \$ 56,918,921.) INPATIENT CARE. INPATIENT CARE SERVICES INCLUDE MEDICAL AND SURGICAL, INTENSIVE CARE, HOSPITALISTS, PSYCHIATRIC, OBSTETRICS AND GYNECOLOGY, NURSERY, AND NURSING. SEE SCHEDULE O FOR MORE INFORMATION.

4c (Code:) (Expenses \$ 27,122,083. including grants of \$) (Revenue \$ 33,527,625.) DIAGNOSTIC SERVICES. DIAGNOSTIC SERVICES INCLUDE LABORATORY, RADIOLOGY, ELECTROENCEPHALOGRAPHY, AND CT SCANNING. SEE SCHEDULE O FOR MORE INFORMATION.

4d Other program services (Describe in Schedule O.) (Expenses \$ 31,052,473. including grants of \$ 693,844.) (Revenue \$ 38,386,273.)

4e Total program service expenses 221,978,451.

Part IV Checklist of Required Schedules

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

Part IV Checklist of Required Schedules (continued)

	Yes	No
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H.</i>	X	
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	X	
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II.</i>	X	
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III.</i>		X
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J.</i>	X	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a.</i>	X	
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		X
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		X
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		X
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

Table with columns for question numbers (1a-14b), Yes/No checkboxes, and numerical responses. Includes questions about Form 1096, Form W-2G, backup withholding, Form W-3, unrelated business gross income, foreign accounts, prohibited tax shelter transactions, deductible contributions, and Form 990 filings.

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 (19), 1b (14), 2, 3, 4, 5, 6, 7a, 7b, 8a, 8b, 9.

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, 10b, 11a, 11b, 12a, 12b, 12c, 13, 14, 15a, 15b, 16a, 16b.

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed
18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection.
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:

JUDI K FOX 160 ALLEN STREET RUTLAND, VT 05701

802-775-7111

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

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1)MICHAEL J. KENOSH, M.D. DIRECTOR	40.00 1.00	X					526,612.	0.	54,458.	
(2)JOSEPH KRAUS SECRETARY/VICE CHAIR BEG 04/18	1.00 1.00	X		X			0.	0.	0.	
(3)DENISE A. CLARK DIRECTOR	1.00 1.00	X					0.	0.	0.	
(4)MIKE SOLIMANO VICE CHAIR/CHAIR BEG 04/18	1.00 1.00	X		X			0.	0.	0.	
(5)TODD GREGORY, M.D. DIRECTOR END 03/18	40.00 1.00	X					378,598.	0.	48,875.	
(6)PAUL GALLO DIRECTOR	1.00 1.00	X					0.	0.	0.	
(7)JOHN W. CASELLA CHAIR END 03/18/DIRECTOR	1.00 1.00	X		X			0.	0.	0.	
(8)MICHELE NELSON DIRECTOR	1.00 1.00	X					0.	0.	0.	
(9)MARK K. FOLEY, JR. DIRECTOR/SECRETARY BEG 04/18	1.00 1.00	X		X			0.	0.	0.	
(10)MICHAEL DICK, DMD DIRECTOR	1.00 1.00	X					0.	0.	0.	
(11)J. CORTLAND JONES DIRECTOR	1.00 1.00	X					0.	0.	0.	
(12)THOMAS J. SABOTKA DIRECTOR	1.00 1.00	X					0.	0.	0.	
(13)LARRY JENSEN DIRECTOR END 03/18	1.00 1.00	X					0.	0.	0.	
(14)JOAN F. GAMBLE DIRECTOR BEG 04/18	1.00 1.00	X					0.	0.	0.	

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(15) STEPHEN LEFFLER, M.D. ----- DIRECTOR	1.00 ----- 1.00	X					0.	0.	0.	
(16) JOHN R. BUTTERLY, M.D. ----- DIRECTOR	1.00 ----- 1.00	X					0.	0.	0.	
(17) STANLEY SHAPIRO, M.D. ----- DIRECTOR END 04/18	40.00 ----- 1.00	X					476,542.	0.	50,516.	
(18) ERIC J. MARSH, M.D. ----- DIRECTOR	40.00 ----- 1.00	X					1,102,731.	0.	48,990.	
(19) RON J. CIOFFI ----- DIRECTOR	1.00 ----- 1.00	X					0.	0.	0.	
(20) PHILIP R. LAPP, M.D. ----- DIRECTOR BEG 06/18	40.00 ----- 1.00	X					313,764.	0.	54,162.	
(21) ROBERT G. HEDDEN ----- DIRECTOR BEG 04/18	1.00 ----- 1.00	X					0.	0.	0.	
(22) MARY M. BEERWORTH, M.D. ----- DIRECTOR BEG 06/18	40.00 ----- 1.00	X					429,529.	0.	34,004.	
(23) THOMAS W. HUEBNER ----- PRESIDENT/CEO END 03/18	40.00 ----- 1.00			X			577,544.	0.	59,859.	
(24) JUDI K. FOX ----- CFO	40.00 ----- 1.00			X			245,921.	0.	52,863.	
(25) CLAUDIO D. FORT ----- PRESIDENT/CEO BEG 04/18	40.00 ----- 1.00			X			0.	0.	0.	
1b Sub-total							905,210.	0.	103,333.	
c Total from continuation sheets to Part VII, Section A							9,382,205.	0.	912,672.	
d Total (add lines 1b and 1c)							10,287,415.	0.	1,016,005.	

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 ► 145

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
ATTACHMENT 1		

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

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(26) MELBOURNE D. BOYNTON, M.D. ORTHOPEDIC SRGN/CHIEF MED OFFR	40.00 0.				X		1,124,889.	0.	50,804.	
(27) SCOTT J. GRAHAM, M.D. CHIEF MEDICAL INFO OFFICER	40.00 0.				X		350,645.	0.	48,878.	
(28) BARBARA M. ROBINSON VP CLINICAL SERVICES	40.00 0.				X		285,585.	0.	39,747.	
(29) MARY T. NEMETH VP CORPORATE SUPPORT SERVICES	40.00 0.				X		278,433.	0.	38,373.	
(30) CAROL M. EGAN VP CHIEF NURSING OFFICER	40.00 0.				X		227,586.	0.	46,998.	
(31) BRIAN KERNS VP HUMAN RESOURCES	40.00 0.				X		219,504.	0.	41,249.	
(32) JOHN WALLACE GEN COUNSEL COMPLIANCE OFFICER	40.00 0.				X		214,164.	0.	41,148.	
(33) JEFFREY MCKEE VP COMMUNITY & BEH HEALTH SVCS	40.00 0.				X		211,971.	0.	10,876.	
(34) JAMES F. GREENOUGH VP CORPORATE SUPPORT SERVICE	40.00 0.				X		185,434.	0.	38,617.	
(35) DALE JANIK, M.D. GASTRONENTEROLOGY	40.00 0.					X	529,348.	0.	50,371.	
(36) WILLIAM LIGHTHART, M.D. ORTHOPAEDICS	40.00 0.					X	965,096.	0.	49,050.	
1b Sub-total										
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)										

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization ► 145

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation

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

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

Table with 6 main columns: (A) Name and title, (B) Average hours per week, (C) Position, (D) Reportable compensation from the organization, (E) Reportable compensation from related organizations, (F) Estimated amount of other compensation. Includes rows for MICHAEL ROBERTELLO, EITAN SOBEL, and ANN STIEN.

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 145

Table with 3 columns: Question number, Yes, No. Contains questions 3, 4, and 5 regarding compensation reporting.

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.

Table with 3 columns: (A) Name and business address, (B) Description of services, (C) Compensation. Header row and empty rows below.

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

Part VIII Statement of Revenue

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

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514	
Contributions, Gifts, Grants and Other Similar Amounts	1a Federated campaigns	1a						
	b Membership dues	1b						
	c Fundraising events	1c	124,135.					
	d Related organizations	1d						
	e Government grants (contributions)	1e	2,358,386.					
	f All other contributions, gifts, grants, and similar amounts not included above	1f	1,351,297.					
	g Noncash contributions included in lines 1a-1f: \$							
	h Total. Add lines 1a-1f			3,833,818.				
Program Service Revenue	2a NET PATIENT SERVICE REVENUE	Business Code	621400	260,020,939.	260,020,939.			
	b LAB AND SCREENING SERVICES		621500	2,811,296.		2,811,296.		
	c PHARMACY		446110	9,238,589.	9,046,672.	191,917.		
	d CAFETERIA		722514	1,051,252.	1,051,252.			
	e OTHER REVENUE		900099	1,282,010.	1,282,010.			
	f All other program service revenue							
	g Total. Add lines 2a-2f			274,404,086.				
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts).			3,418,425.			3,418,425.	
	4 Income from investment of tax-exempt bond proceeds			0.				
	5 Royalties			0.				
	6a Gross rents	(i) Real		220,524.				
		(ii) Personal						
		b Less: rental expenses		416,702.				
	c Rental income or (loss)		-196,178.					
	d Net rental income or (loss)			-196,178.			-196,178.	
	7a Gross amount from sales of assets other than inventory	(i) Securities		552,543.				
		(ii) Other		285,975.				
		b Less: cost or other basis and sales expenses		522,515.	545,655.			
		c Gain or (loss)		30,028.	-259,680.			
	d Net gain or (loss)			-229,652.			-229,652.	
	8a Gross income from fundraising events (not including \$ 124,135. of contributions reported on line 1c). See Part IV, line 18	a		30,174.				
		b Less: direct expenses	b	65,939.				
c Net income or (loss) from fundraising events.				-35,765.			-35,765.	
9a Gross income from gaming activities. See Part IV, line 19	a							
	b Less: direct expenses	b						
	c Net income or (loss) from gaming activities.			0.				
10a Gross sales of inventory, less returns and allowances	a							
	b Less: cost of goods sold	b						
	c Net income or (loss) from sales of inventory.			0.				
Miscellaneous Revenue			Business Code					
11a _____								
	b _____							
	c _____							
	d All other revenue							
e Total. Add lines 11a-11d			0.					
12 Total revenue. See instructions.			281,194,734.	271,400,873.	3,003,213.	2,956,830.		

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	693,844.	693,844.		
2 Grants and other assistance to domestic individuals. See Part IV, line 22	0.			
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16	0.			
4 Benefits paid to or for members	0.			
5 Compensation of current officers, directors, trustees, and key employees	7,908,064.	5,914,955.	1,993,109.	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0.			
7 Other salaries and wages	125,853,498.	108,071,296.	17,592,377.	189,825.
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	4,401,830.	3,290,788.	1,111,042.	
9 Other employee benefits	16,277,779.	12,056,496.	4,221,283.	
10 Payroll taxes	7,212,947.	5,350,022.	1,862,925.	
11 Fees for services (non-employees):				
a Management	0.			
b Legal	481,370.		481,370.	
c Accounting	295,565.		295,565.	
d Lobbying	106,465.		106,465.	
e Professional fundraising services. See Part IV, line 17.	0.			
f Investment management fees	53,883.		53,883.	
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.)	20,540,400.	9,874,999.	10,665,401.	
12 Advertising and promotion	701,704.	567.	701,137.	
13 Office expenses	6,528,415.	4,739,632.	1,762,403.	26,380.
14 Information technology	4,202,656.	293,799.	3,908,857.	
15 Royalties	0.			
16 Occupancy	5,205,321.	4,107,758.	1,097,563.	
17 Travel	60,078.	54,213.	5,865.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0.			
19 Conferences, conventions, and meetings	1,088,413.	713,302.	373,918.	1,193.
20 Interest	1,290,424.	957,140.	333,284.	
21 Payments to affiliates	0.			
22 Depreciation, depletion, and amortization	11,919,033.	8,840,644.	3,078,389.	
23 Insurance	3,149,848.		3,149,848.	
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a MEDICAL SUPPLIES & DRUGS	33,027,491.	33,027,491.		
b MEDICAID TAX ASSESSMENT	14,701,522.	14,701,522.		
c BAD DEBTS	8,597,207.	8,597,207.		
d LICENSES, DUES, SUBSCRIPTION	1,281,851.	606,213.	675,638.	
e All other expenses	630,085.	86,563.	543,522.	
25 Total functional expenses. Add lines 1 through 24e	276,209,693.	221,978,451.	54,013,844.	217,398.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)	0.			

Part X Balance Sheet

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

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	5,075.	1	4,933.
	2 Savings and temporary cash investments	10,360,498.	2	8,586,736.
	3 Pledges and grants receivable, net	105,295.	3	81,432.
	4 Accounts receivable, net	27,274,766.	4	26,832,549.
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L	0.	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 instructions). Complete Part II of Schedule L	0.	6	0.
	7 Notes and loans receivable, net	2,710,306.	7	2,653,514.
	8 Inventories for sale or use	1,735,125.	8	1,766,816.
	9 Prepaid expenses and deferred charges	3,357,235.	9	3,693,894.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 242,602,045.		
	b Less: accumulated depreciation	10b 161,155,950.	81,137,226.	10c 81,446,095.
	11 Investments - publicly traded securities	134,856,071.	11	143,562,211.
	12 Investments - other securities. See Part IV, line 11	0.	12	0.
	13 Investments - program-related. See Part IV, line 11	0.	13	0.
	14 Intangible assets	0.	14	0.
	15 Other assets. See Part IV, line 11	12,894,258.	15	11,873,067.
16 Total assets. Add lines 1 through 15 (must equal line 34)	274,435,855.	16	280,501,247.	
Liabilities	17 Accounts payable and accrued expenses	30,593,852.	17	29,533,629.
	18 Grants payable	0.	18	0.
	19 Deferred revenue	0.	19	0.
	20 Tax-exempt bond liabilities	31,196,435.	20	31,206,083.
	21 Escrow or custodial account liability. Complete Part IV of Schedule D	0.	21	0.
	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	0.	22	0.
	23 Secured mortgages and notes payable to unrelated third parties	6,862,654.	23	5,147,730.
	24 Unsecured notes and loans payable to unrelated third parties	0.	24	0.
	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	15,131,240.	25	8,558,606.
	26 Total liabilities. Add lines 17 through 25	83,784,181.	26	74,446,048.
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> X and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	185,674,131.	27	201,028,235.
	28 Temporarily restricted net assets	4,298,901.	28	4,348,322.
	29 Permanently restricted net assets	678,642.	29	678,642.
	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	190,651,674.	33	206,055,199.
34 Total liabilities and net assets/fund balances	274,435,855.	34	280,501,247.	

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	281,194,734.
2	Total expenses (must equal Part IX, column (A), line 25)	2	276,209,693.
3	Revenue less expenses. Subtract line 2 from line 1	3	4,985,041.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	190,651,674.
5	Net unrealized gains (losses) on investments	5	5,467,366.
6	Donated services and use of facilities	6	0.
7	Investment expenses	7	0.
8	Prior period adjustments	8	0.
9	Other changes in net assets or fund balances (explain in Schedule O)	9	4,951,118.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	206,055,199.

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	X	

Form **990** (2017)

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

▶ Attach to Form 990 or Form 990-EZ.

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

OMB No. 1545-0047

2017

Open to Public Inspection

Name of the organization

RUTLAND HOSPITAL INC

Employer identification number

03-0183483

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		
(A)						
(B)						
(C)						
(D)						
(E)						
Total						

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

Schedule A (Form 990 or 990-EZ) 2017

JSA
7E1210 1.000

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

Table with 7 columns: (a) 2013, (b) 2014, (c) 2015, (d) 2016, (e) 2017, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Tax revenues levied for the organization's benefit; 3 The value of services or facilities furnished by a governmental unit; 4 Total. Add lines 1 through 3; 5 The portion of total contributions by each person; 6 Public support. Subtract line 5 from line 4.

Section B. Total Support

Table with 7 columns: (a) 2013, (b) 2014, (c) 2015, (d) 2016, (e) 2017, (f) Total. Rows include: 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; 10 Other income. Do not include gain or loss from the sale of capital assets; 11 Total support. Add lines 7 through 10; 12 Gross receipts from related activities, etc. (see instructions); 13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here.

Section C. Computation of Public Support Percentage

Table with 3 columns: Line number, Description, and Percentage. Rows include: 14 Public support percentage for 2017; 15 Public support percentage from 2016 Schedule A, Part II, line 14; 16a 33 1/3% support test - 2017; 16b 33 1/3% support test - 2016; 17a 10%-facts-and-circumstances test - 2017; 17b 10%-facts-and-circumstances test - 2016; 18 Private foundation.

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

Table with 7 columns: (a) 2013, (b) 2014, (c) 2015, (d) 2016, (e) 2017, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Gross receipts from admissions, merchandise sold or services performed; 3 Gross receipts from activities that are not an unrelated trade or business; 4 Tax revenues levied for the organization's benefit; 5 The value of services or facilities furnished by a governmental unit; 6 Total; 7a Amounts included on lines 1, 2, and 3 received from disqualified persons; 7b Amounts included on lines 2 and 3 received from other than disqualified persons; 7c Add lines 7a and 7b; 8 Public support.

Section B. Total Support

Table with 7 columns: (a) 2013, (b) 2014, (c) 2015, (d) 2016, (e) 2017, (f) Total. Rows include: 9 Amounts from line 6; 10a Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources; 10b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975; 10c Add lines 10a and 10b; 11 Net income from unrelated business activities not included in line 10b; 12 Other income. Do not include gain or loss from the sale of capital assets; 13 Total support; 14 First five years.

Section C. Computation of Public Support Percentage

Table with 3 columns: Description, 2017, 2016. Row 15: Public support percentage for 2017 (line 8, column (f) divided by line 13, column (f)). Row 16: Public support percentage from 2016 Schedule A, Part III, line 15.

Section D. Computation of Investment Income Percentage

Table with 3 columns: Description, 2017, 2016. Row 17: Investment income percentage for 2017 (line 10c, column (f) divided by line 13, column (f)). Row 18: Investment income percentage from 2016 Schedule A, Part III, line 17.

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

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

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

Part IV Supporting Organizations

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

Section A. All Supporting Organizations

	Yes	No
1 Are all of the organization's supported organizations listed by name in the organization's governing documents? <i>If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.</i>		
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? <i>If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).</i>		
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? <i>If "Yes," answer (b) and (c) below.</i>		
b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? <i>If "Yes," describe in Part VI when and how the organization made the determination.</i>		
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? <i>If "Yes," explain in Part VI what controls the organization put in place to ensure such use.</i>		
4a Was any supported organization not organized in the United States ("foreign supported organization")? <i>If "Yes," and if you checked 12a or 12b in Part I, answer (b) and (c) below.</i>		
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? <i>If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.</i>		
c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? <i>If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.</i>		
5a Did the organization add, substitute, or remove any supported organizations during the tax year? <i>If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed; (ii) the reasons for each such action; (iii) the authority under the organization's organizing document authorizing such action; and (iv) how the action was accomplished (such as by amendment to the organizing document).</i>		
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
c Substitutions only. Was the substitution the result of an event beyond the organization's control?		
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? <i>If "Yes," provide detail in Part VI.</i>		
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>		
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>		
9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? <i>If "Yes," provide detail in Part VI.</i>		
b Did one or more disqualified persons (as defined in line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? <i>If "Yes," provide detail in Part VI.</i>		
c Did a disqualified person (as defined in line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? <i>If "Yes," provide detail in Part VI.</i>		
10a Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? <i>If "Yes," answer 10b below.</i>		
b Did the organization have any excess business holdings in the tax year? <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?	11 a	
b A family member of a person described in (a) above?	11 b	
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>	11 c	

Section B. Type I Supporting Organizations

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

Section C. Type II Supporting Organizations

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

Section D. All Type III Supporting Organizations

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

Section E. Type III Functionally Integrated Supporting Organizations

1 Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions).			
a <input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below.			
b <input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below.			
c <input type="checkbox"/> The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions).			
2 Activities Test. Answer (a) and (b) below.		Yes	No
a Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? <i>If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.</i>	2a		
b Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? <i>If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.</i>	2b		
3 Parent of Supported Organizations. Answer (a) and (b) below.			
a Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? <i>Provide details in Part VI.</i>	3a		
b Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? <i>If "Yes," describe in Part VI the role played by the organization in this regard.</i>	3b		

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

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		

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 2017 from Section C, line 6	
10 Line 8 amount divided by Line 9 amount	

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2017	(iii) Distributable Amount for 2017
1 Distributable amount for 2017 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2017 (reasonable cause required-explain in Part VI). See instructions.			
3 Excess distributions carryover, if any, to 2017			
a			
b From 2013			
c From 2014			
d From 2015			
e From 2016			
f Total of lines 3a through e			
g Applied to underdistributions of prior years			
h Applied to 2017 distributable amount			
i Carryover from 2012 not applied (see instructions)			
j Remainder. Subtract lines 3g, 3h, and 3i from 3f.			
4 Distributions for 2017 from Section D, line 7: \$			
a Applied to underdistributions of prior years			
b Applied to 2017 distributable amount			
c Remainder. Subtract lines 4a and 4b from 4.			
5 Remaining underdistributions for years prior to 2017, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, explain in Part VI. See instructions.			
6 Remaining underdistributions for 2017. Subtract lines 3h and 4b from line 1. For result greater than zero, explain in Part VI. See instructions.			
7 Excess distributions carryover to 2018. Add lines 3j and 4c.			
8 Breakdown of line 7:			
a Excess from 2013			
b Excess from 2014			
c Excess from 2015			
d Excess from 2016			
e Excess from 2017			

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

Schedule of Contributors

2017

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

Name of the organization RUTLAND HOSPITAL INC	Employer identification number 03-0183483
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Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

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

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, 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 RUTLAND HOSPITAL INC	Employer identification number 03-0183483
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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	_____	\$ 287,824.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
2	_____	\$ 33,334.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
3	_____	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
4	_____	\$ 12,500.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
5	_____	\$ 7,250.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
6	_____	\$ 15,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization RUTLAND HOSPITAL INC	Employer identification number 03-0183483
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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
7	_____	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
8	_____	\$ 386,708.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
9	_____	\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
10	_____	\$ 57,630.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
11	_____	\$ 185,656.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
12	_____	\$ 17,395.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization RUTLAND HOSPITAL INC	Employer identification number 03-0183483
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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
13	_____	\$ 1,066,981.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
14	_____	\$ 51,295.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
15	_____	\$ 1,025,658.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
16	_____	\$ 50,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
17	_____	\$ 36,500.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
18	_____	\$ 27,386.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization RUTLAND HOSPITAL INC	Employer identification number 03-0183483
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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
19	_____	\$ 19,785.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
20	_____	\$ 15,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
21	_____	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
22	_____	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
23	_____	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
24	_____	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization RUTLAND HOSPITAL INC	Employer identification number 03-0183483
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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
25	_____	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
26	_____	\$ 20,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
27	_____	\$ 14,821.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
28	_____	\$ 12,500.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
29	_____	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
30	_____	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization RUTLAND HOSPITAL INC	Employer identification number 03-0183483
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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
31	_____	\$ 7,895.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
32	_____	\$ 7,500.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
33	_____	\$ 5,497.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
34	_____	\$ 5,300.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
35	_____	\$ 214,452.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
_____	_____	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization **RUTLAND HOSPITAL INC**

Employer identification number

03-0183483

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 **RUTLAND HOSPITAL INC**

Employer identification number
03-0183483

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 information once. See instructions.) ► \$ _____
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
_____ _____ _____	_____ _____ _____

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

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

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

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

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

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

SCHEDULE C
(Form 990 or 990-EZ)

Political Campaign and Lobbying Activities

OMB No. 1545-0047

2017

Open to Public Inspection

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

Department of the Treasury
Internal Revenue Service

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

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

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

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

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

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

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

Name of organization RUTLAND HOSPITAL INC	Employer identification number 03-0183483
--	--

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

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

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

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

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

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

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

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

Schedule C (Form 990 or 990-EZ) 2017

Part II-A Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).

A Check if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures).

B Check if the filing organization checked box A and "limited control" provisions apply.

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

4-Year Averaging Period Under section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below.

See the separate instructions for lines 2a through 2f.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2014	(b) 2015	(c) 2016	(d) 2017	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column (e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

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

Table with 3 main columns: (a) Yes/No, (b) Amount. Rows include: 1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation...; a Volunteers?; b Paid staff or management...; c Media advertisements?; d Mailings to members...; e Publications...; f Grants to other organizations...; g Direct contact with legislators...; h Rallies, demonstrations...; i Other activities?; j Total. Add lines 1c through 1i; 2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?; b If "Yes," enter the amount of any tax incurred under section 4912; c If "Yes," enter the amount of any tax incurred by organization managers under section 4912; d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?

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

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

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

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

Part IV Supplemental Information

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

SEE PAGE 4

Part IV Supplemental Information (continued)

SCHEDULE C, PART II-B, LINE 1

LOBBYING EXPENSES:

THE ORGANIZATION PAID LOBBYING FEES OF \$75,912 TO A PROFESSIONAL GOVERNMENT AFFAIRS AND COMMUNICATION STRATEGIES COMPANY.

THE ORGANIZATION'S CEO ENDING 03/2018, THOMAS HUEBNER, SPENDS TIME EACH YEAR WORKING DIRECTLY WITH STATE LEGISLATORS TO IMPROVE SERVICES FOR THE RUTLAND REGION. APPROXIMATELY .0028%, OR \$1,805, OF HIS SALARY IS ALLOCATED TO THIS ACTIVITY.

ALSO, DUES ARE PAID TO THE HOSPITAL ASSOCIATION AND THE VERMONT HOSPITAL ASSOCIATION. A PORTION OF DUES IS ATTRIBUTABLE TO LOBBYING:

\$ 20,880 VHA

7,868 AHA

\$ 28,748

SCHEDULE D (Form 990)

Supplemental Financial Statements

OMB No. 1545-0047

2017

Open to Public Inspection

Department of the Treasury Internal Revenue Service

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.

Name of the organization

RUTLAND HOSPITAL INC

Employer identification number

03-0183483

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 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows include: 1 Total number at end of year, 2 Aggregate value of contributions to (during year), 3 Aggregate value of grants from (during year), 4 Aggregate value at end of year, 5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?, 6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?

Part II Conservation Easements.

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

Table with 2 columns: Held at the End of the Tax Year. Rows include: 1 Purpose(s) of conservation easements held by the organization (check all that apply), 2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year., 3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year, 4 Number of states where property subject to conservation easement is located, 5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?, 6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year, 7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year, 8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?, 9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

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

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

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

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

Schedule D (Form 990) 2017

JSA 7E1268 2.000

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?

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?
b If "Yes," explain the arrangement in Part XIII and complete the following table:
Table with columns: Amount, 1c Beginning balance, 1d Additions during the year, 1e Distributions during the year, 1f Ending balance
2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability?
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.

Table with 6 columns: (a) Current year, (b) Prior year, (c) Two years back, (d) Three years back, (e) Four years back. Rows include: 1a Beginning of year balance, b Contributions, c Net investment earnings, gains, and losses, d Grants or scholarships, e Other expenditures for facilities and programs, f Administrative expenses, g End of year balance.

- 2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:
a Board designated or quasi-endowment %
b Permanent endowment 78.4700 %
c Temporarily restricted endowment 21.5300 %
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:

Table with 2 columns: Yes, No. Rows: 3a(i) unrelated organizations, 3a(ii) related organizations, 3b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R?

- 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.

Table with 5 columns: (a) Cost or other basis (investment), (b) Cost or other basis (other), (c) Accumulated depreciation, (d) Book value. Rows include: 1a Land, b Buildings, c Leasehold improvements, d Equipment, e Other, Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)

Part VII Investments - Other Securities.

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

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

Part VIII Investments - Program Related.

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

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

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) ACCRUED PENSION	595,421.
(3) EST AMTS DUE TO THIRD PARTY	7,963,185.
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	8,558,606.

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 XIII Supplemental Information (continued)

SCHEDULE D, PART V, LINE 4

ENDOWMENT FUND PURPOSE:

RRMC'S ENDOWMENTS CONSIST OF VARIOUS INDIVIDUAL DONOR-RESTRICTED AND BOARD DESIGNATED FUNDS WHICH WERE ESTABLISHED FOR GENERAL OPERATIONAL AND CERTAIN DEPARTMENTAL PURPOSES. AS REQUIRED BY ACCOUNTING PRINCIPLES GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA (GAAP), NET ASSETS ASSOCIATED WITH ENDOWMENT FUNDS ARE CLASSIFIED AND REPORTED BASED ON THE EXISTENCE OR ABSENCE OF DONOR-IMPOSED RESTRICTED.

RRMC'S GOVERNING BODY HAS INTERPRETED THAT STATE OF VERMONT PRUDENT MANAGEMENT OF INSTITUTIONAL FUNDS ACT (SPMIFA), ADOPTED IN MAY OF 2009, AS REQUIRING 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, RRMC CLASSIFIES AS PERMANENTLY RESTRICTED NET ASSETS (A) THE ORIGINAL VALUE OF GIFTS DONATED TO THE PERMANENT ENDOWMENT, (B) THE ORIGINAL VALUE OF SUBSEQUENT GIFTS TO THE PERMANENT ENDOWMENT AND (C) ACCUMULATIONS TO THE PERMANENT ENDOWMENT MADE IN ACCORDANCE WITH THE DIRECTION OF THE APPLICABLE DONOR GIFT INSTRUMENT AT THE TIME THE ACCUMULATION IS ADDED TO THE FUND. THE REMAINING PORTION OF DONOR-RESTRICTED ENDOWMENT FUNDS IS CLASSIFIED AS TEMPORARILY RESTRICTED NET ASSETS UNTIL THOSE AMOUNTS ARE APPROPRIATED FOR EXPENDITURE BY RRMC IN A MANNER CONSISTENT WITH THE STANDARD OF PRUDENCE PRESCRIBED BY SPMIFA. IN ACCORDANCE WITH SPMIFA, RRMC CONSIDERS THE FOLLOWING FACTORS IN MAKING A DETERMINATION TO APPROPRIATE OR ACCUMULATE DONOR-RESTRICTED ENDOWMENT FUNDS:

1. DURATION AND PRESERVATION OF THE FUND
2. PURPOSES OF RRMC AND THE FUND

Part XIII Supplemental Information (continued)

3. GENERAL ECONOMIC CONDITIONS
4. POSSIBLE EFFECT OF INFLATION AND DEFLATION
5. EXPECTED TOTAL RETURN FROM INVESTMENT INCOME AND APPRECIATION OR DEPRECIATION OF INVESTMENTS
6. OTHER RESOURCES OF RRMC
7. INVESTMENT POLICIES OF RRMC

SCHEDULE D, PART X, LINE 2

UNCERTAIN TAX POSITIONS:

MANAGEMENT HAS EVALUATED THEIR INCOME TAX POSITIONS UNDER THE GUIDANCE INCLUDED IN ASC 740. BASED ON THEIR REVIEW, MANAGEMENT HAS NOT IDENTIFIED ANY MATERIAL UNCERTAIN TAX POSITIONS TO BE RECORDED OR DISCLOSED IN THE FINANCIAL STATEMENTS.

SCHEDULE D, PART XI, LINE 2D

AMOUNTS INCLUDED ON LINE 1 BUT NOT ON FORM 990, PART VIII, LINE 12:

\$(8,597,207) PROVISION FOR UNCOLLECTIBLE ACCOUNTS

3,464,462 NET LOSS FROM DEF BEN PLAN & POSTRETIREMENT BEN COST

1,007,062 NET ASSETS RELEASED FROM RESTRICTIONS

1,486,656 LOSS ON INTEREST RATE SWAP AGREEMENT

\$(2,639,027)

SCHEDULE D, PART XI, LINE 4B

AMOUNTS INCLUDED ON FORM 990, PART VIII, LINE 12 BUT NOT ON LINE 1:

\$ 938,682 TEMPORARILY RESTRICTED CONTRIBUTIONS

117,801 TEMPORARILY RESTRICTED INVESTMENT RETURN

Part XIII Supplemental Information (continued)

(65,939) SPECIAL EVENTS EXPENSE
(416,702) RENTAL EXPENSE
(77,090) LOSS ON SALE OF FIXED ASSETS

\$ 496,752

SCHEDULE D, PART XII, LINE 2D

AMOUNTS INCLUDED ON LINE 1 BUT NOT ON FORM 990, PART IX, LINE 25:

\$ 65,939 SPECIAL EVENTS EXPENSES
416,702 RENTAL EXPENSE
77,090 LOSS ON SALE OF FIXED ASSETS

\$ 559,731

SCHEDULE D, PART XII, LINE 4B

AMOUNTS INCLUDED ON FROM 990, PART IX, LINE 25, BUT NOT ON LINE 1:

\$ 8,597,207 PROVISION FOR UNCOLLECTIBLE ACCOUNTS

Part II Fundraising Events. Complete if the organization answered "Yes" on Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other events	(d) Total events	
		GREEN MT GALA	GOLF TOURNAMEN	1.	(add col. (a) through col. (c))	
		(event type)	(event type)	(total number)		
Revenue	1	Gross receipts	98,875.	46,795.	8,639.	154,309.
	2	Less: Contributions	85,425.	31,801.	6,909.	124,135.
	3	Gross income (line 1 minus line 2)	13,450.	14,994.	1,730.	30,174.
Direct Expenses	4	Cash prizes		1,950.		1,950.
	5	Noncash prizes		4,200.		4,200.
	6	Rent/facility costs				
	7	Food and beverages	20,995.	16,498.	244.	37,737.
	8	Entertainment				
	9	Other direct expenses	12,155.	7,534.	2,363.	22,052.
	10	Direct expense summary. Add lines 4 through 9 in column (d) ▶				65,939.
	11	Net income summary. Subtract line 10 from line 3, column (d) ▶				-35,765.

Part III Gaming. Complete if the organization answered "Yes" on Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col. (a) through col. (c))
		1	Gross revenue		
Direct Expenses	2	Cash prizes			
	3	Noncash prizes			
	4	Rent/facility costs			
	5	Other direct expenses			
	6	Volunteer labor	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No
7	Direct expense summary. Add lines 2 through 5 in column (d) ▶				
8	Net gaming income summary. Subtract line 7 from line 1, column (d) ▶				

9 Enter the state(s) in which the organization conducts gaming activities: _____

a Is the organization licensed to conduct gaming activities in each of these states? Yes No

b If "No," explain: _____

10a Were any of the organization's gaming licenses revoked, suspended, or terminated during the tax year? Yes No

b If "Yes," explain: _____

- 11 Does the organization conduct gaming activities with nonmembers? Yes No
- 12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? Yes No
- 13 Indicate the percentage of gaming activity conducted in:

a The organization's facility	13a	%
b An outside facility	13b	%

14 Enter the name and address of the person who prepares the organization's gaming/special events books and records:

Name ▶ _____

Address ▶ _____

- 15 a Does the organization have a contract with a third party from whom the organization receives gaming revenue? Yes No
- b If "Yes," enter the amount of gaming revenue received by the organization ▶ \$ _____ and the amount of gaming revenue retained by the third party ▶ \$ _____.
- c If "Yes," enter name and address of the third party:

Name ▶ _____

Address ▶ _____

16 Gaming manager information:

Name ▶ _____

Gaming manager compensation ▶ \$ _____

Description of services provided ▶ _____

Director/officer Employee Independent contractor

- 17 Mandatory distributions:
 - a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? Yes No
 - b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ \$ _____

Part IV Supplemental Information. Provide the explanation required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also provide any additional information (see instructions).

**SCHEDULE H
(Form 990)**

Hospitals

OMB No. 1545-0047

2017

Open to Public Inspection

▶ **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.**

Department of the Treasury
Internal Revenue Service

Name of the organization

RUTLAND HOSPITAL INC

Employer identification number

03-0183483

Part I Financial Assistance and Certain Other Community Benefits at Cost

	Yes	No
1a Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	X	
1b If "Yes," was it a written policy?	X	
2 If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year. <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 free care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care: <input type="checkbox"/> 100% <input type="checkbox"/> 150% <input type="checkbox"/> 200% <input checked="" type="checkbox"/> Other <u>300.0000</u> %	X	
b Did the organization use FPG as a factor in determining eligibility for providing discounted care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care: <input type="checkbox"/> 200% <input type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% <input checked="" type="checkbox"/> Other <u>500.0000</u> %	X	
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"?	X	
5a Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	X	
5b If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	X	
5c If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?		X
6a Did the organization prepare a community benefit report during the tax year?	X	
6b If "Yes," did the organization make it available to the public?	X	

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)			2,450,859.		2,450,859.	.92
b Medicaid (from Worksheet 3, column a)			64,571,874.	33,945,047.	30,626,827.	11.44
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d Total Financial Assistance and Means-Tested Government Programs			67,022,733.	33,945,047.	33,077,686.	12.36
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)	9	25695	3,150,447.	2,156,007.	994,440.	.37
f Health professions education (from Worksheet 5)	6	439	1,288,103.		1,288,103.	.48
g Subsidized health services (from Worksheet 6)			60,004,833.	39,997,142.	20,007,691.	7.48
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)	6	47852	744,432.		744,432.	.28
j Total. Other Benefits	21	73986	65,187,815.	42,153,149.	23,034,666.	8.61
k Total. Add lines 7d and 7j.	21	73986	132,210,548.	76,098,196.	56,112,352.	20.97

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

Schedule H (Form 990) 2017

JSA 7E1284 1.000

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

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1 Physical improvements and housing						
2 Economic development						
3 Community support	1	10900	119,786.		119,786.	.04
4 Environmental improvements						
5 Leadership development and training for community members						
6 Coalition building	1	300	61,128.		61,128.	.02
7 Community health improvement advocacy	1		21,970.		21,970.	.01
8 Workforce development	1		3,804.		3,804.	
9 Other						
10 Total	4	11200	206,688.		206,688.	.07

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

	Yes	No
1 Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15?	1	X
2 Enter the amount of the organization's bad debt expense. Explain in Part VI the methodology used by the organization to estimate this amount.	2	8,597,207.
3 Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy. Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit	3	928,498.
4 Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements.		

Section B. Medicare

5 Enter total revenue received from Medicare (including DSH and IME)	5	75,989,841.
6 Enter Medicare allowable costs of care relating to payments on line 5	6	96,553,208.
7 Subtract line 6 from line 5. This is the surplus (or shortfall)	7	-20,563,367.
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: <input type="checkbox"/> Cost accounting system <input type="checkbox"/> Cost to charge ratio <input checked="" type="checkbox"/> Other		

Section C. Collection Practices

9a Did the organization have a written debt collection policy during the tax year?	9a	X
b If "Yes," did the organization's collection policy that applied to the largest number of its patients during the tax year contain provisions on the collection practices to be followed for patients who are known to qualify for financial assistance? Describe in Part VI	9b	X

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

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

Part V Facility Information

Section A. Hospital Facilities

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

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

	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (describe)	Facility reporting group
1 RUTLAND HOSPITAL 160 ALLEN STREET RUTLAND VT 05701 WWW.RRMC.ORG 884	X	X					X		MED DEV RURAL COMMUNITY HOSPITAL	
2										
3										
4										
5										
6										
7										
8										
9										
10										

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 RUTLAND HOSPITAL

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

Community Health Needs Assessment

Table with 3 columns: Question, Yes, No. Rows include questions 1 through 12b regarding CHNA requirements, implementation strategies, and excise taxes.

Part V Facility Information (continued)

Financial Assistance Policy (FAP)

Name of hospital facility or letter of facility reporting group RUTLAND HOSPITAL

		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? If "Yes," indicate the eligibility criteria explained in the FAP:	X	
a	<input checked="" type="checkbox"/> Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of <u>300.0000</u> % and FPG family income limit for eligibility for discounted care of <u>500.0000</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 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? 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):	X	
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? If "Yes," indicate how the hospital facility publicized the policy (check all that apply):	X	
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 type="checkbox"/> The FAP, FAP application form, and plain language summary of the FAP were translated into the primary language(s) spoken by 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 RUTLAND HOSPITAL

		Yes	No
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?	X	
18	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP:		
a	<input type="checkbox"/> Reporting to credit agency(ies)		
b	<input type="checkbox"/> Selling an individual's debt to another party		
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		
d	<input type="checkbox"/> Actions that require a legal or judicial process		
e	<input type="checkbox"/> Other similar actions (describe in Section C)		
f	<input checked="" type="checkbox"/> None of these actions or other similar actions were permitted		
19	Did the hospital facility or other authorized party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP? If "Yes," check all actions in which the hospital facility or a third party engaged:		X
a	<input type="checkbox"/> Reporting to credit agency(ies)		
b	<input type="checkbox"/> Selling an individual's debt to another party		
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		
d	<input type="checkbox"/> Actions that require a legal or judicial process		
e	<input type="checkbox"/> Other similar actions (describe in Section C)		
20	Indicate which efforts the hospital facility or other authorized party made before initiating any of the actions listed (whether or not checked) in line 19 (check all that apply):		
a	<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		
b	<input checked="" type="checkbox"/> Made a reasonable effort to orally notify individuals about the FAP and FAP application process		
c	<input checked="" type="checkbox"/> Processed incomplete and complete FAP applications		
d	<input type="checkbox"/> Made presumptive eligibility determinations		
e	<input type="checkbox"/> Other (describe in Section C)		
f	<input type="checkbox"/> None of these efforts were made		

Policy Relating to Emergency Medical Care

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

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 RUTLAND HOSPITAL

		Yes	No
22	Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care.		
a	<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		
b	<input 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		
c	<input checked="" 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		
d	<input type="checkbox"/> The hospital facility used a prospective Medicare or Medicaid method		
23	During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care? If "Yes," explain in Section C.		X
24	During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual? If "Yes," explain in Section C.		X

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Part V Facility Information (continued)

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

SCHEDULE H, PART V, SECTION B, LINE 5

COMMUNITY INPUT:

RUTLAND REGIONAL MEDICAL CENTER CONTINUALLY ASSESSES THE NEEDS OF THE COMMUNITY WE SERVE THROUGH INTERACTIONS WITH THE STATE OF VERMONT HEALTH DEPARTMENT AND THE DEPARTMENT OF VERMONT HEALTH ACCESS, THE PUBLIC, OTHER COMMUNITY ORGANIZATIONS, FEEDBACK FROM MEDICAL PROVIDERS AND PATIENTS, ALONG WITH NOTING TRENDS IN UTILIZATION OF SERVICES AND PRESENTATION OF ILLNESS, INJURY AND DISEASE.

ONE INPUT TO THIS ONGOING REVIEW IS THE COMMUNITY HEALTH NEEDS ASSESSMENT, WHICH IS CONDUCTED EVERY THREE (3) YEARS TO IDENTIFY AND PRIORITIZE THE HEALTH NEEDS OF THE HOSPITAL SERVICE AREAS CONSTITUENTS. THE PROCESS TAKES INTO CONSIDERATION AVAILABLE DATA REPORTS ON HEALTH INDICATORS AND RECOMMENDED HEALTH OUTCOME METRICS, AND COMBINES THIS INFORMATION WITH INPUT FROM COMMUNITY MEMBERS AND LEADERS.

WE TAKE INTO CONSIDERATION THE INFLUENCE OF ENVIRONMENT, ACCESS TO HEALTHCARE, HEALTHY LIFESTYLE CHOICES, AND SOCIOECONOMIC FACTORS AND THE EFFECT THEY HAVE INDIVIDUALLY AND COLLECTIVELY ON HEALTH STATUS OF A COMMUNITY. TO ACHIEVE THIS, WE HAVE USED A SIX-STEP APPROACH TO CONDUCTING THIS AND OTHER NEEDS ASSESSMENTS, INCLUDING:

1. DEFINING THE COMMUNITY WE SERVE (OUR HOSPITAL SERVICE AREA);
2. CONDUCTING SECONDARY RESEARCH TO COLLECT DATA FROM OTHER SOURCES TO ANALYZE EXISTING DATA THAT RELATES TO THE HEALTH STATUS OF THE

Part V Facility Information (continued)

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

POPULATION;

3. CONDUCTING SURVEYS OF COMMUNITY MEMBERS AS CONSUMERS OF HEALTH

SERVICES;

4. SOLICITING INPUT FROM COMMUNITY LEADERS;

5. REVIEW THE INFORMATION COLLECTED TO IDENTIFY THE NEEDS OF OUR

COMMUNITY;

6. PRIORITIZE AND REPORT THE IDENTIFIED NEEDS AND RECOMMENDATIONS.

TO OVERSEE THE WORK PERFORMED, WE COLLABORATE WITH COMMUNITY LEADERS WITH SPECIAL KNOWLEDGE OR EXPERTISE OF PUBLIC HEALTH, COMMUNITY HEALTH AND SOCIAL SERVICES, AND TARGET POPULATIONS, TO SERVE AS AN ADVISORY COMMITTEE THROUGHOUT THE PROCESS OF COMPLETING THE COMMUNITY HEALTH NEEDS ASSESSMENT. THIS GROUP OF INDIVIDUALS BROUGHT DIVERSITY OF PERSPECTIVE TO THE PROCESS:

- VERMONT DEPARTMENT OF HEALTH
- RUTLAND MENTAL HEALTH SERVICES, INC.
- VISITING NURSE ASSOCIATION AND HOSPICE OF THE SOUTHWEST REGION.
- RUTLAND HOUSING AUTHORITY
- COMMUNITY MEMBER, BOARD MEMBER OF COMMUNITY HEALTH CENTERS OF THE RUTLAND REGION, COMMISSIONER RUTLAND CITY POLICE
- RUTLAND BLUEPRINT MANAGER, RUTLAND REGIONAL MEDICAL CENTER
- PSYCHIATRIC SERVICES AND WEST RIDGE TREATMENT CENTER, RUTLAND REGIONAL MEDICAL CENTER
- DIVISION OF ALCOHOL AND DRUG ABUSE PROGRAMS, VERMONT DEPARTMENT OF HEALTH

Part V Facility Information (continued)

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

- UNITED WAY OF RUTLAND COUNTY
- BUILDING BRIGHT FUTURES.

THE ADVISORY COMMITTEE MET MONTHLY BEGINNING IN OCTOBER 2017 TO MONITOR THE PROGRESS OF THE WORK, PROVIDE INPUT AND SUPPORT, AND TO PROVIDE ASSISTANCE WHEN NECESSARY. IN ADDITION TO THE ADVISORY COMMITTEE IS AN OVERSIGHT COMMITTEE, MADE UP OF A DIVERSE COMBINATION OF COMMUNITY PARTNERS, THE BOWSE COMMUNITY HEALTH IMPROVEMENT COMMITTEE.

THE BOWSE COMMUNITY HEALTH IMPROVEMENT COMMITTEE IS CHARGED WITH GENERAL OVERSIGHT OF RUTLAND REGIONAL MEDICAL CENTERS COMMUNITY SERVICE, OR BENEFITS PROVIDED TO THE COMMUNITY ABOVE AND BEYOND THEIR PRIMARY ROLE AS A PROVIDER OF HOSPITAL-BASED MEDICAL SERVICES. AS SUCH, THIS GROUP PROVIDED VALUABLE FEEDBACK THROUGHOUT THE PROCESS AS STAKEHOLDERS IN THE HEALTH AND PROMOTION OF HEALTH ACROSS OUR COMMUNITY.

SCHEDULE H, PART V, SECTION B, LINE 7A

CHNA AVAILABILITY:

THE MOST RECENTLY CONDUCTED CHNA REPORT CAN BE FOUND AT THE FOLLOWING URL:

WWW.RRMC.ORG/ABOUT/COMMUNITY-HEALTH-NEEDS-ASSESSMENT

SCHEDULE H, PART V, SECTION B, LINE 7B

CHNA OTHER WEBSITE:

[HTTP://GMCBOARD.VERMONT.GOV/HOSPITAL-BUDGET/HEALTH-NEEDS](http://GMCBOARD.VERMONT.GOV/HOSPITAL-BUDGET/HEALTH-NEEDS)

Part V Facility Information (continued)

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

SCHEDULE H, PART V, SECTION B, LINE 7D

CHNA AVAILABILITY TO PUBLIC:

THE COMMUNITY BENEFITS COORDINATOR DEVELOPED AND FOLLOWED A COMMUNICATION PLAN UTILIZING ELECTRONIC COMMUNICATION, CONFERENCE CALLS, NEWSPAPER ARTICLES AND PRESENTATIONS THROUGHOUT THE COMMUNITY TO DISSEMINATE THE COMMUNITY HEALTH NEEDS ASSESSMENT. PRESENTATIONS WERE HOSTED BY AREA AGENCIES AND COALITION, WITHIN THE HOSPITAL ORGANIZATION, FOR THE REGION.

SCHEDULE H, PART V, SECTION B, LINE 10A

IMPLEMENTATION STRATEGY:

THE IMPLEMENTATION STRATEGY CAN BE FOUND AT THE FOLLOWING URL:

[HTTPS://WWW.RRMC.ORG/APP/FILES/PUBLIC/2645/CHNA-IMPLEMENTATION-STRATEGY-2019.PDF](https://www.rrmc.org/app/files/public/2645/CHNA-IMPLEMENTATION-STRATEGY-2019.pdf)

SCHEDULE H, PART V, SECTION B, LINE 11

IMPLEMENTATION STRATEGY:

THE MEETINGS TO DEVELOP THE IMPLEMENTATION STRATEGY BEGAN IN NOVEMBER 2018 AND CONCLUDED IN JANUARY OF 2019, WITH PUBLICATION IN FEBRUARY 2019. INFORMATION ON THE PROCESS OF DEVELOPING THE IMPLEMENTATION STRATEGY IS AS FOLLOWS:

ONCE THE REPORT WAS PUBLISHED, THOSE COMMUNITY MEMBERS WHO HAD PARTICIPATED IN PRIOR ACTIVITIES, AS WELL AS THOSE WHO WERE PREVIOUSLY UNABLE TO JOIN, WERE ASKED TO COME TO PRIORITIZATION MEETINGS BASED ON BOTH THEIR PERSONAL AND PROFESSIONAL INTEREST IN THE FOUR PRIORITIES.

Part V Facility Information (continued)

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

MEETING 1: BRAINSTORMING SESSION

THIS INCLUDED AN INTRODUCTION OF THE NEEDS ASSESSMENT REPORT, BRIEF SUMMARY OF THE PROCESS, AN EXPLANATION OF THE PARTICIPANTS' OVERALL MISSION, AND A BREAKDOWN OF ACTION ITEMS. THE PARTICIPANTS WERE DIVIDED INTO GROUPS BASED ON THE PRIORITY THEY HAD EACH BEEN INVITED AND ACCEPTED TO WORK ON. EACH PRIORITY GROUP IDENTIFIED ACTIVITIES AND RESOURCES ALREADY AVAILABLE IN THE COMMUNITY, WHAT WAS IN PROCESS, AND WHAT THE "WISH LIST" FOR THE COMMUNITY WOULD BE.

MEETING 2: MISSION SESSION

EACH OF THE FOUR PRIORITIES HELD ITS OWN SPECIFIC MISSION SESSION. THE PURPOSE OF THIS SET OF MEETINGS WAS TO DETERMINE THE MISSION OF THE FOCUS COMMITTEE. WHICH WERE DEVELOPED AS GUIDING STATEMENTS FOR EACH GROUP'S MEMBERS TO ALIGN THEIR CONTRIBUTIONS AROUND. THE LISTS FROM THE BRAINSTORMING SESSIONS WERE REVIEWED AND ANALYZED TO BETTER DELINEATE THE HEALTH NEEDS THAT THE STAKEHOLDERS WERE SEEKING TO ADDRESS.

MEETING 3: FOCUS SESSION

THE AGENDA FOR THIS FOCUS SESSION WAS TO TAKE ALL THE PRIOR CONVERSATIONS ALONG WITH THE IDENTIFIED RESOURCES, GAPS, AND OPPORTUNITIES AND TURN THEM INTO A COMMUNITY ROADMAP FOR THE NEXT THREE YEARS. PRIORITY POPULATIONS AND TARGET AREAS FOR ACTION WERE IDENTIFIED DURING THESE DISCUSSIONS AND EACH GROUP FOCUSED ON FOUR OR FIVE SPECIFIC AREAS THEY WOULD LIKE TO SEE ADDRESSED GOING FORWARD.

Part V Facility Information (continued)

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

IMPLEMENTATION STRATEGY RESULTS WILL BE PUBLISHED AND REPORTED FOR
FY2019.

SCHEDULE H, PART V, SECTION B, LINE 16A

FINANCIAL ASSISTANCE POLICY AVAILABILITY:

THE FINANCIAL ASSISTANCE POLICY IS AVAILABLE AT THE FOLLOWING URL:

[HTTPS://RRMC.POLICYSTAT.COM/POLICY/6105484/LATEST/](https://rrmc.policystat.com/policy/6105484/latest/)

SCHEDULE H, PART V, SECTION B, LINE 16B

FINANCIAL ASSISTANCE POLICY APPLICATION FORM AVAILABILITY:

THE FINANCIAL ASSISTANCE POLICY APPLICATION FORM IS AVAILABLE AT THE
FOLLOWING URL:

[HTTP://WWW.RRMC.ORG/APP/FILES/PUBLIC/533/PDF-FORMS-FREECAREFORM.PDF](http://www.rrmc.org/app/files/public/533/pdf-forms-freecareform.pdf)

SCHEDULE H, PART V, SECTION B, LINE 16C

FINANCIAL ASSISTANCE POLICY PLAIN LANGUAGE SUMMARY AVAILABILITY:

THE PLAIN LANGUAGE SUMMARY OF THE FINANCIAL ASSISTANCE POLICY IS
AVAILABLE AT THE FOLLOWING URL:

[HTTP://WWW.RRMC.ORG/APP/FILES/PUBLIC/1345/FAP-SUMMARY.PDF](http://www.rrmc.org/app/files/public/1345/fap-summary.pdf)

SCHEDULE H, PART V, SECTION B, LINE 16I

LEP TRANSLATION:

THERE ARE NO GROUPS WITH LIMITED ENGLISH PROFICIENCY THAT RISE TO THE
THRESHOLD REQUIRED UNDER THE IRC SECTION 501(R). HOWEVER, THE

Part V Facility Information (continued)

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

ORGANIZATION HAS A CONTRACT WITH A TRANSLATIONS SERVICE PROVIDERS.

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? 13

Name and address	Type of Facility (describe)
1 RUTLAND HEART CENTER 12 COMMONS STREET RUTLAND VT 05701	PATIENT CLINIC
2 RUTLAND REG DIABETES & ENDOCRINOLOGY CTR 8 ALBERT CREE DRIVE RUTLAND VT 05701	PATIENT CLINIC
3 RUTLAND REGIONAL GENERAL SURGERY 6 COMMONS STREET RUTLAND VT 05701	PATIENT CLINIC
4 RUTLAND REGIONAL WOMEN'S HEALTH 147 ALLEN STREET RUTLAND VT 05701	PATIENT CLINIC
5 RUTLAND REGIONAL DIGESTIVE SERVICES 1 ALBERT CREE DRIVE RUTLAND VT 05701	PATIENT CLINIC
6 RUTLAND ENT 69 ALLEN ST, SUITE 1 RUTLAND VT 05701	PATIENT CLINIC
7 RUTLAND BEHAVIORAL HEALTH CLINIC 1 COMMONS STREET RUTLAND VT 05701	PATIENT CLINIC
8 VERMONT ORTHOPAEDIC CLINIC 3 ALBERT CREE DRIVE RUTLAND VT 05701	PATIENT CLINIC
9 DORSET ENT 51A TENNIS WAY EAST DORSET VT 05253	PATIENT CLINIC
10 KILLINGTON MEDICAL CLINIC 3902 KILLINGTON ROAD KILLINGTON VT 05751	PATIENT CLINIC

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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? _____

Name and address	Type of Facility (describe)
1 WESTRIDGE TREATMENT CENTER 1 SCALE AVE, BLDG 10 RUTLAND VT 05701	PATIENT CLINIC
2 MARBLE VALLEY UROLOGY 145 ALLEN ST RUTLAND VT 05701	PATIENT CLINIC
3 MARBLE VALLEY EYE CARE 1 ALBERT CREE DRIVE RUTLAND VT 05701	PATIENT CLINIC
4	
5	
6	
7	
8	
9	
10	

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.

SCHEDULE H, PART I, LINE 3B

ELIGIBILITY FOR DISCOUNTED CARE:

THE ORGANIZATION WILL PROVIDE DISCOUNTED CARE TO LOW INCOME INDIVIDUALS WHOSE FAMILY INCOME FALLS BETWEEN 301% AND 500% OF THE FEDERAL POVERTY GUIDELINES USING A GRADUATED RANGE OF DEDUCTIBLES FROM \$250 AT THE LOWEST LEVEL TO \$3,000 AT THE HIGHEST LEVEL.

SCHEDULE H, PART I, LINE 3C

OTHER FACTORS USED TO DETERMINE ELIGIBILITY FOR FREE OR DISCOUNTED CARE:

THE ORGANIZATION USES ASSET LEVEL, MEDICAL INDIGENCY, INSURANCE STATUS AND UNDERINSURANCE STATUS IN ADDITION TO FEDERAL POVERTY GUIDELINES TO DETERMINE ELIGIBILITY FOR FREE OR DISCOUNTED CARE.

SCHEDULE H, PART I, LINE 7, COLUMN F

PERCENT OF TOTAL EXPENSES:

THE PERCENT OF TOTAL EXPENSES ON SCHEDULE H, PART I, LINE 7 COLUMN (F), WAS CALCULATED USING TOTAL EXPENSES ON FORM 990, PART IX, LINE 25, COLUMN (A) LESS BAD DEBT EXPENSE OF \$8,597,207.

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.
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SCHEDULE H, PART I, LINE 7

COSTING METHODOLOGY:

THE COST TO CHARGE RATIO CALCULATED ON IRS WORKSHEET 2 WAS USED IN THE
CALCULATION OF COST ON IRS WORKSHEETS 1 AND 3.

SCHEDULE H, PART I, LINE 7G

SUBSIDIZED SERVICES:

THE ORGANIZATION HAS INCLUDED COSTS ASSOCIATED WITH PHYSICIAN CLINICS IN
THE CALCULATION OF SUBSIDIZED SERVICES ON LINE 7G, WITH A NET SUBSIDY
FROM THESE CLINICS OF \$14,225,543. THE ORGANIZATION PROVIDES SPECIALTY
CARE SERVICES TO THE SURROUNDING COMMUNITIES AT THE CLINICS. THESE
SERVICES ARE PROVIDED IN AREAS WHERE THERE WOULD BE A SHORTAGE OF QUALITY
MEDICAL CARE WITHOUT THE SERVICES. THE ORGANIZATION CONTINUES TO PROVIDE
THESE SERVICES AS A BENEFIT TO THE COMMUNITY DESPITE KNOWING THAT
FINANCIAL SHORTFALLS WILL BE SUSTAINED.

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.
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- 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.

SCHEDULE H, PART II

COMMUNITY BUILDING ACTIVITIES:

RUTLAND REGIONAL MEDICAL CENTER IS THE ONLY MAJOR MEDICAL CENTER IN CENTRAL VERMONT, AND IS ONE OF THE LARGEST EMPLOYERS IN THE REGION. AS SUCH, WE ARE RELIED BY THE COMMUNITIES WE SERVE TO PROVIDE HEALTH RESOURCES AND LEADERSHIP. WE RECOGNIZE THAT THERE IS MORE TO HEALTH THAN ILLNESS AND DISEASE, SOCIAL DETERMINANTS SUCH AS LOW INCOME LEVELS, AND AN AGING POPULATION, ALONG WITH A SAFE ENVIRONMENT AND A WELL-ROUNDED CULTURE CONTRIBUTE TO THE HEALTH AND WELL-BEING OF OUR POPULATION. THEREFORE, OUR LEADERSHIP AND COMMITMENT TO OUR COMMUNITY THROUGH A VARIETY OF INITIATIVES AND SUPPORTS BEYOND PROVIDING ESSENTIAL HOSPITAL-BASED CARE, ENCOMPASSING SOCIAL, PERSONAL, COMMUNITY AND HEALTH-RELATED ISSUES IMPACTING THE CITIZENS OF THE RUTLAND REGION.

MANY STAFF AND LEADERS ARE INVOLVED IN LOCAL, REGIONAL AND STATEWIDE COALITIONS, COLLABORATIVES AND COMMITTEES OF OTHER ORGANIZATIONS, WHERE WE LEARN ABOUT TRENDS AND ISSUES OF INTEREST OF CONCERN TO BRING BACK TO OUR HOSPITAL AND REVIEW IN THE CONTEXT OF OUR COMMUNITY AND OUR HEALTH

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.
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SYSTEM; THESE INCLUDE THE RUTLAND FREE CLINIC, RUTLAND REGIONAL CHAMBER OF COMMERCE, TO NAME A FEW. ADVOCACY FOR COMMUNITY HEALTH IMPROVEMENT AT THE REGIONAL, STATE AND NATIONAL LEVEL ALSO IMPACTS OUR COMMUNITY.

IN ADDITION TO THESE EFFORTS, OUR COMMUNITY BUILDING ACTIVITIES IN THE PAST YEAR INCLUDE EFFORTS TO SUPPORT VIBRANCY IN THE COMMUNITY THROUGH THE ARTS, A VARIETY OF EVENTS AND ACTIVITIES BY SCHOOLS TO PROMOTE STRONG EDUCATION AND POSITIVE DECISION-MAKING, MENTORING YOUNG CHILDREN THROUGH READING TO BUILD SELF-CONFIDENCE AN ESTEEM IN ADDITION TO CORE ACADEMIC ACHIEVEMENT, ALONG WITH WORKFORCE DEVELOPMENT, ESPECIALLY AS RELATED TO THE HEATH CARE.

SCHEDULE H, PART III, SECTION A, LINE 2

BAD DEBT EXPENSE:

THE AMOUNT OF BAD DEBT LISTED ON LINE 2 AGREES TO BAD DEBT EXPENSE PER THE AUDITED FINANCIAL STATEMENTS.

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.
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- 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.

SCHEDULE H, PART III, SECTION A, LINE 3

BAD DEBT EXPENSE ATTRIBUTABLE TO CHARITY CARE:

BAD DEBT ATTRIBUTABLE TO PATIENTS ELIGIBLE UNDER THE ORGANIZATION'S CHARITY CARE POLICY WAS DETERMINED USING POVERTY LIMIT DEMOGRAPHIC INFORMATION OBTAINED THROUGH THE US CENSUS BUREAU. USING DATA FROM 2016, APPROXIMATELY 12.3 PERCENT OF RUTLAND COUNTY WAS CONSIDERED TO LIVE IN POVERTY.

SCHEDULE H, PART III, SECTION A, LINE 4

BAD DEBT EXPENSE FOOTNOTE:

ACCOUNTS RECEIVABLE ARE REDUCED BY AN ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS. IN EVALUATING THE COLLECTABILITY OF ACCOUNTS RECEIVABLE, RPMC ANALYZES ITS PAST HISTORY AND IDENTIFIES TRENDS FOR EACH OF ITS MAJOR PAYER SOURCES OF REVENUE TO ESTIMATE THE APPROPRIATE ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS AND PROVISION FOR UNCOLLECTIBLE ACCOUNTS. MANAGEMENT REGULARLY REVIEWS DATA ABOUT THESE MAJOR PAYER SOURCES OF REVENUE IN EVALUATING THE SUFFICIENCY OF THE ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS.

Part VI Supplemental Information

Provide the following information.

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

FOR RECEIVABLES ASSOCIATED WITH SERVICES PROVIDED TO PATIENTS WHO HAVE THIRD-PARTY COVERAGE, RRMC ANALYZES CONTRACTUALLY DUE AMOUNTS AND PROVIDES AN ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS AND A PROVISION FOR UNCOLLECTIBLE ACCOUNTS, IF NECESSARY (FOR EXAMPLE, FOR EXPECTED UNCOLLECTIBLE DEDUCTIBLES AND COPAYMENTS ON ACCOUNTS FOR WHICH THE THIRD-PARTY PAYER HAS NOT YET PAID, OR FOR PAYERS WHO ARE KNOWN TO BE HAVING FINANCIAL DIFFICULTIES THAT MAKE THE REALIZATION OF AMOUNTS DUE UNLIKELY).

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), RRMC RECORDS A SIGNIFICANT PROVISION FOR UNCOLLECTIBLE ACCOUNTS 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. FOR THOSE WHO DO NOT QUALIFY FOR CHARITY CARE THE DIFFERENCES BETWEEN THE STANDARD RATES (OR

Part VI Supplemental Information

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THE DISCOUNTED RATES IF NEGOTIATED OR PROVIDED BY POLICY) AND THE AMOUNTS
ACTUALLY COLLECTED AFTER ALL REASONABLE COLLECTION EFFORTS HAVE BEEN
EXHAUSTED IS CHARGED OFF AGAINST THE ALLOWANCE FOR UNCOLLECTIBLE
ACCOUNTS.

SCHEDULE H, PART III, SECTION B, LINE 8

COMMUNITY BENEFIT:

SERVING PATIENTS WITH GOVERNMENT HEALTH BENEFITS, SUCH AS MEDICARE, IS A
COMPONENT OF THE COMMUNITY BENEFIT STANDARD THAT TAX-EXEMPT HOSPITALS ARE
HELD TO. THIS IMPLIES THAT SERVING MEDICARE PATIENTS IS A COMMUNITY
BENEFIT AND THAT THE HOSPITAL OPERATES TO PROMOTE THE HEALTH OF THE
COMMUNITY.

THE ORGANIZATION USES INFORMATION FROM THE MEDICARE COST REPORT TO
COMPUTE THE MEDICARE ALLOWABLE COSTS OF CARE ON LINE 6.

Part VI Supplemental Information

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SCHEDULE H, PART III, SECTION C, LINE 9B

COLLECTION POLICY:

HOSPITAL CARE WILL NOT BE DENIED TO ANY PERSON SOLELY ON THE BASIS OF THEIR ABILITY TO PAY. HOWEVER, ANY INDIGENT PATIENTS WILL BE REFERRED FOR FINANCIAL ASSISTANCE. RRMC DOES NOT ENGAGE IN EXTRAORDINARY COLLECTION ACTIONS BEFORE MAKING REASONABLE COLLECTION EFFORTS TO DETERMINE WHETHER THE INDIVIDUAL IS ELIGIBLE FOR ASSISTANCE UNDER THAT HOSPITAL'S FINANCIAL ASSISTANCE POLICY. ACCOUNTS ARE CONSIDERED BAD DEBT, AND ARE TRANSFERRED TO AN OUTSIDE AGENCY FOR COLLECTION, WHEN GUARANTOR HAS BEEN OFFERED (AND HAS DENIED OR FAILS TO RETURN APPLICATION FOR) ASSISTANCE UNDER THE RRMC FINANCIAL ASSISTANCE POLICY.

THE PAYMENT PLAN POLICY REQUIRES PAYMENTS OF A MINIMUM OF \$25.00 PER MONTH, AND THAT ALL BALANCES BE PAID WITHIN 10 MONTHS. THE FREE CARE POLICY SPECIFICALLY STATES THAT ALL UNINSURED AND UNDERINSURED PATIENTS BE GIVEN INFORMATION ON THE FREE CARE PROGRAM, AND THAT STAFF PERFORM DUE DILIGENCE TO GIVE THEM INFORMATION AND HAVE THE APPLICATION RETURNED, AND THAT THE HOSPITAL SEND 3 STATEMENTS AND A FINAL NOTICE BEFORE SENDING AN

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ACCOUNT TO BAD DEBT. IT ALSO STATES THAT RRMCC WILL REFRAIN FROM
EXTRAORDINARY COLLECTION ACTIONS TO OBTAIN PAYMENT FOR A DEBT.

SCHEDULE H, PART VI, LINE 2

NEEDS ASSESSMENT:

RUTLAND REGIONAL MEDICAL CENTER CONTINUALLY ASSESSES THE NEEDS OF THE
COMMUNITY WE SERVE THROUGH INTERACTIONS WITH THE STATE OF VERMONT HEALTH
DEPARTMENT AND THE DEPARTMENT OF VERMONT HEALTH ACCESS, THE PUBLIC, OTHER
COMMUNITY ORGANIZATIONS, FEEDBACK FROM MEDICAL PROVIDERS AND PATIENTS,
ALONG WITH NOTING TRENDS IN UTILIZATION OF SERVICES AND PRESENTATION OF
ILLNESS, INJURY AND DISEASE.

SCHEDULE H, PART VI, LINE 3

PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE:

RRMCC HAS "DO YOU NEED HELP WITH YOUR MEDICAL BILLS"? SIGNAGE POSTED AT
EVERY ACCESS POINT THROUGHOUT THE HOSPITAL AND ITS OFF-SITE CLINICS
(RUTLAND GENERAL SURGERY, WOMEN'S HEALTH ETC.) THE SIGNAGE PROVIDES
CONTACT INFORMATION FOR THE PATIENTS TO CALL THE FINANCIAL COUNSELORS FOR

Part VI Supplemental Information

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HELP AS NEEDED. REGISTRATION OFFERS FINANCIAL ASSISTANCE PROGRAM APPLICATIONS TO ALL MEDICARE INSURED PATIENTS WITH NO OTHER INSURANCE, ALL SELF-PAY PATIENTS, AND ANY OTHER PERSON REQUESTING THE INFORMATION OR ANYONE WHO SPEAKS TO BEING IN FINANCIAL NEED. ALL SELF-PAY PATIENTS ARE VISITED BY A FINANCIAL COUNSELOR WHILE THEY ARE AN IN-PATIENT AND THEY WILL ASSIST THEM IN APPLYING FOR OUR FINANCIAL ASSISTANCE, AS WELL AS, APPLYING FOR STATE AND FEDERAL PROGRAMS. ALL STATEMENTS HAVE THE RRMC WEBSITE ADDRESS TO VIEW OUR FINANCIAL ASSISTANCE PROGRAM AND THE BILLING AND COLLECTIONS POLICY AND PROCEDURE. THE WEBSITE ALSO HAS CONTACT PHONE NUMBERS FOR THE PATIENT TO CALL WITH QUESTIONS OR CONCERNS ABOUT THEIR BILL. THE RRMC WEB SITE NOT ONLY DESCRIBES THE FINANCIAL ASSISTANCE PROGRAM BUT, ALSO SHOW THE INCOME GUIDELINES (BASED ON THE FEDERAL POVERTY) FOR FINANCIAL ASSISTANCE, AN ON-LINE APPLICATION, AS WELL AS, INFORMATION ON MEDICAID PROGRAMS AVAILABLE WITH SHORT DESCRIPTIONS. LASTLY, ALL PATIENTS WHO ARE SENT A STATEMENT SHOWING THEIR OUT OF POCKET EXPENSES ARE CALLED TO DEVELOP A PAYMENT PLAN. AT THIS TIME FINANCIAL ASSISTANCE APPLICATION ARE OFFERED AND MAILED AS REQUESTED.

Part VI Supplemental Information

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SCHEDULE H, PART VI, LINE 4

COMMUNITY INFORMATION:

A. GEOGRAPHIC DESCRIPTION:

RUTLAND COUNTY, COMPOSED OF 933 SQUARE MILES, IS LOCATED IN CENTRAL VERMONT. THE POPULATION MOSTLY RESIDES IN THE 27 SMALL TOWNS AND OUTLYING RURAL AREAS. RUTLAND CITY IS THE LARGEST POPULATION CENTER (ESTIMATED AT 16,495 IN 2010). RUTLAND REGIONAL MEDICAL CENTER (RRMC) IS DEPENDED UPON BY MORE THAN 60,000 RESIDENTS OF THE HOSPITAL SERVICE AREA (HSA), WHICH INCLUDES RUTLAND COUNTY AND SOME PORTIONS OF SOUTHERN AND NORTH CENTRAL VERMONT AND EVEN WASHINGTON COUNTY, NEW YORK.

B. TARGET POPULATIONS

THE POPULATION OF RUTLAND COUNTY CONTINUES TO BE OLDER. THE MEDIAN AGE FOR MALES AND FEMALES IN RUTLAND COUNTY IS HIGHER THAN THE STATE. RUTLAND COUNTY'S MEDIAN AGE WAS 45.5 YEARS OLD, COMPARED TO VERMONT'S AVERAGE AGE OF 43.1.

Part VI Supplemental Information

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ADDITIONALLY, THE SENIOR POPULATION CONTINUES TO GROW - 25.3% OF RUTLAND COUNTY RESIDENTS ARE 60 YEARS AND OLDER, SLIGHTLY MORE THAN THE STATEWIDE AVERAGE (22.7%); RUTLAND COUNTY'S POPULATION ALSO OVER 65 YEARS OR OLDER IS ALSO HIGHER (20.9%) COMPARED TO THE STATE (18.1%).

RUTLAND COUNTY MEDIAN HOUSEHOLD INCOME (\$49,372) CONTINUES TO LAG BEHIND THE STATE (\$56,990) AND THE NATION AVERAGE OF MEDIAN INCOMES IS \$59,039. FOR 2011 TO 2015, THE PROPORTION OF ALL INDIVIDUALS IN RUTLAND COUNTY LIVING BELOW POVERTY IS 12.5%, CONTINUING TO BE ABOVE STATE AVERAGE OF 11.9% IN 2016.

WHILE RUTLAND COUNTY HAS A COMPARABLE PERCENTAGE OF HIGH SCHOOL GRADUATES (OR EQUIVALENCE) AT 88%, COMPARED TO THE STATE AT 88%, WE LAG BEHIND IN HIGHER EDUCATION (SOME COLLEGE WITH NO DEGREE, ASSOCIATE'S, AND BACHELOR'S) AT 63% COMPARED TO THE STATE AT 67%.

SPECIFIC TARGET POPULATIONS IDENTIFIED THROUGH THE COMMUNITY HEALTH NEEDS ASSESSMENT INCLUDE:

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.
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I. SENIOR POPULATIONS

II. INDIVIDUALS LIVING IN POVERTY

III. ADULTS AND YOUTH WITH SUBSTANCE ABUSE ISSUES

IV. YOUTH AND ADULTS WHO ARE OVERWEIGHT OR OBESE

SCHEDULE H, PART VI, LINE 5

PROMOTION OF COMMUNITY HEALTH:

RUTLAND REGIONAL MEDICAL CENTER (RRMC) ENGAGES IN A NUMBER OF COMMUNITY SUPPORTIVE ACTIVITIES IN ORDER TO PROMOTE THE HEALTH OF THE COMMUNITY THE ORGANIZATION SERVES. RUTLAND COUNTY CONTINUES TO NEED PRIMARY CARE PROVIDERS AND HAS SHORTAGES OR IS AT RISK FOR SHORTAGES IN MANY SPECIALTY SERVICES. RRMC ACTIVELY RECRUITS BOTH PRIMARY CARE AND SPECIALTY PRACTICE PROVIDERS FOR THE REGION. IN FY18, FOURTEEN PROVIDERS WERE RECRUITED TO THE REGION, INCLUDING PSYCHIATRY, GENERAL SURGERY, HOSPITAL MEDICINE, ENT, ORTHOPEDIC, EYE CARE AND EMERGENCY MEDICINE. RRMC ALSO SUPPORTS A HOSPITALIST PROGRAM WHERE HOSPITAL PHYSICIANS PROVIDE CARE FOR PRIMARY CARE PROVIDER'S PATIENTS THAT ARE ADMITTED TO THE HOSPITAL. THIS ALLOWS THE PRIMARY CARE PROVIDER TO PROVIDE MORE HOURS OF OFFICE CARE WHILE

Part VI Supplemental Information

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THEIR HOSPITALIZED PATIENTS HAVE 24 HOUR ACCESS TO A DOCTOR. THIS SYSTEM PROVIDES EFFICIENCIES TO THE HEALTH CARE SYSTEM IN RUTLAND COUNTY.

RUTLAND COUNTY'S MEDICAID POPULATION CONTINUES TO INCREASE. THIS PUTS FINANCIAL STRAIN ON THE HEALTH SYSTEM IN OUR REGION, AS THE CARE PROVIDED FOR THIS GROWING POPULATION IS NOT REIMBURSED FOR THE FULL COST OF CARE. LEADERS AT RRMC ADVOCATE AT THE STATE AND LOCAL LEVEL TO MAINTAIN THE MEDICAID REIMBURSEMENT RATES FOR BOTH IN-PATIENT AND OUT-PATIENT CARE IN ORDER TO MAINTAIN ACCESS FOR MEDICAID PATIENTS. RRMC ALSO PROVIDES SUPPORT FOR FEDERALLY QUALIFIED HEALTH CENTERS (FQHCS) IN THE REGION BY HAVING A LEADER REPRESENTATIVE ON THE BOARD OF THE ORGANIZATION. THE FQHCS ARE REIMBURSED AT A HIGHER LEVEL FOR CARING FOR MEDICAID PATIENTS. RRMC LEADERS AND STAFF ALSO PARTICIPATE AS BOARD AND COMMITTEE MEMBERS IN SUPPORT OF OTHER NON-PROFIT ORGANIZATIONS, SUCH AS UNITED WAY OF RUTLAND COUNTY, VISITING NURSE ASSOCIATION AND HOSPICE OF THE SOUTHWEST REGION, RUTLAND COUNTY NUTRITION COALITION, RUTLAND'S PROJECT VISION, PLUS MANY OTHERS. RRMC PARTNERS WITH UNITED WAY OF RUTLAND COUNTY TO OFFER AND PROVIDE A LEADERSHIP AND BOARD TRAINING PROGRAM EACH YEAR, GRADUATING ON

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AVERAGE TWELVE COMMUNITY MEMBERS READY TO SERVE AS ACTIVE CONTRIBUTORS TO
NON-PROFIT ORGANIZATIONS THROUGHOUT OUR REGION.

RUTLAND COUNTY IS ECONOMICALLY CHALLENGED AND RRMC SUPPORTS WORK TO HELP
THOSE IN POVERTY AS WELL AS TO BRING NEW BUSINESSES TO THE AREA. RRMC
PARTICIPATES IN BRIDGES OUT OF POVERTY, A PROGRAM WHICH AIMS TO KEEP THE
WORKING POOR EMPLOYED. THIS PROGRAM NOT ONLY BENEFITS THOSE LIVING IN
POVERTY IN RUTLAND COUNTY, BUT RRMC'S OWN WORKFORCE. IN CONJUNCTION WITH
FOR-PROFIT, NON-PROFIT AND GOVERNMENT AGENCIES, THE BRIDGES OUT OF
POVERTY COUNCIL DELIVERS THE WORKING BRIDGES TRAINING TO HR PROFESSIONALS
AND LINE MANAGERS ON THE WORKPLACE IMPLICATIONS OF ECONOMIC DIVERSITY;
IMPLEMENTED AN EMERGENCY LOAN AND SAVINGS PROGRAM FOR EMPLOYEES; HOUSED
WORKSITE RESOURCE COORDINATORS IN COMPANIES TO HELP EMPLOYEES FIND HELP
WITH HOUSING, CHILDCARE, TRANSPORTATION, ECONOMIC ASSISTANCE AND OTHER
RESOURCES WITHOUT HAVING TO LEAVE WORK; AND BEGAN DISCUSSION OF HOW TO
ENCOURAGE THE EMPLOYEES TO USE HEALTH AND WELLNESS STRATEGIES.

TRAUMA SUPPORT - ESTABLISHED IN 1993, THE TRAUMA SUPPORT PROGRAM AT RRMC

Part VI Supplemental Information

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WAS THE FIRST OF ITS KIND IN VERMONT. IT WAS DEVELOPED TO MEET THE IMMEDIATE AND LONG-TERM NEEDS OF FAMILIES IMPACTED BY SUDDEN DEATH OR TRAUMATIC INJURY OR ILLNESS. RRMC STAFF, ON THEIR OWN TIME, AND OTHER COMMUNITY VOLUNTEERS TAKE TURNS BEING ON CALL 24 HOURS A DAY, 7 DAYS A WEEK TO PERSONALLY PROVIDE SUPPORT AND ASSISTANCE TO FAMILIES IMPACTED BY TRAUMA OR DEATH IN MANY WAYS, E.G., BY BEING A LIAISON WITH MEDICAL PERSONNEL TO GET INFORMATION OR OFFERING CONTINUED SUPPORT VIA PHONE AND CORRESPONDENCE.

BONE MARROW PROGRAM - THE MARROW DONOR PROGRAM AT RRMC WAS ESTABLISHED IN 1998. SINCE THEN, WE HAVE SUCCESSFULLY ADDED OVER 7,500 POTENTIAL DONORS TO THE NATIONAL REGISTER.

BRIDGES & BEYOND - THIS PROGRAM IS RUN OUT OF THE SOCIAL WORK DEPARTMENT AND WORKS WITH PATIENTS AND FAMILIES TO ARRANGE TRANSPORTATION, GENERAL ASSISTANCE (SUCH AS MEAL PREPARATION), OR COMPANIONSHIP FOR THOSE DISABLED AND FRAIL PATIENTS RETURNING HOME FROM A HOSPITAL STAY.

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DIABETES EDUCATION AND SELF-MANAGEMENT - THIS PROGRAM IS OPERATED FROM THE DIABETES CENTER AND IS RECOGNIZED AND CERTIFIED BY THE AMERICAN DIABETES ASSOCIATION. THROUGH THIS WORK, PEOPLE WITH DIABETES LEARN HEALTH AND LIFESTYLE SKILLS TO HELP THEM MANAGE THEIR DISEASE SYMPTOMS. OTHER BENEFITS INCLUDE PATIENT AND FAMILY SUPPORT GROUPS, AND GLUCOSE METER AND INSULIN INSTRUCTION.

ADVANCE DIRECTIVES PROGRAM - BEGINNING IN 2013, A NEW PROGRAM WAS DESIGNED AND IMPLEMENTED THROUGH THE COMMUNITY HEALTH IMPROVEMENT OFFICE, WHERE TRAINED VOLUNTEERS FROM THE COMMUNITY PROVIDE SUPPORT TO COMMUNITY MEMBERS TO COMPLETE ADVANCE DIRECTIVE FORMS ON A BY-APPOINTMENT BASIS.

COMMUNITY RESOURCE GUIDE - BEGINNING IN 2012, THE COMMUNITY HEALTH IMPROVEMENT STAFF COLLECTED AND VERIFIED INFORMATION FROM ACROSS THE REGION FOR INCLUSION IN A RESOURCE GUIDE FOR USE BY HEALTH CARE PROVIDERS AND SOCIAL AND HUMAN SERVICES PERSONNEL TO HELP THEM READILY IDENTIFY POTENTIAL RESOURCES FOR THEIR CLIENTS. THIS GUIDE WAS DEVELOPED IN RESPONSE TO AN IDENTIFIED NEED FOR INFORMATION, AND IS UPDATED AND

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DISTRIBUTED ANNUALLY TO PROVIDER AND SOCIAL AND HUMAN SERVICES OFFICES
ACROSS THE REGION, PHYSICALLY AND ELECTRONICALLY FOR EASE OF USE.

COMMUNITY HEALTH TEAM - THE COMMUNITY HEALTH TEAM PROVIDES PATIENT CARE
COORDINATION, CASE MANAGEMENT AND PANEL MANAGEMENT FOR NCQA-ACCREDITED
PATIENT CENTERED MEDICAL HOME PRACTICES IN OUR REGION. THERE ARE 9
PRACTICES ACCOUNTING FOR 28,000 PATIENTS IN THE RUTLAND REGION. THE
COMMUNITY HEALTH TEAM ALSO PROVIDES SELF-MANAGEMENT PROGRAMMING TO THE
COMMUNITY AT LARGE, INCLUDING: TOBACCO CESSATION, HEALTHIER LIVING
WORKSHOPS, DIABETES PREVENTION PROGRAM, WELLNESS RECOVERY ACTION
PLANNING, IN-HOME ASTHMA INTERVENTION PROGRAM, HEALTHY NUTRITION
WORKSHOPS, AND SUPPORTS THE DIABETES PHYSICAL ACTIVITY PROGRAM. WORKING
WITH THE STATE OF VERMONT AND OTHER PARTNERS IN OUR REGION, WE SUPPORT
AND PROMOTE QUALITY IMPROVEMENT COLLABORATIVES FOCUSED ON LEARNING,
ENHANCING SERVICES, AND BRIDGING SERVICE GAPS.

OTHER INFORMATION:

RRMC HAS 19 BOARD MEMBERS WHO REPRESENT THE RESIDENTS OF RUTLAND COUNTY

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IN THEIR SERVICE; 6 OF THESE ARE PHYSICIANS, 2 REPRESENT HEALTH CARE PARTNERS, AND 11 ARE RUTLAND COUNTY RESIDENTS WHO REPRESENT A VARIETY OF BUSINESS SECTORS. ALL BOARD MEMBERS COMPLETE A CONFLICT OF INTEREST DISCLOSURE PROCESS WHICH IS NECESSARY TO COMPLY WITH FEDERAL AND STATE LAWS, INCLUDING THE FEDERAL ANTI-KICKBACK STATUTE AND THE TAX CODE.

RRMC HAS PREDOMINANTLY AN OPEN MEDICAL STAFF. THE ONLY EXCEPTIONS ARE THE FOLLOWING SPECIALTIES FOR WHICH THERE ARE EITHER BOARD-APPROVED EXCLUSIVE CONTRACTS OR HOSPITAL-EMPLOYED PHYSICIANS ONLY: ANESTHESIA, EMERGENCY MEDICINE, CRITICAL CARE, MEDICAL ONCOLOGY, RADIATION ONCOLOGY, ORTHOPEDICS, AND RADIOLOGY. ALL NEW APPLICANTS UNDERGO AN EXTENSIVE REVIEW PROCESS, INCLUDING PRIMARY SOURCE VERIFICATION OF THEIR EDUCATION, TRAINING, BOARD CERTIFICATION, MALPRACTICE HISTORY, AND PREVIOUS HOSPITAL AFFILIATIONS. WHEN DEEMED COMPLETE, THEIR APPLICATION IS REVIEWED BY THE CREDENTIALS COMMITTEE, WHICH IS MADE UP OF PHYSICIANS AND AT LEAST ONE BOARD MEMBER. THE CREDENTIAL COMMITTEE MAKES A RECOMMENDATION TO THE EXECUTIVE COMMITTEE, WHICH INCLUDES THE CHAIRMAN OF THE BOARD. THE MEDICAL EXECUTIVE COMMITTEE MAKES THE FINAL RECOMMENDATION TO THE FULL

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BOARD, WHICH HAS THE ULTIMATE AUTHORITY TO GRANT MEDICAL STAFF PRIVILEGES. ALL MEDICAL STAFF APPOINTMENTS ARE FOR A TWO YEAR PERIOD. ALL MEDICAL STAFF IS SUBJECT TO ONGOING PEER REVIEW OF THEIR CLINICAL WORK. EVERY TWO YEARS, EVERY MEMBER OF THE MEDICAL STAFF MUST UNDERGO A REAPPOINTMENT PROCESS WHICH IS DESIGNED TO REVIEW THEIR CLINICAL AND PROFESSIONAL ACTIVITY AND BEHAVIOR. THOSE REAPPOINTMENTS GO THROUGH THE SAME SEQUENCE AS THE NEW APPLICANTS. RRMCS CREDENTIALING PROCESS HAS BEEN SURVEYED BY BOTH THE JOINT COMMISSION AND THE CENTERS FOR MEDICARE AND MEDICAID SERVICES AND FOUND TO BE IN FULL COMPLIANCE WITH THEIR STANDARDS (TJC) AND THEIR CONDITIONS OF PARTICIPATION (CMS).

AS A RURAL COMMUNITY HEALTH SYSTEM, RRMCS PROVIDES A BROAD ARRAY OF SERVICES. THE FOLEY CANCER AT RRMCS PROVIDES TREATMENT TECHNOLOGIES THAT INCLUDE HIGH TECH DIAGNOSTIC IMAGING, MEDICAL ONCOLOGY WITH TRADITIONAL IV THERAPIES (SUCH AS CHEMOTHERAPY), AND RADIATION ONCOLOGY FEATURING A STATE-OF-THE-ART LINEAR ACCELERATOR. SUPPORTIVE CARE PROGRAMS INCLUDE PALLIATIVE CARE, PAIN MANAGEMENT, ACUPUNCTURE AND A WOMEN'S BREAST CARE PROGRAM, AND A VARIETY OF SUPPORT GROUPS FOR PATIENTS, FAMILY AND/OR

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CAREGIVERS. THE HOSPITAL PROVIDES 24-HOUR EMERGENCY CRISIS CARE, AS WELL AS PSYCHIATRIC INTENSIVE CARE, MEDICAL DETOXIFICATION AND DUAL DIAGNOSIS AND TREATMENT OF SIMULTANEOUS SUBSTANCE ABUSE AND BEHAVIORAL HEALTH DISORDERS. THE 24-HOUR EMERGENCY DEPARTMENT PROVIDES CARE REGARDLESS OF A PATIENT'S ABILITY TO PAY. THE FAST TRACK TREATMENT AREA ALLEVIATES WAIT TIMES FOR PATIENTS WITH LESS ACUTE ILLNESSES OR INJURIES. RRMC PROVIDES CARE FOR BOTH MEDICARE AND MEDICAID PATIENTS; THESE POPULATIONS MAKE UP 65% OF THE PAYER MIX FOR RRMC. BY WORKING COLLABORATIVELY WITH THE LOCAL FQHCS, COMMUNITY HEALTH CENTERS OF THE RUTLAND REGION, CAPACITY IS INCREASED IN THE SERVICE AREA.

THE RRMC VOLUNTEER PROGRAM IS PROVIDED BY 350 INDIVIDUALS WHO DONATED 52,181 HOURS OF SERVICE IN FY18. THE VOLUNTEERS ASSIST WITH THE NON-CLINICAL NEEDS OF PATIENTS IN THE HOSPITAL, AMONG OTHER ACTIVITIES.

SINCE 1896, RRMC HAS PROVIDED HEALTH CARE TO ALL WHO SEEK ITS SERVICES, REGARDLESS OF THEIR FINANCIAL SITUATION. OVER THE YEARS, RRMC HAS BECOME

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AN IMPORTANT CENTER FOR PROMOTING HEALTH CARE AND WELLNESS FOR THE COMMUNITY - ACTIVITIES THAT SHOULD HELP CURB LONGER-TERM HEALTH CARE COSTS. WHILE A MAJORITY OF HOSPITAL COSTS ARE RECOVERED BY USERS OF THESE SERVICES, PATIENT CHARGES AND THIRD PARTY INSURANCE, THE RUTLAND HEALTH FOUNDATION ACTIVELY SEEKS ADDITIONAL CHARITABLE RESOURCES TO MEET NEED NOT COVERED BY THESE PAYMENTS. HOWEVER, AS INSURANCE AND OTHER REIMBURSEMENTS CONTINUE TO DECREASE, RRMH HAS LESS MONEY FOR CAPITAL EXPENDITURES DIRECTED TOWARD NEW AND REPLACEMENT EQUIPMENT THAT IS INTEGRAL TO KEEP THE HOSPITAL TECHNOLOGICALLY CAPABLE OF SERVING OUR PATIENTS' NEEDS. GRANT FUNDING IS PROVIDED TO COMMUNITY GROUPS SERVING THE RUTLAND REGION, UNDER THE DIRECTION OF THE BOWSE COMMUNITY HEALTH IMPROVEMENT COMMITTEE. THE INTENTION OF THE COMMITTEE IS TO ACT AS A CATALYST FOR INITIATIVES THAT ARE INNOVATIVE, COLLABORATIVE AND SUSTAINABLE, AND FUNDING IS PROVIDED TO PROJECT AIMED AT IMPROVING THE HEALTH STATUS OF THE HOSPITAL SERVICE AREA. IN FY 2018, FUNDING WAS PROVIDED TO THE FOLLOWING:

MILL RIVER ENGAGE!

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HOSTED BY MILL RIVER UNIFIED UNION DISTRICT

THE GOAL OF MILL RIVER UNION IS TO PROVIDE ROBUST OUT-OF-SCHOOL HOURS OPPORTUNITIES TO ENHANCE THE ACADEMIC, SOCIAL, EMOTIONAL, AND MENTAL HEALTH NEEDS OF STUDENTS IN GRADES 5-8. THE PROGRAM HOPES TO RE-ENGAGE YOUTH WITH CREATIVE ENDEAVORS, PHYSICAL ACTIVITY, AND STEM APPLICATIONS, IN ORDER TO POSITIVELY IMPACT THE BEHAVIORS AND EMOTIONAL CONCERNS FACED BY MIDDLE SCHOOLERS.

PARTNERS INCLUDE WONDERFEET KIDS MUSEUM, COLLEGE OF ST. JOSEPH, THE MINT MAKERS SPACE, VERMONT STATE PARKS, AND VERMONT FISH AND WILDLIFE.

YEAR ONE GOALS:

- HIRE PROGRAM DIRECTOR
- DESIGN SCHEDULE OF ACTIVITIES
- IMPLEMENT PROGRAM IN GRADES 7-8

RUTLAND SUICIDE SAFE CARE

HOSTED BY CENTER FOR HEALTH AND LEARNING

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THE GOAL OF THE CENTER FOR HEALTH AND LEARNING IS TO REDUCE BARRIERS TO MENTAL HEALTH SERVICES AND TO DECREASE THE DEATHS BY SUICIDE IN RUTLAND COUNTY. BY TRAINING A MULTITUDE OF HEALTH CARE, MENTAL HEALTH CARE, AND SOCIAL SERVICE PROVIDERS IN THE PRINCIPLES OF ZERO SUICIDE, THE RUTLAND REGION WILL BE READY TO RESPOND AND PROVIDE SUICIDE SAFE CARE TO ALL COMMUNITY MEMBERS.

PARTNERS INCLUDE COMMUNITY HEALTH CENTERS OF THE RUTLAND REGION, RUTLAND MENTAL HEALTH, AND RUTLAND REGIONAL MEDICAL CENTER.

YEAR ONE GOALS:

- ESTABLISH PROJECT COORDINATION TEAM
- CONDUCT ZERO SUICIDE WORKFORCE DEVELOPMENT SURVEY
- TRAIN 500 COMMUNITY MEMBERS IN ZERO SUICIDE

FARM-BASED EXPERIENTIAL LEARNING

HOSTED BY VERMONT FARMERS FOOD CENTER

THE GOAL OF THE VERMONT FARMERS FOOD CENTER IS TO PROVIDE GROUND-TO-TABLE

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EXPERIENTIAL LEARNING SURROUNDING LOCAL PRODUCE FOR K-12 STUDENTS IN RUTLAND COUNTY. BY HELPING STUDENTS DISCOVER AND PARTICIPATE IN HOW THEIR FOOD IS MADE, AND THE RELATIONSHIP IS OF FOOD AND AGRICULTURE TO THEIR OWN BODIES AND HEALTH, VFFC IS LOOKING TO DEVELOP A LIFE-LONG INVESTMENT IN NUTRITION.

PARTNERS INCLUDE RUTLAND CITY ROTARY, GREEN MOUNTAIN COLLEGE, UNIVERSITY OF VERMONT EXTENSION PROGRAM, COME ALIVE OUTSIDE, COLLEGE OF ST. JOSEPH, AND RUTLAND COUNTY SCHOOLS.

YEAR ONE GOALS:

- HIRE EDUCATION COORDINATOR
- DEVELOP OUTCOMES-BASED EVALUATION PLAN
- SERVE 200 RUTLAND COUNTY YOUTH

PEER RECOVERY SUPPORT SERVICES FOR SUBSTANCE ABUSE

HOSTED BY TURNING POINT CENTER OF RUTLAND

THE GOAL OF THE TURNING POINT CENTER'S PROGRAM IS TO PROVIDE PRE-RELEASE

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.

RECOVERY SUPPORT TO INDIVIDUALS AT MARBLE VALLEY REGIONAL CORRECTIONAL FACILITY. RECOVERY COACHES ARE PEOPLE IN RECOVERY WHO HAVE EXPERIENCE WITH SUBSTANCE USE. THE PEER SUPPORT RELATIONSHIPS WILL BE CONTINUED AFTER THE INDIVIDUAL IS RELEASED, HELPING THE INDIVIDUAL WITH THEIR OWN RECOVERY.

PARTNERS INCLUDE SANCTUARY HOUSE, HOMELESS PREVENTION CENTER, PROBATION AND PAROLE, AND MARBLE VALLEY CORRECTIONAL FACILITY.

YEAR ONE OUTCOMES:

- HIRED RECOVERY COACH AND RECOVERY COACH COORDINATOR
- AVERAGE 16 PEOPLE IN MVRFCF PER WEEK SEEKING COACHING
- IDENTIFIED ADDITIONAL COACHING PARTICIPANTS
- HAVE ENGAGED WITH 59 PARTICIPANTS WITH ENROLLMENT ONGOING
- DEVELOPED WEEKLY SCHEDULE WITH MVFCF, HOMELESS PREVENTION CENTER AND SERENITY HOUSE

OPIOID FAMILY MENTORING PROGRAM

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.

HOSTED BY THE MENTOR CONNECTOR

THE GOAL OF THE OPIOID FAMILY MENTORING PROGRAM IS TO PROVIDE SUPPORT FOR FAMILIES IN WHICH A PARENT IS UNDERGOING TREATMENT FOR OPIOID USE DISORDER. THE FAMILY AS A WHOLE AND THE INDIVIDUAL CHILDREN WILL RECEIVE MENTORSHIP SERVICES BACKED BY EVIDENCE-BASED PRACTICE. THE INTENT OF FAMILY MENTORSHIP IS TO INCREASE RESILIENCE, IMPROVE LIFE SKILLS AND SELF-SUFFICIENCY, AND DECREASE THE PREVALENCE OF GENERATIONAL SUBSTANCE USE.

PARTNERS INCLUDE RUTLAND COUNTY COURT DIVERSION AND RESTORATIVE JUSTICES, RUTLAND MENTAL HEALTH, AND WEST RIDGE CENTER.

YEAR ONE OUTCOMES:

- HIRED PART-TIME MENTOR COORDINATOR
- DEVELOPED STRONG PARTNERSHIP WITH WEST RIDGE CENTER
- 3 FAMILY MENTORS WORKING WITH 3 FAMILIES AND 3 ADDITIONAL MENTORS TRAINED FOR 2019
- 4 ADULTS AND 7 CHILDREN SERVED

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.
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- 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.

JOB CONNECTION

HOSTED BY GOODWILL INDUSTRIES OF NORTHERN NEW ENGLAND

THE OBJECTIVE OF THE JOB CONNECTION PROGRAM IS TO PROVIDE ASSISTANCE WITH FINDING JOBS, COMPREHENSIVE WORKFORCE READINESS DEVELOPMENT, AND LIFE NAVIGATION TO PEOPLE WHO HAVE STRUGGLED WITH FINDING EMPLOYMENT DUE TO BARRIERS IN THEIR PERSONAL LIVES. THE PROGRAM IS DESIGNED TO HELP PARTICIPANTS FIND WORK WHICH PROVIDES INCOME, AND THEN BUILDS ON THAT TO PROVIDE STABILITY AND INDEPENDENCE IN AN INDIVIDUALIZED, STRENGTH-BASED APPROACH.

PARTNERS INCLUDE BROC, PROJECT VISION, RUTLAND REGIONAL WORKFORCE INVESTMENT BOARD AND CASELLA WASTE MANAGEMENT.

YEAR ONE GOALS:

- HIRED LIFE NAVIGATOR AND CAREER ADVISOR
- DEVELOPED MOUS WITH LOCAL PARTNERS
- DEVELOPED MATRIX OF SERVICE

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.
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- 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.

PARKS RX RUTLAND RECREATION DEPARTMENT

THE PARKS RX PROGRAM IS A NATIONAL PROGRAM LED BY THE NATIONAL RECREATION AND PARK ASSOCIATION. PROGRAMS ARE DESIGNED TO STRENGTHEN THE LINKAGES BETWEEN PUBLIC PARKS AND HEALTHCARE. MEDICAL PROFESSIONALS PARTICIPATE IN THE PROGRAM TO ENCOURAGE PATIENTS TO INCREASE THEIR PHYSICAL ACTIVITY AND IMPROVE THEIR MENTAL HEALTH BY GETTING OUTSIDE. A HEALTH COACH IS AVAILABLE TO SUPPORT PATIENTS BY ENCOURAGING VISITS TO PARKS, COORDINATING GROUP ACTIVITIES, AND PROVIDING ACCESS TO DISCOUNTED OUTDOOR ACTIVITIES.

PARTNERS IN THE EFFORT INCLUDE AREA MEDICAL PROVIDERS, BLUE CROSS BLUE SHIELD OF VERMONT, VERMONT STATE PARKS, AND THE HEALTH CARE SHARE PROGRAM.

YEAR TWO OUTCOMES:

- DEVELOPED COHORT APPROACH
- PARTNERED WITH 12 CLINICS

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.
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- 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.

- OVER 158 REFERRALS WITH 99 PARTICIPATING AND COMPLETING PROGRAM
- 86% OF COMPLETERS SURVEYED REPORTED AN INCREASE IN PHYSICAL ACTIVITY

FROM BEFORE THE PROGRAM

- 88% OF COMPLETERS SURVEYED REPORTED POSITIVE IMPACT ON MENTAL WELL-

BEING

THREE STEPS FORWARD FOR MEN

HOSTED BY RUTLAND COUNTY WORKFORCE INVESTMENT BOARD (WIB)

THE THREE STEPS FORWARD FOR MEN BUILDS OFF THE SUCCESS OF THE ONGOING

THREE STEPS FORWARD FOR WOMEN PROGRAM. THE GOAL IS TO SUPPORT YOUNG MEN

WHO ARE NOT ECONOMICALLY SELF-SUFFICIENT IN COMPLETING EDUCATION

PROGRAMS, SECURING JOBS, AND OBTAINING HOUSING. THE PROGRAM WILL ENGAGE A

COHORT OF YOUNG MEN IN A CURRICULUM THAT WILL ASSIST THEM IN SETTING

GOALS, BUILDING HEALTHY RELATIONSHIPS, AND LEADING HEALTHY LIFESTYLES.

MENTORS WILL SUPPORT THE PARTICIPANTS AND PROVIDE POSITIVE MALE ROLE

MODELS.

PARTNERS IN THE PROGRAM INCLUDE MULTIPLE STATE AGENCIES, VERMONT ADULT

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.
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LEARNING, PUBLIC SCHOOLS, MENTOR CONNECTOR, RUTLAND YOUNG PROFESSIONALS, SERENITY HOUSE, AND RUTLAND MENTAL HEALTH.

YEAR TWO OUTCOMES:

- ALIGNMENT OF OTHER PROGRAMS WITH THREE STEPS FORWARD
- 2 PARTICIPANTS ABLE TO SHARE THEIR EXPERIENCES WITH LOCAL LEGISLATORS
- PREPARATION FOR 2019 COHORTS UNDERWAY

SOUTHWESTERN VERMONT HOARDING TASK FORCE

HOSTED BY BENNINGTON RUTLAND OPPORTUNITY COUNCIL (BROC)

BROC DEVELOPED A HOARDING TASK FORCE THAT PROVIDES RESOURCE SUPPORT, TRAINING AND EDUCATION ABOUT HOARDING. A NATIONAL EXPERT PROVIDED TRAINING TO 50 AREA STAKEHOLDERS. PRESENTATIONS HAVE BEEN PROVIDED TO MULTIPLE COMMUNITY ORGANIZATIONS TO INCREASE THE AWARENESS OF THIS HEALTH ISSUE. THE GOAL OF THE SECOND YEAR OF THE PROGRAM IS TO RECRUIT INTERNS AND VOLUNTEERS TO ASSIST WITH DE-CLUTTERING. THE TASK FORCE WILL CREATE A NETWORK OF SUPPORT TO ADDRESS THE CAUSES AND TREATMENT OF HOARDING. HOARDING IS BOTH A HEALTH AND PROPERTY SAFETY ISSUE FOR THOSE LIVING IN

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.
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- 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.

AND AROUND A CLUTTERED RESIDENCE. IT IS ESTIMATED THAT 1 IN 50 ADULTS HAS
A SERIOUS HOARDING PROBLEM.

PARTNERS IN THIS PROGRAM INCLUDE RUTLAND MENTAL HEALTH, SOUTHWESTERN
VERMONT COUNCIL ON AGING, VERMONT DEPARTMENT OF HEALTH, RUTLAND HOUSING
AUTHORITY, HOUSING TRUST OF RUTLAND COUNTY, AND THE VERMONT OFFICE OF
OPPORTUNITY WEATHERIZATION PROGRAM.

YEAR THREE OUTCOMES:

- 16 CLIENTS SERVED BY PROGRAM, SOME ONGOING
- VOLUNTEER DATABASE COMPLETED
- 6 TRAININGS PROVIDED IN RUTLAND AND BENNINGTON COUNTY
- REFERRAL PATHWAYS FOR MULTI-DISCIPLINARY SERVICES BUILT
- DEVELOPED PARTNERSHIPS WITH RUTLAND CITY RECYCLING AND RUTLAND COUNTY

SOLID WASTE

MARBLE VALLEY GROWS FARM TO SCHOOL NETWORK

HOSTED BY ALIVE OUTSIDE

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.
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- 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.

MARBLE VALLEY GROWS WORKS WITH RUTLAND COUNTY SCHOOLS TO ENHANCE EDUCATION AND ACCESS TO HEALTHY FOOD CHOICES. THE ACTIVITIES INCLUDE CLASSROOM, COMMUNITY, GARDENING AND FOOD SERVICE INITIATIVES. THE GOAL OF THE PROGRAM IS TO IMPACT KNOWLEDGE AND INCREASE USE OF FRESH, NUTRITIOUS LOCAL FOOD.

PARTNERS INCLUDE RUTLAND AREA FOOD AND FARM LINK, FOOD SERVICE PROVIDERS, PROCTOR ELEMENTARY SCHOOL, SHREWSBURY INSTITUTE FOR AGRICULTURAL EDUCATION, NORTHEAST PRIMARY SCHOOL, CHRIST THE KING SCHOOL, AND ADDISON COUNTY RELOCALIZATION NETWORK.

YEAR THREE OUTCOMES:

- PARTNERED WITH CASTLETON UNIVERSITY FOR STUDENT VOLUNTEERS TO SUPPORT PROGRAMS IN THE SCHOOLS
- MONTHLY "HARVEST OF THE MONTH" COOKING WORKSHOPS AND TASTE TESTS REACHED OVER 1,100 STUDENTS AT 5 ELEMENTARY SCHOOLS
- GARDENING SUPPORT AND EDUCATION PROVIDED TO POULTNEY ELEMENTARY, PROCTOR ELEMENTARY, RUTLAND MIDDLE SCHOOL, RUTLAND HIGH SCHOOL COMMUNITY

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.
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- 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.

PLOT, AND AT CHRIST THE KING SCHOOL

- SPRING PLANTING AND FALL HARVEST EVENTS HOSED AT RUTLAND REGIONAL

MEDICAL CENTER WITH COMMUNITY PARTNERS FOR 400 STUDENTS.

COMMUNITY IMPACT PROGRAM

HOSTED BY WONDERFEET KIDS' MUSEUM

THE MUSEUM PROVIDES OUTREACH PROGRAMS TO NINE ORGANIZATIONS THAT SERVE YOUNG CHILDREN. THE ACTIVITIES WILL PROMOTE NURTURING PARENTING, FATHER INVOLVEMENT, IMPROVED KINDERGARTEN READINESS, EXPOSURE TO STEM (SCIENCE, TECHNOLOGY, ENGINEERING AND MATHEMATICS), NUTRITION, AND HEALTH RELATED CURRICULUM.

PARTNERS INCLUDE PREVENT CHILD ABUSE VERMONT, WIC, HEAD START, RUTLAND FREE LIBRARY, BOYS & GIRLS CLUB, AND HERITAGE FAMILY CREDIT UNION.

YEAR THREE OUTCOMES:

- HOSTED 105 PARTICIPANTS OF HOME SCHOOL CLUB
- 64 EASTER SEALS VISITS WITH FAMILIES IN FOSTER CARE

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.
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- 60 RUTLAND MENTAL HEALTH VISITS
- 5 FATHERS ATTENDED 13-WEEK PROGRAM
- 633 FREE AND REDUCED PASSES USED

SCHEDULE H, PART VI, LINE 6

AFFILIATED HEALTH CARE SYSTEM:

RRMC INCLUDES A VAST ARRAY OF SERVICES OFFERED IN THE HOSPITAL SETTING AND IN A VARIETY OF CLINICS: CENTER FOR SLEEP DISORDERS, COMMUNITY HEALTH TEAM, COMPREHENSIVE CARE & INFECTIOUS DISEASES CLINIC, ENT & AUDIOLOGY, FOLEY CANCER CENTER, KILLINGTON MEDICAL CLINIC, LABORATORY SERVICES AT SEVERAL LOCATIONS, MARBLE VALLEY EYE CARE, MARBLE VALLEY UROLOGY, PHYSICAL MEDICINE & REHABILITATION, RUTLAND DIABETES & ENDOCRINOLOGY CENTER, RUTLAND DIGESTIVE SERVICES, RUTLAND GENERAL SURGERY AND THE WOUND, OSTOMY & CONTINENCE CLINIC, RUTLAND HEALTH FOUNDATION, RUTLAND HEART CENTER, RUTLAND KIDNEY CENTER, RUTLAND PULMONARY CENTER, RUTLAND REGIONAL BEHAVIORAL HEALTH, RUTLAND REGIONAL NEUROLOGY CENTER, RUTLAND WOMEN'S HEALTHCARE, VERMONT ORTHOPEDIC CLINIC, AND WEST RIDGE ADDICTION RECOVERY.

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.
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- 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.

RRMC IS PART OF RUTLAND REGIONAL HEALTH SERVICES, INC. THIS PARENT ORGANIZATION IS A TAX-EXEMPT ENTITY AND INCLUDES, IN ADDITION TO RRMC AND IT SPECIALTY CLINICS, VERMONT SPORTS MEDICINE CENTER, THE GABLES AT EAST MOUNTAIN AND THE MEADOWS AT EAST MOUNTAIN. VERMONT SPORT MEDICINE CLINIC PROVIDES PHYSICAL THERAPY AND OTHER SERVICES TO PATIENTS RECOVERING FROM ILLNESS, INJURY OR SURGERY.

THE GABLES AT EAST MOUNTAIN PROVIDES SENIOR ADULTS ACCOMMODATIONS AND AMENITIES TO MAKE RETIREMENT RELAXING AND ENJOYABLE, AND THE MEADOWS AT EAST MOUNTAIN PROVIDE ASSISTED LIVING WITH AROUND-THE-CLOCK SERVICES TO SUPPORT RESIDENTS IN LIVING AN ACTIVE AND HEALTHY LIFESTYLE. SUPPORT RESIDENTS IN LIVING AN ACTIVE AND HEALTHY LIFESTYLE.

**SCHEDULE I
(Form 990)**

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

OMB No. 1545-0047

2017

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

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

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

Name of the organization

RUTLAND HOSPITAL INC

Employer identification number

03-0183483

Part I General Information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? Yes No
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Domestic Organizations and Domestic Governments. Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section (if applicable)	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of noncash assistance	(h) Purpose of grant or assistance
(1) BROCCOMMUNITY ACTION SW VT 60 CENTER STREE RUTLAND, VT 05701	03-0216505	501(C)(3)	13,842.				COMMUNITY HEALTH IMP
(2) COME ALIVE OUTSIDE, INC. P.O. BOX 267 RUTLAND, VT 05701	47-2357025	501(C)(3)	103,756.				COMMUNITY HEALTH IMP
(3) WONDERFEET P.O. BOX 6243 RUTLAND, VT 05701	45-4692194	501(C)(3)	22,037.				COMMUNITY HEALTH IMP
(4) RUTLAND REGION EDUCATION CORPORATION P.O. BOX 6015 RUTLAND, VT 05701	03-0353236	501(C)(3)	33,437.				COMMUNITY HEALTH IMP
(5) RUTLAND WEST NEIGHBORHOOD 110 MARBLE STREET RUTLAND, VT 05773	03-0301526	501(C)(3)	45,000.				COMMUNITY HEALTH IMP
(6) THE MENTOR CONNECTOR 88 PARK STREET RUTLAND, VT 05701	65-1290104	501(C)(3)	44,604.				COMMUNITY HEALTH IMP
(7) GREEN MOUNTAIN RECOVERY FOUNDATION, INC. 141 STATE STREET RUTLAND, VT 05701	51-0425091	501(C)(3)	54,862.				COMMUNITY HEALTH IMP
(8) GOODWILL INDUSTRIES OF NORTHERN NEW ENGLAND 75 WASHINGTON AVE. PORTLAND, ME 04101	01-0284340	501(C)(3)	48,000.				COMMUNITY HEALTH IMP
(9) COMMUNITY HEALTH CENTERS OF RUTLAND REG 375 ROUTE 30 NORTH BOMOSEEN, VT 05701	22-1179701	501(C)(3)	233,306.				COMMUNITY HEALTH IMP
(10) RUTLAND REGION CHAMBER OF COMMERCE 50 MERCHANTS ROW RUTLAND, VT 05701	03-0111510	501(C)(3)	10,000.				COMMUNITY HEALTH IMP
(11) RUTLAND REGION PLANNING COMMISSION P.O. BOX 965 RUTLAND, VT 05701	03-0220669	501(C)(3)	25,000.				COMMUNITY HEALTH IMP
(12) PARAMOUNT CENTER INC 30 CENTER STREET RUTLAND, VT 05701	22-2528303	501(C)(3)	25,000.				COMMUNITY HEALTH IMP

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table ▶

3 Enter total number of other organizations listed in the line 1 table ▶

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

Schedule I (Form 990) (2017)

**SCHEDULE I
(Form 990)**

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

OMB No. 1545-0047

2017

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

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

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

Name of the organization

RUTLAND HOSPITAL INC

Employer identification number

03-0183483

Part I General Information on Grants and Assistance

- Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? Yes No
- Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Domestic Organizations and Domestic Governments. Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section (if applicable)	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of noncash assistance	(h) Purpose of grant or assistance
(1) RUTLAND FREE CLINIC DBA PARK STREET HEALTH 145 STATE STREET RUTLAND, VT 05701	83-0427544	501(C)(3)	10,000.				COMMUNITY HEALTH IMP
(2) VERMONT CHAMBER OF COMMERCE P.O. BOX 37 MONTPELIER, VT 05601	03-0184299	501(C)(3)	10,000.				COMMUNITY HEALTH IMP
(3) SPECIAL OLYMPICS VERMONT 16 GREGORY DR S BURLINGTON, VT 05403	23-7231535	501(C)(3)	10,000.				COMMUNITY HEALTH IMP
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table ▶ 15.

3 Enter total number of other organizations listed in the line 1 table ▶

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

Schedule I (Form 990) (2017)

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

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1					
2					
3					
4					
5					
6					
7					

Part IV Supplemental Information. Provide the information required in Part I, line 2, Part III, column (b); and any other additional information.

SCHEDULE I, PART I, LINE 2

GRANTS MONITORING:

RRHS AWARDED A FIVE-YEAR COMMUNITY BENEFIT GRANT TO COMMUNITY HEALTH CENTERS OF THE RUTLAND REGION, INC. (CHCRR) IN THE AMOUNT OF \$4,600,000 THAT WAS FUNDED BY RRMC AND WAS EFFECTIVE MAY 1, 2008. THE ORIGINAL TERM OF THE AGREEMENT ENDED ON APRIL 30, 2013, AND ORIGINAL AMOUNTS GRANTED HAD BEEN EXPENDED BY RRMC BY THAT TIME. IN 2011, THE AGREEMENT WAS AMENDED TO INCLUDE AN ADDITIONAL SUBSIDY FROM RRMC TO CHCRR FOR UP TO \$600,000 PER YEAR, THROUGH JUNE 30, 2016, TO DEFRAY THE COST OF UNCOMPENSATED CARE TO SUPPORT THE RUTLAND CLINIC FOR PRIMARY CARE

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

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1					
2					
3					
4					
5					
6					
7					

Part IV Supplemental Information. Provide the information required in Part I, line 2, Part III, column (b); and any other additional information.

SERVICE. THIS AGREEMENT WAS NOT EXTENDED BEYOND JUNE 30, 2016.

EFFECTIVE DECEMBER 1, 2013, RRHS ENTERED INTO AN AGREEMENT TO PROVIDE CHCRR A COMMUNITY BENEFIT GRANT OVER A PERIOD OF FIFTY-EIGHT MONTHS FROM DECEMBER 1, 2013, TO SEPTEMBER 30, 2018.

THESE PAYMENTS ARE BEING MADE MONTHLY AND RANGE FROM \$17,358 TO \$19,537, FOR A TOTAL GRANT OF \$1,066,810. RRHS CONTINUALLY WORKS WITH CHCRR TO ENSURE THE ORGANIZATION IS USING FUNDS APPROPRIATELY AND FURTHERING THE CHCRR EXEMPT PURPOSE.

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

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1					
2					
3					
4					
5					
6					
7					

Part IV Supplemental Information. Provide the information required in Part I, line 2, Part III, column (b); and any other additional information.

THE OTHER GRANTS LISTED ON SCHEDULE I, PART II, WERE PROVIDED BY THE JAMES T BOWSE HEALTH TRUST, A DEPARTMENT OF RUTLAND REGIONAL MEDICAL CENTER. THE BOWSE TRUST ONLY CONSIDERS GRANT PROPOSALS THROUGH ITS FORMAL GRANT PROPOSAL PROCESS, WHICH REQUIRES THAT THE REQUESTING ORGANIZATION MEET CERTAIN CRITERIA AND SUBMIT A PLANNING GRANT/LETTER OF INTENT, FULL PROPOSAL, AND PLANNING GRANT BUDGET FORM DESCRIBING HOW THE GRANT WILL BE USED.

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

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1					
2					
3					
4					
5					
6					
7					

Part IV Supplemental Information. Provide the information required in Part I, line 2, Part III, column (b); and any other additional information.

SCHEDULE I, PART II, COLUMN H

PURPOSE OF GRANT OR ASSISTANCE:

ASSISTANCE FOR BROC COMMUNITY ACTION SW VT, COME ALIVE OUTSIDE, INC.,
 WONDERFEET, RUTLAND REGION EDUCATION CORPORATION, RUTLAND WEST
 NEIGHBORHOOD, THE MENTOR CONNECTOR, GREEN MOUNT RECOVERY FOUNDATION INC.
 AND GOODWILL INDUSTRIES OF NORTHERN NEW ENGLAND WAS PROVIDED BY THE JAMES
 T BOWSE HEALTH TRUST, A DEPARTMENT OF RUTLAND REGIONAL MEDICAL CENTER.
 SEE SCHEDULE H, PART VI, LINE 6 FOR MORE INFORMATION REGARDING PROGRAMS
 FUNDED BY THE JAMES T BOWSE HEALTH TRUST.

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

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

- ▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23.
- ▶ Attach to Form 990.
- ▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2017

**Open to Public
Inspection**

Name of the organization

RUTLAND HOSPITAL INC

Employer identification number

03-0183483

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 checked="" 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
1a		
1b		
2		
3		
4a	X	
4b		X
4c		X
5a	X	
5b		X
6a		X
6b		X
7		X
8		X
9		

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

Schedule J (Form 990) 2017

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 MICHAEL J. KENOSH, M.D. DIRECTOR	(i)	437,156.	69,055.	20,401.	22,950.	31,508.	581,070.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
2 TODD GREGORY, M.D. DIRECTOR END 03/18	(i)	377,521.	0.	1,077.	17,550.	31,325.	427,473.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
3 STANLEY SHAPIRO, M.D. DIRECTOR END 04/18	(i)	300,271.	168,041.	8,230.	22,950.	27,566.	527,058.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
4 ERIC J. MARSH, M.D. DIRECTOR	(i)	660,708.	440,902.	1,121.	17,550.	31,440.	1,151,721.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
5 PHILIP R. LAPP, M.D. DIRECTOR BEG 06/18	(i)	286,645.	24,548.	2,571.	22,950.	31,212.	367,926.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
6 MARY M. BEERWORTH, M.D. DIRECTOR BEG 06/18	(i)	358,110.	67,464.	3,955.	22,950.	11,054.	463,533.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
7 THOMAS W. HUEBNER PRESIDENT/CEO END 03/18	(i)	547,648.	0.	29,896.	28,350.	31,509.	637,403.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
8 JUDI K. FOX CFO	(i)	244,726.	0.	1,195.	21,622.	31,241.	298,784.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
9 DALE JANIK, M.D. GASTROENTEROLOGY	(i)	354,690.	153,098.	21,560.	22,950.	27,421.	579,719.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
10 WILLIAM LIGHTHART, M.D. ORTHOPAEDICS	(i)	587,951.	376,023.	1,122.	17,550.	31,500.	1,014,146.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
11 MICHAEL ROBERTELLO, M.D. CARDIOLOGY	(i)	386,505.	241,416.	22,110.	22,950.	27,704.	700,685.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
12 EITAN SOBEL, M.D. HOSPITALIST	(i)	413,379.	85,888.	903.	22,950.	31,294.	554,414.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
13 ANN STIEN, M.D. ORTHOPAEDICS	(i)	213,951.	259,783.	19,584.	28,350.	22,919.	544,587.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
14 MELBOURNE D. BOYNTON, M. ORTHOPEDIC SRGN/CHIEF MED OFFR	(i)	620,238.	481,749.	22,902.	22,950.	27,854.	1,175,693.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
15 SCOTT J. GRAHAM, M.D. CHIEF MEDICAL INFO OFFICER	(i)	349,981.	0.	664.	17,550.	31,328.	399,523.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
16 BARBARA M. ROBINSON VP CLINICAL SERVICES	(i)	282,995.	0.	2,590.	28,350.	11,397.	325,332.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.

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

For each individual whose compensation must be reported 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 MARY T. NEMETH VP CORPORATE SUPPORT SERVICES	(i)	81,205.	0.	197,228.	28,350.	10,023.	316,806.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
2 CAROL M. EGAN VP CHIEF NURSING OFFICER	(i)	224,419.	0.	3,167.	24,386.	22,612.	274,584.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
3 BRIAN KERNS VP HUMAN RESOURCES	(i)	211,896.	0.	7,608.	10,162.	31,087.	260,753.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
4 JOHN WALLACE GEN COUNSEL COMPLIANCE OFFICER	(i)	212,031.	0.	2,133.	9,959.	31,189.	255,312.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
5 JEFFREY MCKEE VP COMMUNITY & BEH HEALTH SVCS	(i)	210,983.	0.	988.	9,505.	1,371.	222,847.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
6 JAMES F. GREENOUGH VP CORPORATE SUPPORT SERVICE	(i)	166,113.	0.	19,321.	16,359.	22,258.	224,051.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
7	(i)							
	(ii)							
8	(i)							
	(ii)							
9	(i)							
	(ii)							
10	(i)							
	(ii)							
11	(i)							
	(ii)							
12	(i)							
	(ii)							
13	(i)							
	(ii)							
14	(i)							
	(ii)							
15	(i)							
	(ii)							
16	(i)							
	(ii)							

Part III Supplemental Information

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, LINE 4A

SEVERANCE PAYMENT:

MARY NEMETH RECEIVED A SEVERANCE PAYMENT OF \$196,524 IN 2017. THIS AMOUNT HAS BEEN INCLUDED IN COLUMN B(III) OF SCHEDULE J, PART II.

SCHEDULE J, PART I, LINE 5A

COMPENSATION CONTINGENT ON THE REVENUES OF THE ORGANIZATION:

PHYSICIANS EARN COMPENSATION BASED UPON THEIR PRODUCTIVITY AGAINST ESTABLISH TARGETS. INCREASED PRODUCTIVITY IS DIRECTLY RELATED TO INCREASED REVENUES FOR THE ORGANIZATION.

**SCHEDULE K
(Form 990)**

Supplemental Information on Tax-Exempt Bonds

OMB No. 1545-0047

2017

**Open to Public
Inspection**

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part VI.**

▶ **Attach to Form 990.**

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

Department of the Treasury
Internal Revenue Service

Name of the organization

RUTLAND HOSPITAL INC

Employer identification number

03-0183483

Part I Bond Issues

(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pooled financing	
						Yes	No	Yes	No	Yes	No
A VT EDUCATION & HLTH BUILDING FINANCE AGENCY	23-7154467		09/30/2017	31,350,000.	PARTIAL REFUND 9/10 SERIES BOND		X		X		X
B											
C											
D											

Part II Proceeds

	A		B		C		D	
1 Amount of bonds retired								
2 Amount of bonds legally defeased								
3 Total proceeds of issue		31,350,000.						
4 Gross proceeds in reserve funds								
5 Capitalized interest from proceeds								
6 Proceeds in refunding escrows		31,157,038.						
7 Issuance costs from proceeds		192,962.						
8 Credit enhancement from proceeds								
9 Working capital expenditures from proceeds								
10 Capital expenditures from proceeds								
11 Other spent proceeds								
12 Other unspent proceeds								
13 Year of substantial completion		2013						
	Yes	No	Yes	No	Yes	No	Yes	No
14 Were the bonds issued as part of a current refunding issue?	X							
15 Were the bonds issued as part of an advance refunding issue?		X						
16 Has the final allocation of proceeds been made?	X							
17 Does the organization maintain adequate books and records to support the final allocation of proceeds?	X							

Part III Private Business Use

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

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

Part III Private Business Use (Continued)

GROUP 1

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

Part IV Arbitrage

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Has the issuer filed Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate?		X						
2 If "No" to line 1, did the following apply?								
a Rebate not due yet?		X						
b Exception to rebate?	X							
c No rebate due?		X						
If "Yes" to line 2c, provide in Part VI the date the rebate computation was performed.								
3 Is the bond issue a variable rate issue?	X							
4a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?	X							
b Name of provider	DEUTSCHE BANK / TD B							
c Term of hedge	10.000							
d Was the hedge superintegrated?		X						
e Was the hedge terminated?	X							

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

SCHEDULE K, PART IV, LINE 7

REQUIREMENTS OF SECTION 148:

THE TAX-EXEMPT BONDS DO NOT HAVE ANY OUTSTANDING PROCEEDS AND THEREFORE

ARE NOT SUBJECT TO THE ARBITRAGE REQUIREMENTS OF SECTION 148.

SCHEDULE L
(Form 990 or 990-EZ)

Transactions With Interested Persons

OMB No. 1545-0047

2017

Department of the Treasury
Internal Revenue Service

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

▶ **Attach to Form 990 or Form 990-EZ.**

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

Open To Public Inspection

Name of the organization

RUTLAND HOSPITAL INC

Employer identification number

03-0183483

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

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

1	(a) Name of disqualified person	(b) Relationship between disqualified person and organization	(c) Description of transaction	(d) Corrected?	
				Yes	No
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					

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

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

Part II Loans to and/or From Interested Persons.

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

1	(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	(d) Loan to or from the organization?		(e) Original principal amount	(f) Balance due	(g) In default?		(h) Approved by board or committee?		(i) Written agreement?	
				To	From			Yes	No	Yes	No	Yes	No
				(1)									
(2)													
(3)													
(4)													
(5)													
(6)													
(7)													
(8)													
(9)													
(10)													

Total ▶ \$ _____

Part III Grants or Assistance Benefiting Interested Persons.

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

1	(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of assistance	(d) Type of assistance	(e) Purpose of assistance
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					

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

Schedule L (Form 990 or 990-EZ) 2017

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) FOLEY SERVICES & FOLEY DISTRIBUTING	M FOLEY JR - SEE PART V	314,643.	SUPPLIES & JANITORIAL PRODUCTS		X
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					

Part V Supplemental Information

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

SCHEDULE L, PART IV, COLUMN B

BUSINESS TRANSACTIONS INVOLVING INTERESTED PERSONS:

MARK FOLEY, JR, CURRENT BOARD MEMBER, OWNS FOLEY SERVICES, INC WHILE HIS FATHER OWNS FOLEY DISTRIBUTING. THESE COMPANIES SUPPLIED PAPER AND JANITORIAL PRODUCTS TO THE ORGANIZATION FOR \$314,643 IN FISCAL YEAR 2018.

**SCHEDULE O
(Form 990 or 990-EZ)**

Department of the Treasury
Internal Revenue Service

Name of the organization

RUTLAND HOSPITAL INC

Supplemental Information to Form 990 or 990-EZ

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

▶ Attach to Form 990 or 990-EZ.

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2017

**Open to Public
Inspection**

Employer identification number

03-0183483

FORM 990, PART I, LINE 1

ORGANIZATION'S MISSION AND MOST SIGNIFICANT ACTIVITIES:

MISSION:

TO IMPROVE THE HEALTH OF THE RUTLAND REGIONAL AND SURROUNDING COMMUNITIES
BY PROVIDING APPROPRIATE, SUPERIOR, INTEGRATED, PREVENTATIVE, DIAGNOSTIC
AND THERAPEUTIC HEALTH SERVICES IN A CARING ENVIRONMENT THROUGH THE
STRENGTH OF OUR PEOPLE, TECHNOLOGY AND RELATIONSHIPS.

VISION: TO BE THE BEST COMMUNITY HEALTHCARE SYSTEM IN NEW ENGLAND.

GOALS:

*QUALITY: WE WILL PROVIDE SUPERIOR HEALTH SERVICES WHICH MEET OUR
CUSTOMER NEEDS THROUGH: GOOD CLINICAL OUTCOMES, UP-TO-DATE TECHNOLOGY,
EFFECTIVE PROCESSES, COMPETENT AND CARING STAFF AND WELL MAINTAINED
FACILITIES.

*GROWTH: WE WILL DEVELOP NEW SERVICES AND EXPAND EXISTING SERVICES TO
MEET CUSTOMER NEEDS RESULTING IN INCREASED MARKET SHARE AND EXPANSION
INTO NEW MARKETS.

*INFORMATION EXCELLENCE: WE WILL PROVIDE SUPERIOR, COORDINATED
INFORMATION RESOURCES, PROCESSES, AND SYSTEMS THAT MEET CUSTOMER NEEDS
FOR EFFECTIVE INFORMATION GATHERING, RECORDING, ACCESS, ANALYSIS, AND
DISSEMINATION ACROSS THE HEALTHCARE CONTINUUM.

Name of the organization RUTLAND HOSPITAL INC	Employer identification number 03-0183483
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*FINANCIAL STRENGTH: WE WILL ACHIEVE FINANCIAL STRENGTH AND STABILITY BY OPTIMIZING REIMBURSEMENT AND IMPROVING OUR COSTS STRUCTURE TO PRODUCE SUFFICIENT MARGINS, AND INCREASING PHILANTHROPIC GIVING.

*EMPLOYMENT ENGAGEMENT: WE WILL CREATE AN ENVIRONMENT WHERE EMPLOYEE ENGAGEMENT FLOURISHES AND WE COMMIT OUR HEARTS AND MINDS TO MEETING AND EXCEEDING THE NEEDS OF OUR CUSTOMERS AND EACH OTHER. EXCEEDING THE NEEDS OF OUR CUSTOMERS AND EACH OTHER.

FORM 990, PART I, LINE 6

TOTAL NUMBER OF VOLUNTEERS:

THE TOTAL NUMBER OF VOLUNTEERS INCLUDING NON-COMPENSATED MEMBERS OF THE BOARD OF DIRECTORS AND OTHER INDIVIDUALS WHO VOLUNTEER TIME TO FURTHER THE ORGANIZATION'S EXEMPT PURPOSE.

FORM 990, PART III, LINES 4A-D

EXEMPT PURPOSE ACHIEVEMENTS:

RUTLAND REGIONAL MEDICAL CENTER FY 2018 COMMUNITY BENEFITS REPORT:

RUTLAND REGIONAL MEDICAL CENTER IS COMMITTED TO PROVIDING SUPERIOR, INTEGRATED, DIAGNOSTIC, THERAPEUTIC AND PREVENTATIVE HEALTH SERVICES AND TO PROMOTING OVERALL COMMUNITY HEALTH AND WELL-BEING. COMMUNITY BENEFITS ARE THE ACTIVITIES AND SERVICES RUTLAND REGIONAL ENGAGES IN AND SUPPORTS THAT GO BEYOND THE ROUTINE PATIENT CARE SERVICES. DOCUMENTING THESE EFFORTS IS A PART OF WHAT DIFFERENTIATES TAX-EXEMPT FROM TAXABLE HEALTH CARE ORGANIZATIONS.

Name of the organization RUTLAND HOSPITAL INC	Employer identification number 03-0183483
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FREE AND DISCOUNTED CARE

RUTLAND REGIONAL PROVIDES LOW- AND NO-COST CARE FOR ELIGIBLE RESIDENTS OF OUR AREA THROUGH A FINANCIAL ASSISTANCE PROGRAM. THE FREE CARE PROVISION FOR 2018 TOTALED \$4,702,339.

RRMC IS ADDRESSING THE KEY ISSUES THAT HAVE THE MOST SIGNIFICANT IMPACT ON THE COMMUNITY HEALTH AND WELL-BEING, WHICH INCLUDE THE FOLLOWING:

*CLINICAL CARE

- CONTINUING TO ADDRESS THE DRUG PROBLEM IN THE COMMUNITY THROUGH MENTAL HEALTH AND SUBSTANCE ABUSE SERVICES FOR ADULTS AND YOUTH, INCLUDING TREATMENT, AFTERCARE AND PREVENTION
- CONTINUING TO IMPROVE ACCESS TO CARE FOR ALL COMMUNITY MEMBERS BY CONTINUING FOCUSED PROVIDER RECRUITMENT, AND RETENTION, ACTIVITIES.

*HEALTHY BEHAVIORS

- IMPROVING AND PROMOTING HEALTHY CHOICES AND ACTIVITIES TO SUPPORT A HEALTHY COMMUNITY IN WHICH TO LIVE AND RAISE A FAMILY, BY SUPPORTING AND PROMOTING LIFE SKILLS DEVELOPMENT FOR AND BY YOUTH, AND PHYSICAL ACTIVITY AND HEALTHY EATING BY ADULTS AND YOUTH.

*SOCIAL & ECONOMIC DETERMINANTS

- IMPROVING THE HEALTH AND WELL-BEING OF THE COMMUNITY, MAKING IT AN ATTRACTIVE PLACE TO LIVE AND WORK

Name of the organization RUTLAND HOSPITAL INC	Employer identification number 03-0183483
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*PHYSICAL ENVIRONMENT

-IMPROVING INFRASTRUCTURE TO SUPPORT A HEALTHY COMMUNITY WITH ACCESS TO WORK, RECREATIONAL OPPORTUNITIES AND SERVICES

FOR MORE DETAILS ON THESE ACTIVITIES AND THE WORK PERFORMED BY RUTLAND REGIONAL WITH COMMUNITY PARTNERS, PLEASE REVIEW THE PROGRESS REPORT ON [HTTP://WWW.RRMC.ORG/ABOUT/COMMUNITY-HEALTH-NEEDS-ASSESSMENT/](http://www.rrmc.org/about/community-health-needs-assessment/).

IN ADDITION TO THESE ACTIVITIES, RUTLAND REGIONAL IS NOW REQUIRED BY FEDERAL REGULATIONS TO CONDUCT A COMMUNITY NEEDS ASSESSMENT EVERY THREE YEARS. THE RUTLAND COUNTY HEALTH NEEDS ASSESSMENT STEERING COMMITTEE WORKED HARD TO BE INCLUSIVE, BOTH IN THE INFORMATION COLLECTED AND REVIEWED, AND BY BROADLY REQUESTING INPUT FROM AROUND OUR COMMUNITIES. FROM START TO FINISH, THE ASSESSMENT TAKES ABOUT ONE YEAR TO COMPLETE, AND INCLUDES COMPILATION OF SECONDARY DATA FROM OTHER SOURCES, COLLECTING INDIVIDUAL INPUT THROUGH CONSUMER SURVEYS AND THROUGH FOCUS GROUP MEETINGS.

ALL OF THE INFORMATION GATHERED IS REVIEWED, AND PRIORITIZED BY A BROAD, COMMUNITY-BASED COMMITTEE. A FINAL REPORT HAS NOW BEEN PUBLISHED WITH THE FINDINGS. THIS REPORT IS MADE PUBLICALLY AVAILABLE ON [WWW.RRMC.ORG](http://www.rrmc.org).

THE PURPOSE OF THE ASSESSMENT IS TO:

-DESCRIBE THE HEALTH STATUS OF THE COMMUNITY

Name of the organization RUTLAND HOSPITAL INC	Employer identification number 03-0183483
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-IDENTIFY THE COMMUNITY'S HEALTH NEEDS

-COMPARE THE NEEDS TO THOSE IDENTIFIED PREVIOUSLY

CONDUCTING ASSESSMENTS PERIODICALLY FOR MORE THAN 15 YEARS, WE HAVE SEEN SOME HEALTH INDICATORS IMPROVE AND OTHERS DECLINE. BY MONITORING THESE CHANGES, THE COMMITTEE IS ABLE TO IDENTIFY WHERE ADDITIONAL RESOURCES ARE NEEDED. ORGANIZATIONS, INCLUDING RUTLAND REGIONAL, USE THIS IMPORTANT INFORMATION TO GUIDE THEIR PLANNING. FOR RUTLAND REGIONAL SPECIFICALLY, IT HELPS WITH THE DEVELOPMENT OF NEW HOSPITAL SERVICES AND COMMUNITY PROGRAMS.

FORM 990, PART III, LINE 4D

OTHER PROGRAM SERVICES:

THE REVENUES AND EXPENSES REPORTED ON PART III, LINE 4D, REPRESENT THOSE AMOUNTS THAT ARE ATTRIBUTABLE TO OTHER PROGRAM SERVICES CONDUCTED BY THE ORGANIZATION. THESE OTHER SERVICES PRIMARILY REPRESENT OTHER SUPPORT SERVICES THAT ARE PROVIDED TO HOSPITAL PATIENTS OR THAT ARE CONDUCTED TO SUPPORT THE OVERALL FUNCTION OF THE HOSPITAL, SUCH AS CENTRAL SUPPLY AND PHARMACY SERVICES. OTHER SERVICES ALSO INCLUDE BENEFIT TO THE COMMUNITY THROUGH THE PAYMENT OF GRANTS TO OTHER COMMUNITY ORGANIZATIONS. SEE SCHEDULE I FOR DETAIL REGARDING THESE GRANT PAYMENTS.

FORM 990, PART VI, LINES 6, 7A, & 7B

MEMBERS OR STOCKHOLDERS:

PER ARTICLE II, SECTION 1, OF THE ORGANIZATION'S BYLAWS, RUTLAND REGIONAL HEALTH SERVICES IS THE SOLE MEMBER OF RUTLAND REGIONAL MEDICAL CENTER.

Name of the organization RUTLAND HOSPITAL INC	Employer identification number 03-0183483
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ARTICLE III, SECTIONS 1 AND 2, OR THE BYLAWS STATE THAT THE BOARD SHALL CONSIST OF EIGHTEEN DIRECTORS. OF THESE DIRECTORS, FOURTEEN ARE CHOSEN OR APPROVED BY THE ORGANIZATION'S SOLE MEMBERS.

ARTICLE VIII, SECTION 5, OF THE BYLAWS DISCUSS POWERS RESERVED TO THE MEMBER, RUTLAND REGIONAL HEALTH SERVICES, INC., AND STATE THAT THE CORPORATION SHALL SUBMIT TO THE BOARD OF DIRECTORS OF THE MEMBER FOR ITS PRIOR APPROVAL THAT FOLLOWING: A) THE APPOINTMENT OF THE PRESIDENT AND CHIEF EXECUTIVE OFFICER, B) ALL OPERATING AND CAPITAL BUDGETS FOR THE CORPORATION, C) STRATEGIC PLANS FOR THE CORPORATION, D) CAPITAL EXPENDITURES OF \$100,000 OR MORE WHICH ARE UNBUDGETED, E) PURCHASE AND SALE OF ALL SIGNIFICANT ASSETS, AND F) THE BYLAWS AND ANY AMENDMENTS THERETO.

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

FORM 990 REVIEW PROCESS:

THE FORM 990 IS PREPARED BY AN INDEPENDENT ACCOUNTING FIRM BASED ON THE AUDITED FINANCIAL STATEMENTS AND INFORMATION PROVIDED BY THE ACCOUNTING DEPARTMENT OF THE ORGANIZATION. A DRAFT COPY IS THEN REVIEWED BY TOP MANAGEMENT. ONCE A FINAL DRAFT IS COMPLETE, IT IS MAILED TO EACH MEMBER OF THE EXECUTIVE FINANCE COMMITTEE. THE COMMITTEE WILL MEET AND DISCUSS THE RETURN WITH A TAX ADVISOR. AFTER APPROVAL, A FINAL 990 DRAFT WILL BE PROVIDED TO ALL BOARD MEMBERS.

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

CONFLICT OF INTEREST POLICY:

Name of the organization RUTLAND HOSPITAL INC	Employer identification number 03-0183483
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ANNUALLY, ALL ORGANIZATION LEADERS REVIEW THE SYSTEM-WIDE CONFLICT OF INTEREST POLICY TO ENSURE ALL CONFLICTS ARE MADE KNOWN. SEE THE POLICY BELOW.

POLICY

***DUTY TO DISCLOSE**

IN CONNECTION WITH ANY ACTUAL OR POSSIBLE CONFLICTS OF INTEREST, AN INTERESTED PERSON MUST DISCLOSE THE EXISTENCE OF HIS OR HER FINANCIAL INTEREST AND MUST BE GIVEN THE OPPORTUNITY TO DISCLOSE ALL MATERIAL FACTS TO THE DIRECTORS AND MEMBERS OF COMMITTEES WITH BOARD DELEGATED POWERS, OR OTHER INDIVIDUALS WHO, ON BEHALF OF THE CORPORATION, ARE CONSIDERING THE PROPOSED TRANSACTION OR ARRANGEMENT.

***DUTY TO VOICE CONCERN**

IN THE EVENT THAT AN INTERESTED PERSON BECOMES CONCERNED THAT ANOTHER INTERESTED PERSON WHO IS A BOARD MEMBER, PRINCIPAL OFFICER OR MEMBER OF A COMMITTEE WITH BOARD DELEGATED POWERS HAS AN UNDISCLOSED FINANCIAL INTEREST OR IS EXERTING INAPPROPRIATE INFLUENCE RELATED TO A FINANCIAL INTEREST, THIS CONCERN SHOULD BE RAISED WITH THE CHAIR OF THE APPROPRIATE BOARD OR COMMITTEE OR, IF INVOLVING A MEMBER OF LEADERSHIP COUNCIL, A DIRECTOR OR MANAGER OR OTHER INTERESTED PERSON, AN APPROPRIATE CORPORATE OFFICER.

***DETERMINING WHETHER A CONFLICT OF INTEREST EXISTS**

AFTER DISCLOSURE OF THE FINANCIAL INTEREST AND ALL MATERIAL FACTS, AND

Name of the organization RUTLAND HOSPITAL INC	Employer identification number 03-0183483
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AFTER ANY DISCUSSION WITH THE INTERESTED PERSON, HE/SHE SHALL LEAVE THE BOARD OR COMMITTEE MEETING WHILE THE DETERMINATION OF A CONFLICT OF INTEREST IS DISCUSSED AND VOTED UPON BY THE REMAINING BOARD OR COMMITTEE MEMBERS. HOWEVER, IN NO EVENT SHALL AN INTERESTED PERSON PARTICIPATE IN THE DELIBERATION AND/OR DETERMINATION OF COMPENSATION THAT HE/SHE WILL RECEIVE FROM THE CORPORATION FOR EMPLOYMENT, PROFESSIONAL CONTRACT OR OTHERWISE.

***DEFINITIONS**

-INTERESTED PERSON - FOR THE PURPOSES OF THIS POLICY, AN INTERESTED PERSON IS ANY BOARD MEMBER, PRINCIPAL OFFICER, MEMBER OF THE LEADERSHIP COUNCIL, DIRECTOR, OR MEMBER OF A COMMITTEE WITH BOARD DELEGATED POWERS, WHO HAS A DIRECT OR INDIRECT FINANCIAL INTEREST. IF AN INDIVIDUAL IS AN INTERESTED PERSON WITH RESPECT TO ANY ENTITY IN THE RRMC/RRHS HEALTH CARE SYSTEM, HE OR SHE IS AN INTERESTED PERSON WITH RESPECT TO ALL ENTITIES IN THE HEALTH CARE SYSTEM.

***PROCEDURES**

-PROCEDURES FOR ADDRESSING THE CONFLICT OF INTEREST .AN INTERESTED PERSON MAY MAKE A PRESENTATION AT THE BOARD OR COMMITTEE MEETING, BUT AFTER SUCH PRESENTATION, HE/SHE SHALL LEAVE THE MEETING DURING THE DISCUSSION OF, AND THE VOTE ON, THE TRANSACTION OR ARRANGEMENT THAT RESULTS IN THE CONFLICT OF INTEREST.

.THE CHAIRPERSON OF THE BOARD OR COMMITTEE SHALL, IF APPROPRIATE, APPOINT A DISINTERESTED PERSON OR COMMITTEE TO INVESTIGATE ALTERNATIVES TO THE

Name of the organization RUTLAND HOSPITAL INC	Employer identification number 03-0183483
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PROPOSED TRANSACTION OR ARRANGEMENT.

.AFTER EXERCISING DUE DILIGENCE, INCLUDING A CONSIDERATION OF INDEPENDENT COMPARABILITY DATA, VALUATIONS OR APPRAISALS, THE BOARD OR COMMITTEE SHALL DETERMINE WHETHER THE CORPORATION CAN OBTAIN A MORE ADVANTAGEOUS TRANSACTION OR ARRANGEMENT WITH REASONABLE EFFORT FROM A PERSON OR ENTITY THAT WOULD NOT GIVE RISE TO A CONFLICT OF INTEREST.

.IF A MORE ADVANTAGEOUS TRANSACTION OR ARRANGEMENT IS NOT REASONABLY ATTAINABLE INTERESTED PERSON MUST DISCLOSE THE EXISTENCE OF HIS OR HER FINANCIAL UNDER CIRCUMSTANCES NOT PRODUCING A CONFLICT OF INTEREST, THE BOARD OR COMMITTEE SHALL DETERMINE WHETHER THE TRANSACTION OR ARRANGEMENT IS IN THE CORPORATION'S BEST INTEREST, FOR ITS OWN BENEFIT, AND WHETHER IT IS FAIR AND REASONABLE. IN CONFORMITY WITH THE ABOVE DETERMINATION IT SHALL MAKE ITS DECISION AS TO WHETHER TO ENTER INTO THE TRANSACTION OR ARRANGEMENT.

-ANNUAL STATEMENTS

.AWARENESS/COMPLIANCE WITH POLICY - EACH INTERESTED PERSON SHALL ANNUALLY SIGN A STATEMENT WHICH AFFIRMS THAT SUCH PERSON HAS RECEIVED A COPY OF THIS CONFLICTS OF INTEREST POLICY, HAS READ AND UNDERSTANDS THE POLICY; HAS AGREED TO COMPLY WITH THE POLICY; AND UNDERSTANDS THAT THE CORPORATION IS A CHARITABLE ORGANIZATION AND THAT IN ORDER TO MAINTAIN ITS FEDERAL TAX EXEMPTION IT MUST BE ENGAGED PRIMARILY IN ACTIVITIES THAT ACCOMPLISH ONE OR MORE OF ITS TAX-EXEMPT PURPOSES.

.CONFLICT OF INTEREST SURVEY - EACH INTERESTED PERSON SHALL DISCLOSE ON AN ANNUAL SURVEY FORM POTENTIAL CONFLICTS OF INTEREST AND FINANCIAL

Name of the organization RUTLAND HOSPITAL INC	Employer identification number 03-0183483
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INTERESTS RELEVANT TO THIS POLICY.

FORM 990, PART VI, SECTION B, LINES 15A & 15B

COMPENSATION REVIEW POLICY:

THE FOLLOWING POLICY APPLIES TO THE OFFICERS AND KEY EMPLOYEES OF RUTLAND REGIONAL MEDICAL CENTER (RRMC):

-IT IS THE POLICY OF RRMC TO OFFER MARKET-COMPETITIVE PAY SO TO ATTRACT AND RETAIN THE BEST TALENT FROM OUR LABOR MARKET.

-DESIGNATION OF RRMC' KEY EMPLOYEES IS MADE BY THE HUMAN RESOURCE DEPARTMENT USING IRS GUIDELINES.

-THE RRHS KEY EMPLOYEE LABOR MARKET IS TYPICALLY ALL HOSPITALS NATIONALLY WITH SIMILAR REVENUES AS RRMC.

-KEY EMPLOYEE COMPENSATION IS REVIEWED ANNUALLY BY THE HUMAN RESOURCES DEPARTMENT USING THREE SOURCES OF INDEPENDENT COMPETITIVE MARKET DATA.

-JOBS HELD BY KEY EMPLOYEES ARE MATCHED WITH SIMILAR JOBS IN MARKET DATA WITH AN INDICATION OF JOB MATCH STRENGTH (WEAK, MODERATE OR STRONG).

-THE MARKET REVIEW PRODUCES A REPORT OF KEY EMPLOYEE CURRENT BASE PAY VS. MARKET TOTAL CASH COMPENSATION AND ANY RECOMMENDED PAY ACTIONS.

-GENERALLY SPEAKING, KEY EMPLOYEE BASE PAY VARIANCES OF -5% VS. MARKET TOTAL CASH COMPENSATION ARE CONSIDERED TO BE NON-COMPETITIVE PROMPTING A RECOMMENDED BASE PAY INCREASE TO BE CONSIDERED.

-THE RESULTS OF THE REVIEW AND RECOMMENDED PAY ACTIONS ARE REVIEWED AND APPROVED BY THE CEO. INFORMATION IS MADE AVAILABLE TO EXECUTIVE FINANCE UPON REQUEST.

-THE CEO PAY IS REVIEWED AND APPROVED BY THE CHAIR AND CO-CHAIR OF THE

Name of the organization RUTLAND HOSPITAL INC	Employer identification number 03-0183483
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BOARD OF DIRECTORS. THIS REVIEW IS DOCUMENTED IN THE EXECUTIVE SESSION BOARD MINUTES.

-THE MOST RECENT COMPENSATION REVIEW OCCURRED DURING DECEMBER OF 2017.

-THE KEY EMPLOYEES REVIEW WAS CONDUCTED IN DECEMBER OF 2017 COVERING NON-PHYSICIAN EMPLOYEE EARNING AT LEAST \$175,000.

FORM 990, PART VI, SECTION C, LINE 19

DOCUMENT DISCLOSURE:

CONSOLIDATED FINANCIAL STATEMENTS ARE AVAILABLE ANNUALLY IN THE ANNUAL REPORT, AND ARE ALSO AVAILABLE UPON WRITTEN REQUEST. THE CONFLICT OF INTEREST POLICY AND GOVERNING DOCUMENTS ARE ALSO AVAILABLE UPON WRITTEN REQUEST. ALL REQUESTS MUST BE FOR A LEGITIMATE BUSINESS PURPOSE (AS DETERMINED BY TOP MANAGEMENT), AND REQUESTED DOCUMENTS WILL BE MAILED.

FORM 990, PART VII, COLUMN D

BOARD MEMBERS RECEIVING COMPENSATION:

NO BOARD MEMBERS RECEIVE COMPENSATION FOR THEIR DUTIES AS DIRECTORS. THE FOLLOWING BOARD MEMBERS RECEIVED COMPENSATION FROM RUTLAND REGIONAL MEDICAL CENTER FOR SERVICES PROVIDED AS PHYSICIANS:

- MICHAEL KENOSH, MD
- TODD GREGORY, MD
- STANLEY SHAPIRO, MD
- ERIC MARSH, MD
- PHILIP R. LAPP, MD
- MARY M. BEERWORTH, MD

Name of the organization RUTLAND HOSPITAL INC	Employer identification number 03-0183483
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FORM 990, PART X, LINE 20B

TAX-EXEMPT BOND LIABILITIES:

THE ORGANIZATION'S TOTAL TAX-EXEMPT BOND LIABILITIES ON THE BALANCE SHEET
IS COMPRISED OF THE FOLLOWING:

\$ 31,350,000 BOND LIABILITIES

(143,917) UNAMORTIZED BOND ISSUANCE COSTS

\$ 31,206,083

FORM 990, PART XI, LINE 9

OTHER CHANGES IN NET ASSETS:

\$ 3,464,462 LOSS FROM DEF BEN PLAN & POSTRETIREMENT BEN COSTS

1,486,656 LOSS ON INTEREST RATE SWAP AGREEMENT

\$ 4,951,118

ATTACHMENT 1

990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS

<u>NAME AND ADDRESS</u>	<u>DESCRIPTION OF SERVICES</u>	<u>COMPENSATION</u>
CERNER CORP CORP ST LOUIS, MO 63195-9156	PROFESSIONAL SERVICE	5,234,388.
SHERIDAN HEALTHCARE OF VERMONT INC P.O. BOX 452197 SUNRISE, FL 33323-2197	ANESTHESIOLOGISTS	1,877,070.
RANSTAD NORTH AMERICA 13792 COLLECTIONS CENTER DRIVE CHICAGO, IL 60693	TEMPORARY STAFF	1,087,704.
ARNC HOLDCO LLC DBA ADVANTAGE RN LLC P.O. BOX 404691 ATLANTA, GA 30384-4691	TEMPORARY STAFF	1,001,629.

Name of the organization RUTLAND HOSPITAL INC	Employer identification number 03-0183483
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ATTACHMENT 1 (CONT'D)

990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS

<u>NAME AND ADDRESS</u>	<u>DESCRIPTION OF SERVICES</u>	<u>COMPENSATION</u>
MAYO COLLABORATIVE SERVICES, INC. P.O. BOX 4100 ROCHESTER, MN 65903-4100	LAB SERVICES	838,148.

**SCHEDULE R
(Form 990)**

Related Organizations and Unrelated Partnerships

OMB No. 1545-0047

2017

**Open to Public
Inspection**

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

▶ Attach to Form 990.

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

Department of the Treasury
Internal Revenue Service

Name of the organization

RUTLAND HOSPITAL INC

Employer identification number

03-0183483

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

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(1) RUTLAND REGIONAL HEALTH SERVICES, INC. 22-2534389 160 ALLEN STREET RUTLAND, VT 05701	HOLDING CO	VT	501(C)(3)	12B II	N/A		X
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							

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

Schedule R (Form 990) 2017

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512 - 514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V - UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) THE MEADOWS AT EAST MOUNTAIN 0 03-0330343 RUTLAND, VT	ELDER CARE	VT	RRHS									
(2) THE GABLES AT EAST MOUNTAIN 03 03-0358050 RUTLAND, VT	ELDER CARE	VT	RRHS									
(3) VERMONT SPORTS MEDICINE CENTER 06-1231501 RUTLAND, VT	PHYSICAL THERAPY	VT	RRHS									
(4)												
(5)												
(6)												
(7)												

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No
(1)									
(2)									
(3)									
(4)									
(5)									
(6)									
(7)									

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

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

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

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

	(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				

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

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

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V - UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	
(1)													
(2)													
(3)													
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Part VII **Supplemental Information**

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

**The Rutland Hospital, Inc.
d/b/a Rutland Regional Medical Center**

Independent Auditor's Report and Financial Statements

September 30, 2018 and 2017

The Rutland Hospital, Inc.
d/b/a Rutland Regional Medical Center

September 30, 2018 and 2017

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Independent Auditor's Report

Board of Directors
The Rutland Hospital, Inc.
d/b/a Rutland Regional Medical Center
Rutland, Vermont

We have audited the accompanying financial statements of The Rutland Hospital, Inc., d/b/a Rutland Regional Medical Center (RRMC), a subsidiary of Rutland Regional Health Services, Inc., which comprise the balance sheets as of September 30, 2018 and 2017, 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 entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity'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.

Board of Directors
The Rutland Hospital, Inc.
d/b/a Rutland Regional Medical Center
Page 2

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Rutland Hospital, Inc., d/b/a Rutland Regional Medical Center, as of September 30, 2018 and 2017, and the results of its operations, the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Supplementary Information

Our audit was performed for the purpose of forming an opinion on the basic financial statements as a whole. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

BKD, LLP

Springfield, Missouri
February 25, 2019

The Rutland Hospital, Inc.
d/b/a Rutland Regional Medical Center
Balance Sheets
September 30, 2018 and 2017

Assets

	2018	2017
Current Assets		
Cash and cash equivalents	\$ 7,330,571	\$ 9,725,780
Patient accounts receivable, net of allowance; 2018 – \$8,510,000 and 2017 – \$7,630,000	26,832,549	27,274,766
Other receivables	5,198,945	4,381,660
Due from affiliates	5,589,575	5,441,347
Supplies	1,766,816	1,735,125
Prepaid expenses and other	3,759,940	3,425,295
Total current assets	50,478,396	51,983,973
Assets Limited As To Use		
Workers' compensation trust fund	828,917	494,485
Restricted by donors	4,957,850	4,901,282
Internally designated	139,394,745	130,453,848
	145,181,512	135,849,615
Property and Equipment, At Cost		
Land and land improvements	3,721,172	3,808,080
Buildings and leasehold improvements	104,229,690	103,978,236
Equipment	130,990,748	139,441,938
Construction in progress	3,660,435	3,841,932
	242,602,045	251,070,186
Less accumulated depreciation	161,155,950	169,932,960
	81,446,095	81,137,226
Other Assets		
Pledges receivable	15,386	37,235
Other	3,379,858	5,427,806
	3,395,244	5,465,041
Total assets	\$ 280,501,247	\$ 274,435,855

Liabilities and Net Assets

	2018	2017
Current Liabilities		
Current maturities of long-term debt	\$ 1,885,160	\$ 1,795,006
Accounts payable and accrued expenses	10,620,687	9,942,305
Accrued compensation and related taxes	13,124,089	12,066,535
Estimated amounts due to and advances from third-party payers	<u>7,963,185</u>	<u>7,886,938</u>
Total current liabilities	33,593,121	31,690,784
Other Liabilities	5,788,853	8,585,012
Accrued Pension Obligation	595,421	7,244,302
Long-Term Debt	<u>34,468,653</u>	<u>36,264,083</u>
Total liabilities	<u>74,446,048</u>	<u>83,784,181</u>
Net Assets		
Unrestricted	201,028,235	185,674,131
Temporarily restricted	4,348,322	4,298,901
Permanently restricted	<u>678,642</u>	<u>678,642</u>
Total net assets	<u>206,055,199</u>	<u>190,651,674</u>
Total liabilities and net assets	<u>\$ 280,501,247</u>	<u>\$ 274,435,855</u>

The Rutland Hospital, Inc.
d/b/a Rutland Regional Medical Center
Statements of Operations
Years Ended September 30, 2018 and 2017

	2018	2017
Unrestricted Revenues, Gains and Other Support		
Patient service revenue (net of contractual discounts and allowances)	\$ 262,832,235	\$ 249,249,842
Provision for uncollectible accounts	8,597,207	7,056,413
Net patient service revenue less provision for uncollectible accounts	254,235,028	242,193,429
Other revenue	14,613,015	11,515,193
Net assets released from restrictions used for operations	567,551	537,289
Total unrestricted revenues, gains and other support	269,415,594	254,245,911
Expenses and Losses		
Salaries and benefits	161,654,118	150,191,993
Supplies and other	93,254,759	85,586,622
Depreciation and amortization	11,919,033	12,801,745
Interest	1,290,424	1,531,765
Total expenses and losses	268,118,334	250,112,125
Operating Income	1,297,260	4,133,786
Other Income (Expense)		
Investment return	3,334,734	3,069,220
Contributions received and other	(77,920)	525,672
Change in unrealized gains and losses on trading securities	5,409,401	10,587,509
Gain on interest rate swap agreement	1,486,656	1,854,320
Total other income (expense)	10,152,871	16,036,721
Excess of Revenues Over Expenses	11,450,131	20,170,507
Net assets released from restriction for purchase of property and equipment	439,511	146,892
Defined benefit pension and postretirement benefit costs		
Net loss arising during the year	1,973,648	9,559,619
Amortization of net loss and prior service credit	1,740,875	2,683,740
Recognition of net gain	(250,061)	(152,888)
Increase in Unrestricted Net Assets	\$ 15,354,104	\$ 32,407,870

The Rutland Hospital, Inc.
d/b/a Rutland Regional Medical Center
Statements of Changes in Net Assets
Years Ended September 30, 2018 and 2017

	2018	2017
Unrestricted Net Assets		
Excess of revenues over expenses	\$ 11,450,131	\$ 20,170,507
Net assets released from restriction used for purchase of property and equipment	439,511	146,892
Defined benefit pension costs		
Net loss arising during the year	1,973,648	9,559,619
Amortization of net loss and prior service credit	1,740,875	2,683,740
Recognition of net gain	(250,061)	(152,888)
Increase in unrestricted net assets	15,354,104	32,407,870
Temporarily Restricted Net Assets		
Contributions received	938,682	550,084
Investment return	117,801	245,331
Net assets released from restrictions	(1,007,062)	(684,181)
Increase in temporarily restricted net assets	49,421	111,234
Change in Net Assets	15,403,525	32,519,104
Net Assets, Beginning of Year	190,651,674	158,132,570
Net Assets, End of Year	\$ 206,055,199	\$ 190,651,674

The Rutland Hospital, Inc.
d/b/a Rutland Regional Medical Center
Statements of Cash Flows
Years Ended September 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Operating Activities		
Change in net assets	\$ 15,403,525	\$ 32,519,104
Items not requiring (providing) cash		
Depreciation and amortization	11,919,033	12,801,745
Loss on disposal of property and equipment	77,090	29,595
Net gain on investments	(5,497,394)	(10,791,850)
Restricted contributions received	(938,682)	(550,084)
Change in defined benefit pension and postretirement benefit plans	(3,464,462)	(12,090,471)
Change in fair value of interest rate swap agreements	(1,486,656)	(1,854,320)
Changes in		
Patient accounts receivable, net	442,217	(3,210,455)
Other receivables	(819,299)	205,974
Estimated third-party settlements and advances	76,247	(1,265,774)
Other current assets and liabilities	(1,805,382)	(2,444,932)
	<u>13,906,237</u>	<u>13,348,532</u>
Investing Activities		
Proceeds from disposition of trading securities	522,543	867,862
Purchases of trading securities	(4,357,046)	(4,062,297)
Net advances to related parties	(148,228)	(181,346)
Purchase of property and equipment	(11,486,282)	(11,921,599)
	<u>(15,469,013)</u>	<u>(15,297,380)</u>
Financing Activities		
Principal payments on long-term debt	(1,794,978)	(1,877,055)
Proceeds from restricted contributions	962,545	609,850
	<u>(832,433)</u>	<u>(1,267,205)</u>
Decrease in Cash and Cash Equivalents	(2,395,209)	(3,216,053)
Cash and Cash Equivalents, Beginning of Year	<u>9,725,780</u>	<u>12,941,833</u>
Cash and Cash Equivalents, End of Year	<u>\$ 7,330,571</u>	<u>\$ 9,725,780</u>
Supplemental Cash Flows Information		
Interest paid	\$ 1,494,457	\$ 1,546,302
Property and equipment purchases in accounts payable	\$ 894,620	\$ 1,694,811

The Rutland Hospital, Inc.
d/b/a Rutland Regional Medical Center
Notes to Financial Statements
September 30, 2018 and 2017

Note 1: Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

The Rutland Hospital, Inc., d/b/a Rutland Regional Medical Center, (RRMC) is a not-for-profit acute care hospital which provides inpatient, outpatient, emergency care and physician services to residents in the Rutland, Vermont, area. RRMC is a controlled subsidiary of Rutland Regional Health Services, Inc. (RRHS). RRHS is a tax-exempt holding company, pursuant to Section 501(c)(3) of the Internal Revenue Code, organized to carry on planning, fundraising activities and manage related investments.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

RRMC considers all liquid investments, other than those limited as to use, with original maturities of three months or less to be cash equivalents. At September 30, 2018 and 2017, cash equivalents consisted primarily of money market accounts and short-term government obligations.

The FDIC's insurance limits have been permanently increased to \$250,000. RRMC has entered into an agreement with a local financial institution to purchase fully collateralized U.S. government securities with RRMC's funds that exceed FDIC insurance limits. At September 30, 2018, cash accounts did not exceed federally insured limits and collateral arrangement coverage.

Investments and Investment Return

Investments in equity securities having a readily determinable fair value and in all debt securities are carried at fair value. Other investments are valued at the lower of cost (or fair value at time of donation, if acquired by contribution) or fair value. Investment return includes dividend, interest and other investment income; realized and unrealized gains and losses on investments carried at fair value; and realized gains and losses on other investments. Investment return that is initially restricted by donor stipulation and for which the restriction will be satisfied in the same year is included in unrestricted net assets. Other investment return is reflected in the statements of operations and changes in net assets as unrestricted, temporarily restricted or permanently restricted based upon the existence and nature of any donor or legally imposed restrictions.

The Rutland Hospital, Inc.
d/b/a Rutland Regional Medical Center
Notes to Financial Statements
September 30, 2018 and 2017

Assets Limited As To Use

Assets limited as to use include (1) assets held by trustees, (2) assets restricted by donors and (3) assets set aside by the Board of Directors for various capital and other purposes over which the Board retains control and may at its discretion subsequently use for other purposes.

Patient Accounts Receivable

Accounts receivable are reduced by an allowance for uncollectible accounts. In evaluating the collectability of accounts receivable, RRMC analyzes its past history and identifies trends for each of its major payer sources of revenue to estimate the appropriate allowance for uncollectible accounts and provision for uncollectible accounts. Management regularly reviews data about these major payer sources of revenue in evaluating the sufficiency of the allowance for uncollectible accounts.

For receivables associated with services provided to patients who have third-party coverage, RRMC analyzes contractually due amounts and provides an allowance for uncollectible accounts and a provision for uncollectible accounts, if necessary (for example, for expected uncollectible deductibles and copayments on accounts for which the third-party payer has not yet paid, or for payers who are known to be having financial difficulties that make the realization of amounts due unlikely).

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), RRMC records a significant provision for uncollectible accounts 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. For those who do not qualify for charity care the difference between the standard rates (or the discounted rates if negotiated or provided by policy) and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for uncollectible accounts.

RRMC's allowance for uncollectible accounts for self-pay patients remained consistent at 95 percent of self-pay accounts receivable at September 30, 2018 and 2017. In addition, RRMC's write-offs increased approximately \$1,906,000 from approximately \$9,833,000 for the year ended September 30, 2017, to approximately \$11,739,000 for the year ended September 30, 2018.

Supplies

Supply inventories are stated at the lower of cost, determined using the average cost method, or market.

The Rutland Hospital, Inc.
d/b/a Rutland Regional Medical Center
Notes to Financial Statements
September 30, 2018 and 2017

Property and Equipment

Property and equipment acquisitions are recorded at cost and are depreciated on a straight-line basis over the estimated useful life of each asset. Leasehold improvements are depreciated over the shorter of the lease term or their respective estimated useful lives.

Land improvements	5 - 25 years
Buildings and leasehold improvements	4 - 40 years
Equipment	3 - 25 years

Donations of property and equipment are reported at fair value as an increase in unrestricted net assets unless use of the assets is restricted by the donor. Monetary gifts that must be used to acquire property and equipment are reported as restricted support. The expiration of such restrictions is reported as an increase in unrestricted net assets when the donated asset is placed in service.

Long-Lived Asset Impairment

RRMC evaluates the recoverability of the carrying value of long-lived assets whenever events or circumstances indicate the carrying amount may not be recoverable. If a long-lived asset is tested for recoverability and the undiscounted estimated future cash flows expected to result from the use and eventual disposition of the asset is less than the carrying amount of the asset, the asset cost is adjusted to fair value and an impairment loss is recognized as the amount by which the carrying amount of a long-lived asset exceeds its fair value.

No asset impairment was recognized during the years ended September 30, 2018 and 2017.

Costs of Issuance

Deferred financing costs represent costs incurred in connection with the issuance of long-term debt and remarketing fees. Such costs are being amortized using the straight-line method over the life of the respective debt.

Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are those whose use by RRMC has been limited by donors to a specific time period or purpose. Permanently restricted net assets have been restricted by donors to be maintained by RRMC in perpetuity.

The Rutland Hospital, Inc.
d/b/a Rutland Regional Medical Center
Notes to Financial Statements
September 30, 2018 and 2017

Net Patient Service Revenue

RRMC has agreements with third-party payers that provide for payments to RRMC at amounts different from its established rates. Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payers and others for services rendered and includes estimated retroactive revenue adjustments. Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered and such estimates are revised in future periods as adjustments become known.

Charity Care

RRMC provides charity care to patients who are unable to pay for services. The amount of charity care is included in net patient service revenue and is not separately classified from the provision for uncollectible accounts.

Contributions and Pledges Receivable

Unconditional gifts expected to be collected within one year are reported at their net realizable value. Unconditional gifts expected to be collected in future years are initially reported at fair value determined using the discounted present value of estimated future cash flows technique. The resulting discount is amortized using the level-yield method and is reported as contribution revenue.

Gifts received with donor stipulations are reported as either temporarily or permanently restricted support. When a donor restriction expires, that is, when a time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified and reported as an increase in unrestricted net assets. Donor-restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions. Conditional contributions are reported as liabilities until the condition is eliminated or the contributed assets are returned to the donor.

Professional Liability Claims

RRMC recognizes an accrual for claim liabilities based on estimated ultimate losses and costs associated with settling claims and a receivable to reflect the estimated insurance recoveries, if any. Professional liability claims are described more fully in Note 5.

The Rutland Hospital, Inc.
d/b/a Rutland Regional Medical Center
Notes to Financial Statements
September 30, 2018 and 2017

Estimated Self-Insurance Costs

RRMC accrues estimated liabilities for self-insurance losses associated with employee health insurance claims and includes an estimate of the ultimate costs for both reported claims and claims incurred but not reported. Costs resulting from self-insured claims are charged to expense when incurred. RRMC has purchased stop-loss coverage for any individual claim in excess of \$200,000.

Government Grants

Support funded by grants is recognized as RRMC performs the contracted services or incurs outlays eligible for reimbursement under the grant agreements. Grant activities and outlays are subject to audit and acceptance by the granting agency and, as a result of such audit, adjustments could be required.

Income Taxes

RRMC is exempt from income taxes under Section 501 of the Internal Revenue Code and a similar provision of state law. However, RRMC is subject to federal income tax on any unrelated business taxable income.

RRMC files tax returns in the U.S. federal jurisdiction.

Excess of Revenues Over Expenses

The statements of operations and changes in net assets include excess of revenues over expenses. Changes in unrestricted net assets which are excluded from excess of revenues over expenses, consistent with industry practice, include unrealized gains and losses on investments other than trading securities, permanent transfers to and from affiliates for other than goods and services, change in the pension and postretirement liability and contributions of long-lived assets (including assets acquired using contributions which by donor restriction were to be used for the purpose of acquiring such assets).

Transfers Between Fair Value Hierarchy Levels

Transfers in and out of Level 1 (quoted market prices), Level 2 (other significant observable inputs) and Level 3 (significant unobservable inputs) are recognized on the period ending date. There were no transfers between fair value hierarchy levels during the years ended September 30, 2018 and 2017.

The Rutland Hospital, Inc.
d/b/a Rutland Regional Medical Center
Notes to Financial Statements
September 30, 2018 and 2017

Electronic Health Records Incentive Program

The Electronic Health Records Incentive Program, enacted as part of the *American Recovery and Reinvestment Act of 2009*, provides for one-time incentive payments under both the Medicare and Medicaid programs to eligible hospitals that demonstrate meaningful use of certified electronic health records technology (EHR). Payments under the Medicare program are generally made for up to four years based on a statutory formula. Payments under the Medicaid program are generally made for up to four years based upon a statutory formula, as determined by the state, which is approved by the Centers for Medicare and Medicaid Services. Payment under both programs are contingent on the hospital continuing to meet escalating meaningful use criteria and any other specific requirements that are applicable for the reporting period. The final amount for any payment year is determined based upon an audit by the fiscal intermediary. Events could occur that would cause the final amounts to differ materially from the initial payments under the program.

RRMC recognizes revenue ratably over the reporting period starting at the point when management is reasonably assured it will meet all of the meaningful use objectives and any other specific grant requirements applicable for the reporting period.

For the years ended September 30, 2018 and 2017, RRMC has recorded revenue of approximately \$0 and \$544,000, respectively, which is included in other revenue within operating revenues in the statements of operations and changes in net assets.

Note 2: Net Patient Service Revenue

RRMC recognizes patient service revenue associated with services provided to patients who have third-party payer coverage on the basis of contractual rates for the services rendered. For uninsured patients that do not qualify for charity care, RRMC recognizes revenue on the basis of its standard rates for services provided (or the discounted rates if negotiated or provided by policy). On the basis of historical experience, a significant portion of RRMC's uninsured patients will be unable or unwilling to pay for the services provided. Thus, RRMC records a significant provision for uncollectible accounts related to uninsured patients in the period the services are provided. This provision for uncollectible accounts is presented on the statement of operations as a component of net patient service revenue.

RRMC has agreements with third-party payers that provide for payments to RRMC at amounts different from its established rates. These payment arrangements include:

Medicare. Inpatient acute care and substantially all outpatient services rendered to Medicare program beneficiaries are paid at prospectively determined rates. These rates vary according to a patient classification system that is based on clinical, diagnostic and other factors. RRMC is reimbursed for certain services at tentative rates with final settlements determined after submission of annual cost reports by RRMC and audits thereof by the Medicare administrative contractor.

The Rutland Hospital, Inc.
d/b/a Rutland Regional Medical Center
Notes to Financial Statements
September 30, 2018 and 2017

Medicaid. Inpatient and outpatient services rendered to Medicaid program beneficiaries are reimbursed at prospectively determined rates. These rates vary according to a patient classification system that is based on clinical, diagnostic and other factors. RRMC has entered into a contractual agreement with the state to care for patients with intensive inpatient psychiatric needs. RRMC is reimbursed for these services using a cost reimbursed methodology.

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation and change. As a result, it is reasonably possible that recorded estimates will change materially in the near term.

RRMC has also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations and preferred provider organizations. The basis for payment to RRMC under these agreements includes discounts from established charges.

Patient service revenue, net of contractual allowances and discounts (but before the provision for uncollectible accounts), recognized in the years ended September 30, 2018 and 2017, was approximately:

	<u>2018</u>	<u>2017</u>
Medicare	\$ 99,684,559	\$ 92,361,520
Medicaid	29,954,833	32,084,271
Other third-party payers	123,182,928	115,045,841
Patients	<u>10,009,915</u>	<u>9,758,210</u>
	<u>\$ 262,832,235</u>	<u>\$ 249,249,842</u>

Note 3: Concentration of Credit Risk

RRMC grants credit without collateral to its patients, most of whom are area residents and are insured under third-party payer agreements. The mix of receivables from patients and third-party payers at September 30, 2018 and 2017, was:

	<u>2018</u>	<u>2017</u>
Medicare	51%	50%
Medicaid	15%	13%
Other third-party payers and patients	<u>34%</u>	<u>37%</u>
	<u>100%</u>	<u>100%</u>

The Rutland Hospital, Inc.
d/b/a Rutland Regional Medical Center
Notes to Financial Statements
September 30, 2018 and 2017

Note 4: Investments and Investment Return

Assets Limited As To Use

Assets limited as to use, at September 30, include:

	2018	2017
Cash	\$ 1,261,098	\$ 639,793
Mutual funds - equity	92,228,614	85,973,359
Mutual funds - fixed	51,333,597	48,882,712
Interest in assets of Vermont Community Foundation	339,333	335,877
Interest receivable	18,870	17,874
	<u>\$ 145,181,512</u>	<u>\$ 135,849,615</u>

Total investment return is comprised of the following:

	2018	2017
Interest and dividend income, net of investment expenses	\$ 3,364,542	\$ 3,110,210
Realized gains on trading securities	30,028	20,150
Unrealized gains on trading securities	5,467,366	10,771,700
	<u>\$ 8,861,936</u>	<u>\$ 13,902,060</u>

Total investment return is reflected in the statements of operations and changes in net assets as follows:

	2018	2017
Unrestricted net assets		
Investment return	\$ 3,334,734	\$ 3,069,220
Change in unrealized gains and losses on trading securities	5,409,401	10,587,509
Temporarily restricted net assets	117,801	245,331
	<u>\$ 8,861,936</u>	<u>\$ 13,902,060</u>

The Rutland Hospital, Inc.
d/b/a Rutland Regional Medical Center
Notes to Financial Statements
September 30, 2018 and 2017

Note 5: Professional Liability and Self-Insurance Claims

Professional Liability Claims

RRMC purchases medical malpractice insurance under a claims-made policy. Under such a policy, only claims made and reported to the insurer during the policy term, regardless of when the incidents giving rise to the claims occurred, are covered. RRMC also purchases excess umbrella liability coverage, which provides additional coverage above the basic policy limits up to the amount specified in the umbrella policy.

Based upon RRMC's claims experience, an accrual had been made for RRMC's estimated medical malpractice costs, including costs associated with litigating or settling claims, under its malpractice insurance policy. Claim liabilities are to be determined without regard for recoveries. Expected recoveries are presented separately. RRMC recorded \$730,000 and \$2,110,000, respectively, of estimated insurance coverage receivables and recorded \$2,340,000 and \$3,380,000, respectively, of estimated insurance liabilities as of September 30, 2018 and 2017. It is reasonably possible that this estimate could change materially in the near term.

Self-Insurance

RRMC is self-insured for employee health insurance and has accrued an estimate of the ultimate costs for both reported claims and claims incurred for the years ending September 30, 2018 and 2017. Actual results could differ from these estimates.

Estimated employee health insurance and dental claim liabilities recorded by RRMC totaled \$1,235,756 and \$735,148 as of September 30, 2018 and 2017, respectively.

Note 6: Interest in Assets at the Vermont Community Foundation

RRMC has transferred assets to the Vermont Community Foundation and retained a beneficial interest in those assets. RRMC is to receive the interest annually, but none of the principal. RRMC has granted variance power to the Vermont Community Foundation to modify any restriction or condition on the distribution of funds for any specified charitable purposes or to a specified organization if, in the sole judgment of the Board of Trustees of the Vermont Community Foundation, such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community served. The cumulative amount of the retained beneficial interest included in the balance sheets was \$339,333 and \$335,877 at September 30, 2018 and 2017, respectively (*Note 4*).

The Rutland Hospital, Inc.
d/b/a Rutland Regional Medical Center
Notes to Financial Statements
September 30, 2018 and 2017

Note 7: Line of Credit

RRMC has a \$5,000,000 revolving bank line of credit expiring May 31, 2019. At September 30, 2018 and 2017, there was \$0 borrowed against this line. The line is collateralized by substantially all of RRMC's unrestricted revenues. Interest varies with the bank's prime rate, which was and 5.25 percent on September 30, 2018 and 2017, respectively, and is payable monthly.

Note 8: Long-Term Debt

	2018	2017
Vermont Educational and Health Buildings Financing Agency (VEHBFA) Hospital Revenue Bonds, Rutland Regional Medical Center Project Series 2013A (A)	\$ 31,350,000	\$ 31,350,000
Note payable, bank (B)	4,751,723	6,495,389
Capital lease (C)	68,783	-
Note payable, bank (D)	367,487	418,800
	36,537,993	38,264,189
Less unamortized costs of issuance	184,180	205,100
Less current maturities	1,885,160	1,795,006
	\$ 34,468,653	\$ 36,264,083

(A) VEHBFA Series 2013A Bonds (tax exempt), issued during the year ended September 30, 2013, bearing a variable interest rate of the one-month LIBOR plus 1.5 percent times 71 percent. Effective February 1, 2016, the variable interest rate was reduced to 70 percent of the one-month LIBOR rate plus 0.826 percent per annum with principal payments due in monthly installments beginning in April 2021, ranging from approximately \$77,000 to \$179,000 with final payments of \$26,500,000 in September 2033. The bonds are secured by gross receipts of RRMC. The effective interest rate was 2.29 percent and 1.69 percent at September 30, 2018 and 2017, respectively. Unamortized costs of issuance were \$143,917 and \$153,565 at September 30, 2018 and 2017, respectively.

RRMC has entered into an interest rate swap agreement to help mitigate exposure to future changes in interest rates on the Series 2013A Bonds. See *Note 8* for additional discussion on the interest rate swap agreement.

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- (B) Note payable (taxable) with a local financial institution, with a variable rate of LIBOR plus 1.5 percent, per annum based on a 360-day year, due in monthly installments, including principal and interest, maturing April 1, 2021, and is secured by certain property. Effective February 1, 2016, the variable interest rate was reduced to the one-month LIBOR rate plus 1.02 percent. The effective interest rate was 3.12 percent and 2.26 percent at September 30, 2018 and 2017, respectively. Unamortized debt issuance costs were \$40,263 and \$51,535 at September 30, 2018 and 2017, respectively.

RRMC has entered into an interest rate swap agreement to help mitigate exposure to future changes in interest rates on the note payable. See *Note 8* for additional discussion on the interest rate swap agreement.

- (C) Capital lease obligation due in monthly installments of \$2,437 through June 2021; collateralized by certain equipment of RRMC.
- (D) Note payable in the original amount of \$550,000 secured by real property that was purchased during the year ended September 30, 2015, bearing a fixed interest rate of 3.59 percent, with principal and interest payments of \$5,475 due monthly beginning on January 1, 2015, and continuing until the maturity date of December 1, 2024.

The bonds and notes contain certain restrictive covenants, which among other provisions, require that RRMC maintain certain financial covenants which include maximum annual debt service, debt to capitalization and days cash on hand ratios.

Aggregate annual maturities of long-term debt and payments on capital lease obligations at September 30, 2018, are:

	Long-Term Debt	Capital Lease Obligations
2019	\$ 1,865,452	\$ 22,627
2020	1,938,819	29,240
2021	2,014,909	21,930
2022	2,093,956	-
2023	28,475,820	-
Thereafter	80,254	-
	<u>\$ 36,469,210</u>	<u>73,797</u>
Less amount representing interest		<u>5,014</u>
Present value of future minimum lease payments		<u>68,783</u>
Less current maturities		<u>19,708</u>
Noncurrent portion		<u>\$ 49,075</u>

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Note 9: Derivative Financial Instruments

RRMC has entered into an interest rate swap agreement with TD Bank, N.A. in conjunction with the Series 2013A Bonds. The swap agreement terminates on September 1, 2023, and provides for monthly settlement with RRMC to pay a fixed rate of 4.068 percent and receive a variable rate equal to the 71 percent of the one-month LIBOR plus a spread of 650 basis points on a notional amount equal to a portion of the outstanding balance of the Series 2013A Bonds, original notional amount of \$11,683,802. RRMC entered into the swap agreement with the objective of reducing its exposure to future variability in interest rates on the Series 2013A Bonds by effectively fixing the interest rate thereon at 4.068 percent. At September 30, 2018 and 2017, the notional amount was \$16,286,244 and \$15,660,801, respectively.

RRMC has entered into an interest rate swap agreement with TD Bank, N.A. in conjunction with the 2013 note payable. The swap agreement terminates on April 1, 2021, and provides for monthly settlement with RRMC to pay a fixed rate of 4.022 percent and receive a variable rate equal to the 71 percent of the one-month LIBOR plus a spread of 650 basis points on a notional amount equal to a portion of the outstanding balance of the note payable, original notional amount of \$12,712,652. RRMC entered into the swap agreement with the objective of reducing its exposure to future variability in interest rates on the note payable by effectively fixing the interest rate thereon at 4.022 percent. The notional amount is being reduced over the term of the note payable. At September 30, 2018 and 2017, the notional amount was \$4,751,724 and \$6,495,389, respectively.

RRMC had entered into an interest rate swap agreement with Deutsche Bank in conjunction with the Series 2010A Bonds. The swap agreement originally terminated on December 1, 2020, and provided for monthly settlement with RRMC to pay a fixed rate of 4.61 percent and receive a variable rate equal to the 69 percent of the one-month LIBOR plus a spread of 241.50 basis points on a notional amount equal to the then outstanding balance of the Series 2010A Bonds, original notional amount of \$19,100,000. RRMC entered into the swap agreement with the objective of reducing its exposure to future variability in interest rates on the Series 2010A Bonds by effectively fixing the interest rate thereon at 4.61 percent. The terms of this swap agreement were revised on September 17, 2013, with this issuance of the Series 2013A Bonds. The swap agreement was extended and now terminates on September 1, 2023, and provides for monthly settlement with RRMC to pay a fixed rate of 4.828 percent and receive a variable rate equal to the 69 percent of the one-month LIBOR plus a spread of 241.50 basis points on a notional amount in the swap agreement. The notional amount is being reduced over the term of the agreement. At September 30, 2018 and 2017, the notional amount was \$15,063,756 and \$15,689,199, respectively.

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The table below presents certain information regarding RRMC's interest rate swap agreements designated as a fair value hedge. RRMC did not have any derivative instruments at September 30, 2018 and 2017, that were designated as hedging instruments.

	2018	2017
Other Liabilities		
Fair value of interest rate swap agreements	\$ 995,108	\$ 2,481,763
Interest Expense		
Additional interest expense incurred from interest rate swap agreements	517,963	769,967
Other Income (Expense)		
Gain (loss) recognized in change in interest rate swap agreement	1,486,656	1,854,320

Note 10: Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are available for the following purposes:

	2018	2017
Indigent care or operating room equipment	\$ 1,639,766	\$ 1,695,137
Capital	65,626	72,666
General use	1,101,895	1,261,993
Operating support	341,065	337,441
Special purpose endowments	834,692	545,307
Various departments and other	365,278	386,357
	<u>\$ 4,348,322</u>	<u>\$ 4,298,901</u>

During the years ended September 30, 2018 and 2017, net assets were released from donor restrictions by incurring expenses, satisfying the restricted operating purposes in the amounts of \$567,551 and \$537,289, respectively. During the years ended September 30, 2018 and 2017, net assets of \$439,511 and \$146,892, respectively, were released to purchase equipment.

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Permanently restricted net assets are restricted to:

	2018	2017
Investments to be held in perpetuity, the income is unrestricted	\$ 678,642	\$ 678,642

Note 11: Endowments

RRMC’s endowments consist of various individual donor-restricted and board-designated funds which were established for general operational and certain departmental purposes. As required by accounting principles generally accepted in the United States of America (GAAP), net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

RRMC’s governing body has interpreted the State of Vermont Prudent Management of Institutional Funds Act (SPMIFA) as requiring 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, RRMC classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of donor-restricted endowment funds is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by RRMC in a manner consistent with the standard of prudence prescribed by SPMIFA. In accordance with SPMIFA, RRMC considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. Duration and preservation of the fund
2. Purposes of RRMC and the fund
3. General economic conditions
4. Possible effect of inflation and deflation
5. Expected total return from investment income and appreciation or depreciation of investments
6. Other resources of RRMC
7. Investment policies of RRMC

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The composition of net assets by type of endowment fund at September 30, 2018 and 2017, was:

	2018			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
Donor-restricted endowment funds	\$ -	\$ 133,422	\$ 486,246	\$ 619,668
Board-designated endowment funds	-	-	-	-
Total endowment funds	<u>\$ -</u>	<u>\$ 133,422</u>	<u>\$ 486,246</u>	<u>\$ 619,668</u>

	2017			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
Donor-restricted endowment funds	\$ -	\$ 202,861	\$ 486,246	\$ 689,107
Board-designated endowment funds	-	-	-	-
Total endowment funds	<u>\$ -</u>	<u>\$ 202,861</u>	<u>\$ 486,246</u>	<u>\$ 689,107</u>

Changes in endowment net assets for the years ended September 30, 2018 and 2017, were:

	2018			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
Endowment net assets, beginning of the year	\$ -	\$ 202,861	\$ 486,246	\$ 689,107
Investment return and net appreciation	-	30,561	-	30,561
Appropriation of endowment net assets for expenditure	-	(100,000)	-	(100,000)
Endowment net assets, end of year	<u>\$ -</u>	<u>\$ 133,422</u>	<u>\$ 486,246</u>	<u>\$ 619,668</u>

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	2017			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
Endowment net assets, beginning of the year	\$ 6,898,042	\$ 249,791	\$ 486,246	\$ 7,634,079
Investment return and net appreciation	-	74,330	-	74,330
Appropriation of endowment net assets for expenditure	<u>(6,898,042)</u>	<u>(121,260)</u>	<u>-</u>	<u>(7,019,302)</u>
Endowment net assets, end of year	<u>\$ -</u>	<u>\$ 202,861</u>	<u>\$ 486,246</u>	<u>\$ 689,107</u>

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level RRMC is required to retain as a fund of perpetual duration pursuant to donor stipulation or SPMIFA. In accordance with GAAP, deficiencies of this nature are reported in unrestricted net assets and aggregated \$0 at September 30, 2018 and 2017. These deficiencies resulted from unfavorable market fluctuations that occurred shortly after investment of new permanently restricted contributions and continued appropriation for certain purposes that was deemed prudent by the governing body.

RRMC has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs and other items supported by its endowment while seeking to maintain the purchasing power of the endowment. Under RRMC's policies, the primary investment goal is generation of income. RRMC expects its endowment funds to provide an average rate of return of approximately 5 percent gross of fees annually over time. Actual returns in any given year may vary from this amount.

To satisfy its long-term rate of return objectives, RRMC relies on a strategy in which investment returns are achieved through current yield. RRMC invests in a variety of securities to achieve its long-term return objectives within prudent risk constraints.

Note 12: Charity Care

The costs of charity care provided under RRMC's charity care policy were approximately \$2,322,000 and \$2,643,000 for 2018 and 2017, respectively. The cost of charity care is estimated by applying the ratio of cost to gross charges to the gross uncompensated charges.

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Note 13: Functional Expenses

RRMC provides health care services to residents within its service area. Expenses related to providing these services are as follows:

	2018	2017
Health care services	\$ 198,871,328	\$ 198,130,032
General and administrative	69,247,006	51,982,093
	\$ 268,118,334	\$ 250,112,125

Note 14: Operating Leases

Rental expense under operating lease agreements totaled \$1,640,350 and \$1,673,740 for the years ended September 30, 2018 and 2017, respectively.

Note 15: Significant Commitments

RRMC and Cerner Corporation (Cerner) have entered into a strategic information technology service agreement. Cerner has assumed operational and administrative responsibilities for RRMC's information technology environment and services, including remote hosting, monitoring and system performance capabilities. The agreement is effective through September 30, 2023. At the end of the initial term, the agreement will automatically renew in one-year increments. The payments on these agreements are recognized as expense when incurred.

Future minimum payments required under these agreements at September 30, 2018, are summarized as follows:

2019	\$ 12,555,726
2020	12,921,327
2021	13,298,964
2022	13,424,310
2023	10,287,729
	\$ 62,488,056

Expenses under this agreement totaled \$10,097,212 and \$10,502,602 for the years ended September 30, 2018 and 2017, respectively.

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Note 16: Pension Plans

Defined Benefits Plans

RRMC has a noncontributory defined benefit pension plan and a defined benefit postretirement health care plan covering all employees who meet the eligibility requirements. RRMC's funding policy is to make the minimum annual contribution that is required by applicable regulations, plus such amounts as RRMC may determine to be appropriate from time to time. RRMC expects to contribute \$2,000,000 to the defined benefit pension plan and expects to contribute \$210,306 to the postretirement health care plan in 2018.

Effective January 1, 2006, RRMC's defined benefit pension plan was frozen and stopped accruing benefits. All employees in the defined benefit plan were enrolled into RRMC's newly established tiered contribution plan.

RRMC uses a September 30 measurement date for the plans. Information about the plan's funded status follows:

	Pension Benefits		Other Benefits	
	2018	2017	2018	2017
Benefit obligation	\$ 117,650,858	\$ 126,358,847	\$ 337,808	\$ 728,785
Fair value of plan assets	<u>117,055,437</u>	<u>119,114,545</u>	<u>-</u>	<u>-</u>
Funded status	<u>\$ (595,421)</u>	<u>\$ (7,244,302)</u>	<u>\$ (337,808)</u>	<u>\$ (728,785)</u>

Assets and liabilities recognized in the balance sheets:

	Pension Benefits		Other Benefits	
	2018	2017	2018	2017
Current liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 210,306</u>	<u>\$ 392,359</u>
Noncurrent liabilities	<u>\$ 595,421</u>	<u>\$ 7,244,302</u>	<u>\$ 127,502</u>	<u>\$ 336,426</u>

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Amounts recognized in unrestricted net assets not yet recognized as components of net periodic benefit cost consist of:

	Pension Benefits		Other Benefits	
	2018	2017	2018	2017
Prior service credit	\$ -	\$ -	\$ -	\$ -
Net loss (gain)	\$ 28,139,592	\$ 31,889,957	\$ (194,575)	\$ (480,478)

The accumulated benefit obligation for the defined benefit pension plan was \$117,650,858 and \$126,358,847 at September 30, 2018 and 2017, respectively.

Other significant balances and costs are:

	Pension Benefits		Other Benefits	
	2018	2017	2018	2017
Benefit costs (credit)	\$ (898,516)	\$ 68,554	\$ (242,094)	\$ (138,965)
Employer contributions	2,000,000	2,000,000	434,786	205,668
Benefits paid	5,756,793	5,073,024	434,786	205,668

The following amounts have been recognized in the statements of operations and changes in net assets for the years ended September 30, 2018 and 2017:

	Pension Benefits		Other Benefits	
	2018	2017	2018	2017
Amounts arising during the period				
Net loss (gain)	\$ (2,009,490)	\$ (9,338,545)	\$ 35,842	\$ (221,074)
Amortization of net loss	1,740,875	2,683,740	-	-
Recognition of net loss (gain)	-	-	(250,061)	(152,888)

The estimated net loss for the defined benefit pension plan that will be amortized from unrestricted net assets into net periodic benefit cost over the next fiscal year is \$1,645,679.

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Significant assumptions include:

	Pension Benefits		Other Benefits	
	2018	2017	2018	2017
Weighted average assumptions used to determine benefit obligations				
Discount rate	4.25%	3.75%	2.75%	1.50%
Rate of compensation increase	N/A	N/A	N/A	N/A
Weighted average assumptions used to determine benefit costs				
Discount rate	3.75%	3.50%	1.50%	1.50%
Expected return on plan assets	6.20%	6.50%	N/A	N/A

RRMC has estimated the long-term rate of return on plan assets based primarily on historical returns on plan assets, adjusted for changes in target portfolio allocations and recent changes in long-term interest rates based on publicly available information.

For measurement purposes, a 6.50 percent and 7.00 percent annual rate of increase in the per capita cost of covered health care benefits was assumed for 2018 and 2017, respectively. The rate was assumed to decrease gradually to 6 percent by the year 2020 and remain at that level thereafter.

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid as of September 30, 2018:

	Pension Benefits	Other Benefits
2019	\$ 5,937,938	\$ 213,198
2020	6,299,669	132,777
2021	6,599,468	-
2022	6,865,839	-
2023	7,110,663	-
2024 - 2028	37,751,622	-

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Pension Plan Assets

Following is a description of the valuation methodologies used for pension plan assets measured at fair value on a recurring basis and recognized in the accompanying balance sheets, as well as the general classification of pension plan assets pursuant to the valuation hierarchy.

Where quoted market prices are available in an active market, plan assets are classified within Level 1 of the valuation hierarchy. Level 1 plan assets include common trust funds invested in equity securities. If quoted market prices are not available, then fair values are estimated by using pricing models, quoted prices of plan assets with similar characteristics or discounted cash flows. Level 2 plan assets include common trust funds invested in fixed income securities. In certain cases where Level 1 or Level 2 inputs are not available, plan assets are classified within Level 3 of the hierarchy.

The fair values of RRMC's pension plan assets at September 30, 2018 and 2017, by asset class are as follows:

	Fair Value	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
2018				
Investments				
Money market funds	\$ 632,351	\$ 632,351	\$ -	\$ -
Mutual funds - equity	23,155,570	23,155,570	-	-
Mutual funds - fixed	<u>93,267,516</u>	<u>93,267,516</u>	-	-
Total	<u>\$ 117,055,437</u>	<u>\$ 117,055,437</u>	<u>\$ -</u>	<u>\$ -</u>
2017				
Investments				
Money market funds	\$ 556,365	\$ 556,365	\$ -	\$ -
Mutual funds - equity	61,255,496	61,255,496	-	-
Mutual funds - fixed	<u>57,302,684</u>	<u>57,302,684</u>	-	-
Total	<u>\$ 119,114,545</u>	<u>\$ 119,114,545</u>	<u>\$ -</u>	<u>\$ -</u>

Plan assets are held by a bank-administered trust fund, which invests the plan assets in accordance with the provisions of the plan agreement. The plan agreements permit investment in common stocks, corporate bonds and debentures, U.S. government securities, certain insurance contracts, real estate and other specified investments, based on certain target allocation percentages.

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Plan assets are rebalanced quarterly. The postretirement health care plan is conducted on a pay-as-you-go basis, thus there are no assets available for investment. At September 30, 2018 and 2017, plan assets by category are as follows:

	Pension Benefits	
	2018	2017
Equity securities	19%	51%
Debt securities	80%	48%
Cash and cash equivalents	1%	1%
	100%	100%

Defined Contribution Plan

RRMC has a defined contribution plan which they contribute to the plan on behalf of each eligible employee a percentage of employee's eligible compensation based on age and years of service to the plan, as follows:

<u>Combined Age and Years of Service</u>	<u>Percentage of Compensation</u>
Less than 40 years	4%
40 - 59 years	6%
60 - 79 years	8%
80 + years	10%

For employees hired on or after April 4, 2004, RRMC contributes to the plan on behalf of each eligible employee an amount equal to 4 percent of the eligible employee's compensation.

403(b) Plan - Employer Matching Contributions

Employees may elect to contribute from 1 percent to 100 percent of their compensation to the tax sheltered 403(b) plan. Employer matching contributions are made equal to 25 percent of a participant's contribution to the plan, up to a maximum of 1 percent compensation for all employees.

Pension plan expense for these two plans for the years ended September 30, 2018 and 2017, was \$5,369,751 and \$5,216,780, respectively.

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Note 17: Executive Option Plan

Prior to 2002, RRMC offered an Executive Option Plan for certain senior management and employed physicians. Through the plan, administered under Section 83 of the Internal Revenue Code, a designated group of employees is granted options to purchase shares, through salary reduction, of one or more mutual funds at a price that is equal to a specified percentage of the fair value of the shares on the date of the exercise. During 2002, contributions to the plan were frozen and no future options are expected to be granted. At September 30, 2018 and 2017, plan assets amounted to \$1,688,514 and \$1,787,806, respectively.

Note 18: Related Party Transactions

A receivable from RRHS, RRMC's parent organization, of \$5,589,575 and \$5,416,029 is recorded at September 30, 2018 and 2017, respectively. RRMC has advanced RRHS funds to cover operating expenses.

A receivable from The Meadows Associates, an investment of RRHS of \$0 and \$25,318 is recorded at September 30, 2018 and 2017, respectively. RRMC advanced The Meadows Associates funds to cover operating expenses.

Note 19: Community Health Centers of the Rutland Region, Inc.

Effective December 1, 2013, RRHS entered into an agreement to provide Community Health Centers of the Rutland Region, Inc. a community benefit grant over a period of fifty-eight months from December 1, 2013, to September 30, 2018. These payments are being made monthly and range from \$17,358 to \$19,537, for a total grant of \$1,066,810.

For the years ended September 30, 2018 and 2017, \$288,026 and \$496,283, respectively, was expended for the grant award from RRMC and is included in RRMC's general operating expenses.

Note 20: Disclosures About Fair Value of Financial Instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

Level 1 Quoted prices in active markets for identical assets or liabilities.

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- Level 2** Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3** Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities.

Recurring Measurements

The following table presents the fair value measurements of assets and liabilities recognized in the accompanying balance sheets measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at September 30, 2018 and 2017:

	Fair Value	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
September 30, 2018				
Investments				
Money market funds	\$ 834,710	\$ 834,710	\$ -	\$ -
Mutual funds - equity	92,228,614	92,228,614	-	-
Mutual funds - fixed	51,333,597	51,333,597	-	-
Interest in assets of Vermont				
Community Foundation	339,333	-	-	339,333
Interest rate swap agreements	(995,108)	-	(995,108)	-
September 30, 2017				
Investments				
Money market funds	\$ 545,308	\$ 545,308	\$ -	\$ -
Mutual funds - equity	85,973,359	85,973,359	-	-
Mutual funds - fixed	48,882,712	48,882,712	-	-
Interest in assets of Vermont				
Community Foundation	335,877	-	-	335,877
Interest rate swap agreements	(2,481,763)	-	(2,481,763)	-

Following is a description of the valuation methodologies and inputs used for assets and liabilities measured at fair value on a recurring basis and recognized in the accompanying balance sheets, as well as the general classification of such assets and liabilities pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the year ended September 30, 2018.

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Investments

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows. Such securities are classified in Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy.

The value of certain investments, classified as alternative investments, is determined using net asset value (or its equivalent) as a practical expedient. Investments for which RRMC expects to have the ability to redeem its investments with the investee within 12 months after the reporting date are categorized as Level 2. Investments for which RRMC does not expect to be able to redeem its investments with the investee within 12 months after the reporting date are categorized as Level 3.

Fair value determinations for Level 3 measurements of securities are the responsibility of management. Management contracts with a pricing specialist to generate fair value estimates on a monthly or quarterly basis. Management challenges the reasonableness of the assumptions used and reviews the methodology to ensure the estimated fair value complies with accounting standards generally accepted in the United States.

Interest in Assets of Vermont Community Foundation

Fair value is estimated at the present value of the future distributions expected to be received over the term of the agreement. Due to the nature of valuation inputs, the interest is classified within Level 3 of the hierarchy.

Interest Rate Swap Agreements

The fair value is estimated using forward-looking interest rate curves and discounted cash flows that are observable or can be corroborated by observable market data and, therefore, are classified within Level 2 of the valuation hierarchy.

Realized and unrealized gains and losses are included in excess of revenues over expenses.

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Level 3 Reconciliation

The following is a reconciliation of the beginning and ending balances of recurring fair value measurements recognized in the accompanying balance sheets using significant unobservable (Level 3) inputs:

	Interest in Assets of Vermont Community Foundation
Balance, October 1, 2016	\$ 295,839
Total realized and unrealized gains and losses included in other income (expense)	40,038
Balance, September 30, 2017	335,877
Total realized and unrealized gains and losses included in other income (expense)	3,456
Balance, September 30, 2018	\$ 339,333

Realized and unrealized gains and losses are included in excess of revenues over expenses for the period from October 1, 2017, through September 30, 2018.

Note 21: Contract Pharmacy Program

RRMC participates in the 340B outpatient drug discount program administered by the Office of Pharmacy Affairs of the Health Resources and Services Administration (HRSA). In 2011, RRMC began operating a 340B retail drug program by contracting with local pharmacies. The net revenue from this program for the years ended September 30, 2018 and 2017, respectively, was approximately \$5,189,000 and \$3,161,000 greater than the cost of operating the program. Laws and regulations surrounding the 340B drug program are complex and are subject to interpretation and change.

The Rutland Hospital, Inc.
d/b/a Rutland Regional Medical Center
Notes to Financial Statements
September 30, 2018 and 2017

Note 22: Significant Estimates and Concentrations

Accounting principles generally accepted in the United States of America require disclosure of certain significant estimates and current vulnerabilities due to certain concentrations. Those matters include the following:

Allowance for Net Patient Service Revenue Adjustments

Estimates of allowances for adjustments included in net patient service revenue are described in *Notes 1* and *2*.

Malpractice Claims

Estimates related to the accrual for medical malpractice claims are described in *Notes 1* and *5*.

Investments

RRMC invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the accompanying balance sheets.

Collective Bargaining Agreement

Approximately 20 percent of RRMC's employees are covered by a collective bargaining agreement. The collective bargaining agreement covering these employees expires September 30, 2021.

Asset Retirement Obligation

As discussed in *Note 25*, RRMC has recorded a liability for its conditional asset retirement obligations related to both its administrative and patient care buildings.

Derivative Financial Instruments

As discussed in *Note 8*, RRMC has entered into interest rate swap agreements and has estimated the fair value of the swaps at September 30, 2018 and 2017. Due to the level of risk associated with the swaps it is reasonably possible that changes in the fair value will occur in the near term and that such change could materially affect the amounts reported in the accompanying balance sheets.

The Rutland Hospital, Inc.
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September 30, 2018 and 2017

Pension and Other Postretirement Benefit Obligations

RRMC has a noncontributory defined benefit pension and postretirement health care plan whereby it agrees to provide certain postretirement benefits to eligible employees. The benefit obligation is the actuarial present value of all benefits attributed to service rendered prior to the valuation date based on the linear method. It is reasonably possible that events could occur that would change the estimated amount of this liability materially in the near term.

Note 23: Construction in Progress

The construction in progress at September 30, 2018, primarily relates to numerous smaller projects and the Medical Office Building. Some larger projects are included in construction in progress, but most of the expenditures have not occurred as of September 30, 2018. These projects include upgrades to nuclear medicine, replacement windows and cancer center renovations. Below is a table listing anticipated cost and completion date.

Project Description	Estimated Total Cost	Estimated Remaining to be Spent	Estimated Completion Date
Cancer center renovations	\$ 2,600,000	\$ 2,516,522	September 2019
Nuclear medicine upgrade	2,841,000	1,988,675	May 2019
Window replacement	2,799,000	2,395,219	October 2020
Medical office building	23,884,000	22,671,903	May 2020

Note 24: Contingent Liabilities

Litigation

In the normal course of business, RRMC is, from time to time, subject to allegations that may or do result in litigation. Some of these allegations are in areas not covered by commercial insurance; for example, allegations regarding employment practices or performance of contracts. RRMC evaluates such allegations by conducting investigations to determine the validity of each potential claim. Based upon the advice of counsel, management records an estimate of the amount of ultimate expected loss, if any, for each of these matters. Events could occur that would cause the estimate of ultimate loss to differ materially in the near term.

The Rutland Hospital, Inc.
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Notes to Financial Statements
September 30, 2018 and 2017

Note 25: Other Liabilities

Other liabilities consisted of the following at September 30, 2018 and 2017:

	2018	2017
Accrued postretirement health care benefit	\$ 127,502	\$ 336,426
Employee option payable	1,688,514	1,787,806
Accrued claims liabilities	2,337,845	3,383,488
Asset retirement obligation	584,912	586,529
Interest rate swap agreements	995,108	2,481,763
Other	54,972	9,000
	<u>\$ 5,788,853</u>	<u>\$ 8,585,012</u>

Note 26: Asset Retirement Obligations

Accounting principles generally accepted in the United States of America, requires that an asset retirement obligation (ARO) associated with the retirement of a tangible long-lived asset be recognized as a liability in the period in which it is incurred or becomes determinable (as defined by the standard) even when the timing and/or method of settlement may be conditional on a future event. RRMC's conditional asset retirement obligations primarily relate to asbestos contained in buildings that RRMC owns. Environmental regulations exist in Vermont that require RRMC to handle and dispose of asbestos in a special manner if a building undergoes major renovations or is demolished. A liability of \$584,912 and \$586,529 has been recognized in the accompanying 2018 and 2017 financial statements, respectively, for the portion of the liability that can be reasonably estimated.

Additionally, there remains a liability that has not been recognized in the accompanying financial statements because the range of time over which RRMC may settle is unknown and cannot be reasonably estimated. RRMC will recognize a liability when sufficient information is available to reasonably estimate fair value.

The Rutland Hospital, Inc.
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Notes to Financial Statements
September 30, 2018 and 2017

Note 27: Future Changes in Accounting Principles

Revenue Recognition (ASU 2014-09)

The Financial Accounting Standards Board amended its standards related to revenue recognition. This amendment replaces all existing revenue recognition guidance and provides a single, comprehensive revenue recognition model for all contracts with customers. The guidance provides a five-step analysis of transactions to determine when and how revenue is recognized. Other major provisions include capitalization of certain contract costs, consideration of the time value of money in the transaction price and allowing estimates of variable consideration to be recognized before contingencies are resolved in certain circumstances. The amendment also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in those judgments and assets recognized from costs incurred to fulfill a contract. The standard allows either full or modified retrospective adoption effective for RRMCM for annual periods beginning after December 15, 2018, and any interim periods within annual reporting periods that begin after December 15, 2019. RRMCM is in the process of evaluating the impact the amendment will have on the consolidated financial statements.

Leases (ASU 2016-02)

The Financial Accounting Standards Board amended its standard related to the accounting for leases. Under the new standard, lessees will now be required to recognize substantially all leases on the balance sheet as both a right-of-use asset and a liability. The standard has two types of leases for income statement recognition purposes: operating leases and finance leases. Operating leases will result in the recognition of a single lease expense on a straight-line basis over the lease term similar to the treatment for operating leases under existing standards. Finance leases will result in an accelerated expense similar to the accounting for capital leases under existing standards. The determination of lease classification as operating or finance will be done in a manner similar to existing standards. The new standard also contains amended guidance regarding the identification of embedded leases in service contracts and the identification of lease and nonlease components in an arrangement. The new standard is effective for RRMCM for annual periods beginning after December 15, 2019, and any interim periods within annual reporting periods that begin after December 15, 2019. The Health System is evaluating the impact the standard will have on the consolidated financial statements; however, the standard is expected to have a material impact on the consolidated financial statements due to the recognition of additional assets and liabilities for operating leases.

The Rutland Hospital, Inc.
d/b/a Rutland Regional Medical Center
Notes to Financial Statements
September 30, 2018 and 2017

Presentation of Financial Statements for Not-for-Profit Entities

The Financial Accounting Standards Board recently issued guidance which changes reporting and disclosure requirements for the financial statements of not-for-profit (NFP) entities. This standard will be effective for RRMC as of October 1, 2019. The significant impacts on the financial statements are as follows:

- Previously reported unrestricted, temporarily restricted and permanently restricted net assets will be changed to net assets with donor-imposed restrictions and those without.
- Expenses are reported by both nature and function in one location (either an additional statement or within the footnotes).
- Expanded disclosures regarding liquidity and cash flows available to meet operating expenses for one year from the balance sheet date.
- Amounts and purposes of governing board designations and appropriations as of the end of the period.

Restricted Cash

The Financial Accounting Standards Board clarified its standard related to the presentation of restricted cash on the consolidated statements of cash flows to remove diversity in practice. RRMC, which presents cash and cash equivalents with restrictions in multiple line items on the consolidated balance sheets, will now report these items as cash and cash equivalents for the consolidated statements of cash flows, and will disclose the location of its the cash and cash equivalents to reconcile the two statements for each period presented. This standard will be effective for RRMC as of October 1, 2019.

Accounting for Financial Instruments – Credit Losses

The Financial Accounting Standards Board amended its standards related to the accounting for credit losses on financial instruments. This amendment introduces new guidance for accounting for credit losses on instruments including trade receivables and finance receivables. The new standard is effective for annual and interim periods beginning after December 15, 2020. RRMC is in the process of evaluating the impact the amendment will have on the financial statements.

Note 28: Subsequent Events

Subsequent events have been evaluated through February 25, 2019, which is the date the financial statements were available to be issued.

Supplementary Information

The Rutland Hospital, Inc.
d/b/a Rutland Regional Medical Center
Net Patient Service Revenue
Years Ended September 30, 2018 and 2017

	Inpatient		Outpatient		Total	
	2018	2017	2018	2017	2018	2017
Routine Services						
Medical and surgical	\$ 45,266,615	\$ 39,435,435	\$ -	\$ -	\$ 45,266,615	\$ 39,435,435
Psychiatric	16,362,124	15,537,865	-	-	16,362,124	15,537,865
Obstetrics and gynecology	2,963,039	2,922,118	-	-	2,963,039	2,922,118
Intensive care	9,499,411	9,519,850	-	-	9,499,411	9,519,850
Nursery	1,071,336	1,009,195	-	-	1,071,336	1,009,195
	<u>75,162,525</u>	<u>68,424,463</u>	<u>-</u>	<u>-</u>	<u>75,162,525</u>	<u>68,424,463</u>
Special Services						
Operating room	39,796,278	38,647,713	32,340,425	29,845,008	72,136,703	68,492,721
Recovery room	2,597,727	2,548,844	2,625,043	2,748,659	5,222,770	5,297,503
Emergency room	11,687,783	9,781,963	33,244,051	31,479,646	44,931,834	41,261,609
Endoscopy	1,389,183	1,000,107	11,875,710	12,146,345	13,264,893	13,146,452
Ambulatory care	3,654	13,042	248,004	194,225	251,658	207,267
Delivery room	1,244,109	1,225,937	586,532	461,058	1,830,641	1,686,995
Medical and surgical supplies	323,952	550,448	680,513	1,200,221	1,004,465	1,750,669
Oncology	176,747	131,678	5,484,670	4,713,568	5,661,417	4,845,246
Laboratory	13,117,401	11,565,110	29,548,621	26,873,055	42,666,022	38,438,165
Cardiology	7,365,777	6,350,393	21,933,224	22,010,483	29,299,001	28,360,876
Pulmonary	227,147	229,752	812,079	798,979	1,039,226	1,028,731
Electroencephalography	93,908	110,956	636,013	563,407	729,921	674,363
Radiology - diagnostic	8,208,144	6,630,570	37,329,720	34,915,462	45,537,864	41,546,032
Radiology - isotopes	661,146	593,312	1,536,611	1,588,586	2,197,757	2,181,898
Chemotherapy	761,786	1,003,726	3,507,333	4,212,538	4,269,119	5,216,264
CT scanning	7,865,948	6,636,423	19,175,265	17,875,203	27,041,213	24,511,626
Radiation therapy	471,775	373,667	10,402,167	8,248,448	10,873,942	8,622,115
Pharmacy	16,856,647	16,010,112	54,876,914	49,374,180	71,733,561	65,384,292
Respiratory care	8,991,869	9,482,868	1,562,710	1,464,317	10,554,579	10,947,185
Psychiatric counseling	1,757,154	1,671,362	2,912,320	2,831,163	4,669,474	4,502,525
Physical therapy	1,425,273	1,380,183	2,312,921	2,205,888	3,738,194	3,586,071
Physiatry	46,035	29,033	2,837,814	2,538,394	2,883,849	2,567,427
Occupational therapy	1,833,404	1,747,487	582,272	571,044	2,415,676	2,318,531
Speech therapy	748,613	739,811	287,476	256,852	1,036,089	996,663
Hospitalist	6,669,289	6,505,334	682,857	801,496	7,352,146	7,306,830
OB/GYN oncology	1,731,652	1,704,925	3,470,051	2,986,959	5,201,703	4,691,884
Digestive services	209,753	188,949	3,402,182	3,694,486	3,611,935	3,883,435
Sleep services	10,560	6,065	5,122,776	3,834,966	5,133,336	3,841,031
Endocrinology	221,918	199,974	1,798,551	1,739,282	2,020,469	1,939,256
Gastroenterology	133,132	168,633	946,680	827,835	1,079,812	996,468
Infectious diseases	234,331	274,923	230,731	226,131	465,062	501,054
Miscellaneous clinical services	7,393,407	7,439,737	24,086,708	23,671,912	31,480,115	31,111,649
Opiate addiction center	-	-	3,487,842	3,906,772	3,487,842	3,906,772
Urology clinic	422,158	489,308	3,204,327	3,029,776	3,626,485	3,519,084
Eye clinic	4,187	1,610	3,571,594	2,528,204	3,575,781	2,529,814
Neurology	187,301	160,089	1,141,185	1,140,567	1,328,486	1,300,656
	<u>144,869,148</u>	<u>135,594,044</u>	<u>328,483,892</u>	<u>307,505,115</u>	<u>473,353,040</u>	<u>443,099,159</u>
Gross Patient Service Revenue	<u>\$ 220,031,673</u>	<u>\$ 204,018,507</u>	<u>\$ 328,483,892</u>	<u>\$ 307,505,115</u>	<u>548,515,565</u>	<u>511,523,622</u>
Less Contractual Allowances						
Medicare					178,357,552	164,025,155
Medicaid					65,733,956	56,881,663
Blue Cross					22,653,357	22,403,382
Charity care					4,702,339	5,753,971
Other					<u>14,236,126</u>	<u>13,209,609</u>
					<u>285,683,330</u>	<u>262,273,780</u>
Patient Service Revenue (Net of Contractual Discounts and Allowances)					<u>262,832,235</u>	<u>249,249,842</u>
Provision for uncollectible accounts					<u>8,597,207</u>	<u>7,056,413</u>
Net Patient Service Revenue Less Provision for Uncollectible Accounts					<u>\$ 254,235,028</u>	<u>\$ 242,193,429</u>

The Rutland Hospital, Inc.
d/b/a Rutland Regional Medical Center
Expenses
Years Ended September 30, 2018 and 2017

	Salaries and Wages		Supplies and Other		Total	
	2018	2017	2018	2017	2018	2017
Nursing Services						
Nursing administration	\$ 756,181	\$ 736,934	\$ 55,358	\$ 47,928	\$ 811,539	\$ 784,862
Nursing education	1,067,448	1,003,782	202,055	214,514	1,269,503	1,218,296
Medical and surgical	11,617,864	9,919,137	782,088	731,679	12,399,952	10,650,816
Psychiatric	4,977,074	4,328,642	185,040	193,638	5,162,114	4,522,280
Obstetrics and gynecology	1,270,738	1,024,131	123,359	97,151	1,394,097	1,121,282
Intensive care	4,740,812	4,477,747	328,245	335,340	5,069,057	4,813,087
Nursery	320,170	315,810	45,677	54,120	365,847	369,930
	<u>24,750,287</u>	<u>21,806,183</u>	<u>1,721,822</u>	<u>1,674,370</u>	<u>26,472,109</u>	<u>23,480,553</u>
Other Professional Services						
Operating room	5,492,132	4,430,498	9,984,652	9,388,500	15,476,784	13,818,998
Recovery room	661,865	564,797	62,783	65,548	724,648	630,345
Emergency room	11,049,225	10,686,611	999,238	810,175	12,048,463	11,496,786
Endoscopy	819,712	869,898	459,885	439,145	1,279,597	1,309,043
Ambulatory care	1,149,671	1,140,053	224,124	204,278	1,373,795	1,344,331
Physical rehabilitation services	1,747,308	1,728,341	75,844	64,209	1,823,152	1,792,550
Delivery room	1,164,553	1,034,733	65,406	71,396	1,229,959	1,106,129
HIV clinic	404,760	398,841	11,935	21,577	416,695	420,418
Central supply	754,091	650,868	911,011	856,793	1,665,102	1,507,661
Anesthesiology	2,457,797	1,884,753	53,372	62,000	2,511,169	1,946,753
Oncology	2,173,505	2,118,223	300,328	260,502	2,473,833	2,378,725
Laboratory	4,951,752	4,524,859	4,733,918	4,402,949	9,685,670	8,927,808
Cardiology	3,951,137	3,726,033	825,833	711,728	4,776,970	4,437,761
Pulmonary	734,389	778,747	21,773	12,905	756,162	791,652
Cardiac cath	181,613	226,148	733,513	594,631	915,126	820,779
Electroencephalography	418,067	275,030	16,890	27,599	434,957	302,629
Radiology - diagnostic	4,221,303	4,190,358	2,200,171	1,895,258	6,421,474	6,085,616
Radiology - isotopes	206,999	160,296	413,554	350,137	620,553	510,433
CT scanning	477,229	467,749	566,971	728,746	1,044,200	1,196,495
Radiation therapy	467,684	442,067	501,658	500,052	969,342	942,119
Pharmacy	2,397,532	2,234,040	16,782,662	14,062,689	19,180,194	16,296,729
Respiratory care	1,730,581	1,761,009	314,716	318,109	2,045,297	2,079,118
Psychiatric counseling	2,971,229	2,442,649	144,576	130,673	3,115,805	2,573,322
Physical therapy	1,091,212	1,041,966	38,754	34,041	1,129,966	1,076,007
Occupational therapy	493,386	482,534	27,707	23,219	521,093	505,753
Hospitalists	4,372,442	4,063,787	64,721	66,812	4,437,163	4,130,599
Speech therapy	207,547	219,318	6,558	9,574	214,105	228,892
OB/GYN oncology	13,674	15,057	723	800	14,397	15,857
OB/GYN clinic	2,858,846	2,726,391	317,949	307,002	3,176,795	3,033,393
Gastroenterology	2,141,399	1,953,918	101,769	112,241	2,243,168	2,066,159
Sleep services	943,519	826,068	78,266	91,947	1,021,785	918,015
Endocrinology	1,307,383	1,240,887	171,711	157,514	1,479,094	1,398,401
Miscellaneous clinical services	9,595,695	9,658,530	1,884,058	1,789,971	11,479,753	11,448,501
Opiate addiction center	1,363,213	1,352,832	827,941	985,700	2,191,154	2,338,532
Urology clinic	1,077,233	1,113,235	347,819	325,414	1,425,052	1,438,649
Eye clinic	1,154,338	720,151	162,088	106,135	1,316,426	826,286
Neurology	829,919	845,402	71,571	72,610	901,490	918,012
Retail pharmacy	219,034	205,392	1,520,701	744,422	1,739,735	949,814
	<u>78,252,974</u>	<u>73,202,069</u>	<u>46,027,149</u>	<u>40,807,001</u>	<u>124,280,123</u>	<u>114,009,070</u>

**The Rutland Hospital, Inc.
d/b/a Rutland Regional Medical Center
Expenses
Years Ended September 30, 2018 and 2017**

	Salaries and Wages		Supplies and Other		Total	
	2018	2017	2018	2017	2018	2017
General and Support Services						
Dietary	\$ 1,562,669	\$ 1,534,680	\$ 1,139,333	\$ 1,066,571	\$ 2,702,002	\$ 2,601,251
Plant operations	196,935	190,963	2,596,257	2,271,242	2,793,192	2,462,205
Maintenance	1,413,116	1,311,486	983,494	964,258	2,396,610	2,275,744
Housekeeping	1,465,265	1,375,031	410,362	380,936	1,875,627	1,755,967
Laundry and linen	100,043	95,588	674,112	660,988	774,155	756,576
Purchasing	379,822	364,607	110,679	96,574	490,501	461,181
Security	580,097	524,680	50,925	41,473	631,022	566,153
FQHC	-	-	288,026	496,283	288,026	496,283
Medicaid tax assessment	-	-	14,701,522	14,644,716	14,701,522	14,644,716
Administration/development/planning	6,969,998	6,918,970	8,280,292	7,921,922	15,250,290	14,840,892
Financial services	2,382,741	2,388,833	382,513	379,564	2,765,254	2,768,397
Patient access	2,321,210	2,248,293	1,418,517	1,303,328	3,739,727	3,551,621
Outpatient and oncology services management	98,450	89,488	200	571	98,650	90,059
Mail services	118,272	111,330	231,734	224,803	350,006	336,133
Telecommunications	343,683	330,881	63,899	60,318	407,582	391,199
Personnel	1,882,665	1,820,861	1,178,817	981,955	3,061,482	2,802,816
Medical records and library	3,386,128	3,305,202	728,498	797,872	4,114,626	4,103,074
Social services	501,873	505,879	140,789	193,605	642,662	699,484
Employee health	227,331	221,329	75,091	81,510	302,422	302,839
Volunteer services	132,341	128,804	68,103	68,937	200,444	197,741
Community health improvement	1,449,054	1,193,444	109,376	82,718	1,558,430	1,276,162
Information technology services	5,337,896	4,962,280	11,022,152	9,862,561	16,360,048	14,824,841
Employee benefits	28,133,287	24,786,777	-	-	28,133,287	24,786,777
Pension expense (credit)	(623,478)	505,788	-	-	(623,478)	505,788
James T. Bowse Community Trust	35,059	44,136	370,833	330,617	405,892	374,753
Rutland Health Foundation	189,824	148,830	87,362	96,759	277,186	245,589
Gift shoppe	66,576	75,581	100,039	79,929	166,615	155,510
Community investment	-	-	292,863	15,241	292,863	15,241
	<u>58,650,857</u>	<u>55,183,741</u>	<u>45,505,788</u>	<u>43,105,251</u>	<u>104,156,645</u>	<u>98,288,992</u>
Depreciation and Amortization	-	-	11,919,033	12,801,745	11,919,033	12,801,745
Interest	-	-	1,290,424	1,531,765	1,290,424	1,531,765
	<u>\$ 161,654,118</u>	<u>\$ 150,191,993</u>	<u>\$ 106,464,216</u>	<u>\$ 99,920,132</u>	<u>\$ 268,118,334</u>	<u>\$ 250,112,125</u>

The Rutland Hospital, Inc.
d/b/a Rutland Regional Medical Center
Other Revenue
Years Ended September 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Cafeteria	\$ 1,051,257	\$ 995,648
Cash discounts	4,431	5,782
Miscellaneous	3,928,682	3,867,254
Contract pharmacy revenue	7,892,681	4,794,823
Retail pharmacy revenue	1,345,908	885,971
Electronic health records incentive payment	-	544,488
Medical record fees	18,839	19,633
Rental income	220,524	259,722
Gift shoppe	150,693	141,872
	<u>\$ 14,613,015</u>	<u>\$ 11,515,193</u>

The Rutland Hospital, Inc.
d/b/a Rutland Regional Medical Center
Property and Equipment
Year Ended September 30, 2018

	Balance October 1, 2017	Additions	Reclassification	Disposals	Balance September 30, 2018
Assets					
Land	\$ 645,676	\$ -	\$ -	\$ -	\$ 645,676
Land improvements	3,162,404	186,856	-	(273,764)	3,075,496
Buildings	42,271,274	-	-	-	42,271,274
Building improvements	61,706,962	1,254,313	69,778	(1,072,637)	61,958,416
Fixed equipment	34,550,227	2,937,083	2,992,268	(10,608,456)	29,871,122
Major movable equipment	104,891,711	4,860,576	167,095	(8,799,756)	101,119,626
Construction in progress	3,841,932	3,047,644	(3,229,141)	-	3,660,435
	<u>\$ 251,070,186</u>	<u>\$ 12,286,472</u>	<u>\$ -</u>	<u>\$ (20,754,613)</u>	<u>242,602,045</u>
Accumulated Depreciation					
Land improvements	\$ 2,111,147	\$ 155,930	\$ -	\$ (273,764)	1,993,313
Buildings	25,875,001	1,060,108	-	-	26,935,109
Building improvements	29,815,415	3,547,458	-	(1,072,637)	32,290,236
Fixed equipment	25,778,441	1,187,531	-	(10,608,456)	16,357,516
Major movable equipment	86,352,956	5,949,486	-	(8,722,666)	83,579,776
	<u>\$ 169,932,960</u>	<u>\$ 11,900,513</u>	<u>\$ -</u>	<u>\$ (20,677,523)</u>	<u>161,155,950</u>
					<u>\$ 81,446,095</u>

The Rutland Hospital, Inc.
d/b/a Rutland Regional Medical Center
Property and Equipment
Year Ended September 30, 2017

	Balance October 1, 2016	Additions	Reclassification	Disposals	Balance September 30, 2017
Assets					
Land	\$ 645,676	\$ -	\$ -	\$ -	\$ 645,676
Land improvements	2,955,578	206,826	-	-	3,162,404
Buildings	42,271,274	-	-	-	42,271,274
Building improvements	56,760,956	3,363,134	1,582,872	-	61,706,962
Fixed equipment	33,456,193	842,344	251,690	-	34,550,227
Major movable equipment	103,286,561	4,831,009	728,236	(3,954,095)	104,891,711
Construction in progress	3,422,993	2,981,737	(2,562,798)	-	3,841,932
	<u>\$ 242,799,231</u>	<u>\$ 12,225,050</u>	<u>\$ -</u>	<u>\$ (3,954,095)</u>	<u>251,070,186</u>
Accumulated Depreciation					
Land improvements	\$ 1,959,248	\$ 151,899	\$ -	\$ -	2,111,147
Buildings	24,791,598	1,083,403	-	-	25,875,001
Building improvements	26,344,377	3,471,038	-	-	29,815,415
Fixed equipment	24,755,689	1,022,752	-	-	25,778,441
Major movable equipment	83,222,194	7,055,262	-	(3,924,500)	86,352,956
	<u>\$ 161,073,106</u>	<u>\$ 12,784,354</u>	<u>\$ -</u>	<u>\$ (3,924,500)</u>	<u>169,932,960</u>
					<u>\$ 81,137,226</u>

**Exempt Organization Business Income Tax Return
(and proxy tax under section 6033(e))**

For calendar year 2017 or other tax year beginning 10/01, 2017, and ending 09/30, 2018.

2017

Department of the Treasury
Internal Revenue Service

▶ Go to www.irs.gov/Form990T for instructions and the latest information.

▶ Do not enter SSN numbers on this form as it may be made public if your organization is a 501(c)(3).

Open to Public Inspection for
501(c)(3) Organizations Only

A <input type="checkbox"/> Check box if address changed	Name of organization (<input type="checkbox"/> Check box if name changed and see instructions.)	D Employer identification number (Employees' trust, see instructions.)
B Exempt under section <input checked="" type="checkbox"/> 501(C)(3) <input type="checkbox"/> 408(e) <input type="checkbox"/> 220(e) <input type="checkbox"/> 408A <input type="checkbox"/> 530(a) <input type="checkbox"/> 529(a)	RUTLAND HOSPITAL INC Number, street, and room or suite no. If a P.O. box, see instructions. 160 ALLEN STREET City or town, state or province, country, and ZIP or foreign postal code RUTLAND, VT 05701	03-0183483
C Book value of all assets at end of year 280,501,247.	F Group exemption number (See instructions.) ▶	E Unrelated business activity codes (See instructions.) 621500 900099
	G Check organization type ▶ <input checked="" type="checkbox"/> 501(c) corporation <input type="checkbox"/> 501(c) trust <input type="checkbox"/> 401(a) trust <input type="checkbox"/> Other trust	

H Describe the organization's primary unrelated business activity. ▶ ATTACHMENT 1

I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? Yes No
If "Yes," enter the name and identifying number of the parent corporation. ▶ ATTACHMENT 2

J The books are in care of ▶ JUDI K FOX Telephone number ▶ 802-775-7111

Part I Unrelated Trade or Business Income		(A) Income	(B) Expenses	(C) Net
1a	Gross receipts or sales <u>3,003,213.</u>			
b	Less returns and allowances			
	c Balance ▶	1c 3,003,213.		
2	Cost of goods sold (Schedule A, line 7)	2		
3	Gross profit. Subtract line 2 from line 1c	3 3,003,213.		3,003,213.
4a	Capital gain net income (attach Schedule D)	4a		
b	Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)	4b		
c	Capital loss deduction for trusts	4c		
5	Income (loss) from partnerships and S corporations (attach statement)	5		
6	Rent income (Schedule C)	6		
7	Unrelated debt-financed income (Schedule E)	7		
8	Interest, annuities, royalties, and rents from controlled organizations (Schedule F)	8		
9	Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)	9		
10	Exploited exempt activity income (Schedule I)	10		
11	Advertising income (Schedule J)	11		
12	Other income (See instructions; attach schedule)	12 60,447.	ATCH 3	60,447.
13	Total. Combine lines 3 through 12	13 3,063,660.		3,063,660.

Part II Deductions Not Taken Elsewhere (See instructions for limitations on deductions.) (Except for contributions, deductions must be directly connected with the unrelated business income.)				
14	Compensation of officers, directors, and trustees (Schedule K)	14		
15	Salaries and wages	15		
16	Repairs and maintenance	16		
17	Bad debts	17		
18	Interest (attach schedule)	18		
19	Taxes and licenses	19		16,056.
20	Charitable contributions (See instructions for limitation rules) ATTACHMENT 4	20		19,937.
21	Depreciation (attach Form 4562)	21		
22	Less depreciation claimed on Schedule A and elsewhere on return	22a		
23	Depletion	22b		
24	Contributions to deferred compensation plans	23		
25	Employee benefit programs	24		
26	Excess exempt expenses (Schedule I)	25		
27	Excess readership costs (Schedule J)	26		
28	Other deductions (attach schedule) ATTACHMENT 5	27		
29	Total deductions. Add lines 14 through 28	28		2,848,238.
30	Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13	29		2,884,231.
31	Net operating loss deduction (limited to the amount on line 30)	30		179,429.
32	Unrelated business taxable income before specific deduction. Subtract line 31 from line 30	31		
33	Specific deduction (Generally \$1,000, but see line 33 instructions for exceptions)	32		179,429.
34	Unrelated business taxable income. Subtract line 33 from line 32. If line 33 is greater than line 32, enter the smaller of zero or line 32	33		1,000.
		34		178,429.

Part III Tax Computation

Table with 2 main columns: Description and Amount. Rows include 35 Organizations Taxable as Corporations, 36 Trusts Taxable at Trust Rates, 37 Proxy tax, 38 Alternative minimum tax, 39 Tax on Non-Compliant Facility Income, and 40 Total.

Part IV Tax and Payments

Table with 2 main columns: Description and Amount. Rows include 41 Foreign tax credit, 42 Subtract line 41e from line 40, 43 Other taxes, 44 Total tax, 45 Payments, 46 Total payments, 47 Estimated tax penalty, 48 Tax due, 49 Overpayment, and 50 Enter the amount of line 49 you want.

Part V Statements Regarding Certain Activities and Other Information (see instructions)

Table with 3 columns: Question, Yes, No. Rows include 51 At any time during the 2017 calendar year, did the organization have an interest in or a signature or other authority over a financial account... 52 During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust?... 53 Enter the amount of tax-exempt interest received or accrued during the tax year.

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 taxpayer) is based on all information of which preparer has any knowledge.

Signature and Preparer Information section. Includes fields for Signature of officer, Date, Title, Preparer's name, Preparer's signature, Date, Firm's name, Firm's address, and a box for 'May the IRS discuss this return with the preparer shown below'.

Schedule A - Cost of Goods Sold. Enter method of inventory valuation ▶

1 Inventory at beginning of year	1		6 Inventory at end of year	6	
2 Purchases	2		7 Cost of goods sold. Subtract line 6 from line 5. Enter here and in Part I, line 2.	7	
3 Cost of labor	3		8 Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization?		Yes No
4a Additional section 263A costs (attach schedule)	4a				
b Other costs (attach schedule)	4b				
5 Total. Add lines 1 through 4b	5				

Schedule C - Rent Income (From Real Property and Personal Property Leased With Real Property)

(see instructions)

1. Description of property

(1)	
(2)	
(3)	
(4)	

2. Rent received or accrued

(a) From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%)	(b) From real and personal property (if the percentage of rent for personal property exceeds 50% or if the rent is based on profit or income)	3(a) Deductions directly connected with the income in columns 2(a) and 2(b) (attach schedule)
(1)		
(2)		
(3)		
(4)		
Total	Total	

(c) Total income. Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A) ▶

(b) Total deductions. Enter here and on page 1, Part I, line 6, column (B) ▶

Schedule E - Unrelated Debt-Financed Income (see instructions)

1. Description of debt-financed property		2. Gross income from or allocable to debt-financed property	3. Deductions directly connected with or allocable to debt-financed property	
			(a) Straight line depreciation (attach schedule)	(b) Other deductions (attach schedule)
(1)				
(2)				
(3)				
(4)				
4. Amount of average acquisition debt on or allocable to debt-financed property (attach schedule)	5. Average adjusted basis of or allocable to debt-financed property (attach schedule)	6. Column 4 divided by column 5	7. Gross income reportable (column 2 x column 6)	8. Allocable deductions (column 6 x total of columns 3(a) and 3(b))
(1)		%		
(2)		%		
(3)		%		
(4)		%		
Totals ▶			Enter here and on page 1, Part I, line 7, column (A).	Enter here and on page 1, Part I, line 7, column (B).
Total dividends-received deductions included in column 8 ▶				

Schedule F - Interest, Annuities, Royalties, and Rents From Controlled Organizations (see instructions)

1. Name of controlled organization	2. Employer identification number	Exempt Controlled Organizations			
		3. Net unrelated income (loss) (see instructions)	4. Total of specified payments made	5. Part of column 4 that is included in the controlling organization's gross income	6. Deductions directly connected with income in column 5
(1)					
(2)					
(3)					
(4)					

Nonexempt Controlled Organizations

7. Taxable Income	8. Net unrelated income (loss) (see instructions)	9. Total of specified payments made	10. Part of column 9 that is included in the controlling organization's gross income	11. Deductions directly connected with income in column 10
(1)				
(2)				
(3)				
(4)				
			Add columns 5 and 10. Enter here and on page 1, Part I, line 8, column (A).	Add columns 6 and 11. Enter here and on page 1, Part I, line 8, column (B).

Totals ▶

Schedule G - Investment Income of a Section 501(c)(7), (9), or (17) Organization (see instructions)

1. Description of income	2. Amount of income	3. Deductions directly connected (attach schedule)	4. Set-asides (attach schedule)	5. Total deductions and set-asides (col. 3 plus col. 4)
(1)				
(2)				
(3)				
(4)				
		Enter here and on page 1, Part I, line 9, column (A).		Enter here and on page 1, Part I, line 9, column (B).

Totals ▶

Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income (see instructions)

1. Description of exploited activity	2. Gross unrelated business income from trade or business	3. Expenses directly connected with production of unrelated business income	4. Net income (loss) from unrelated trade or business (column 2 minus column 3). If a gain, compute cols. 5 through 7.	5. Gross income from activity that is not unrelated business income	6. Expenses attributable to column 5	7. Excess exempt expenses (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
		Enter here and on page 1, Part I, line 10, col. (A).	Enter here and on page 1, Part I, line 10, col. (B).			Enter here and on page 1, Part II, line 26.

Totals ▶

Schedule J - Advertising Income (see instructions)

Part I Income From Periodicals Reported on a Consolidated Basis

1. Name of periodical	2. Gross advertising income	3. Direct advertising costs	4. Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7.	5. Circulation income	6. Readership costs	7. Excess readership costs (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						

Totals (carry to Part II, line (5)) . . . ▶

Part II **Income From Periodicals Reported on a Separate Basis** (For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis.)

1. Name of periodical	2. Gross advertising income	3. Direct advertising costs	4. Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7.	5. Circulation income	6. Readership costs	7. Excess readership costs (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
Totals from Part I. ▶						
Totals, Part II (lines 1-5) ▶	Enter here and on page 1, Part I, line 11, col (A).	Enter here and on page 1, Part I, line 11, col (B).				Enter here and on page 1, Part II, line 27.

Schedule K - Compensation of Officers, Directors, and Trustees (see instructions)

1. Name	2. Title	3. Percent of time devoted to business	4. Compensation attributable to unrelated business
(1)		%	
(2)		%	
(3)		%	
(4)		%	
Total. Enter here and on page 1, Part II, line 14 ▶			

ORGANIZATION'S PRIMARY UNRELATED BUSINESS ACTIVITY.

LABORATORY DIAGNOSTIC AND SCREEN SERVICES, RETAIL PHARMACY AND
TRANSPORTATION FRINGE BENEFITS

NAME AND FEIN OF PARENT CORPORATION

RUTLAND REGIONAL HEALTH SERVICES
22-2534389

ATTACHMENT 3

PART I - LINE 12 - OTHER INCOME

TRANSPORTATION FRINGE BENEFITS

60,447.

PART I - LINE 12 - OTHER INCOME

60,447.

FORM 990T - PART II - LINE 20 - CHARITABLE CONTRIBUTIONS

UNRELATED TRADE OR BUSINESS INCOME	3,063,660.
ADD: DOMESTIC PRODUCTION ACTIVITIES DEDUCTION	0.
LESS: DEDUCTIONS WITHOUT CHARITABLE CONTRIBUTIONS AND DPAD	<u>2,864,294.</u>
	* 10%
CHARITABLE CONTRIBUTION LIMITATION (10%)	19,937.
CHARITABLE CONTRIBUTION	19,937.
<u>CHARITABLE CONTRIBUTION DEDUCTION (SMALLER OF THE ABOVE TWO)</u>	<u>19,937.</u>

FORM 990T - PART II - LINE 28 - TOTAL OTHER DEDUCTIONS

DOMESTIC PRODUCTION ACTIVITIES DEDUCTION UNDER SECTION 199

LAB EXPENSES	2,543,873.
LAB TESTING EXPENSES	140,174.
PHARMACY EXPENSES	164,191.

PART II - LINE 28 - OTHER DEDUCTIONS	<u>2,848,238.</u>
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FORM 990-T: FISCAL YEAR CORPORATION TAX COMPUTATION APPLYING BLENDED TAX RATE

1 UNRELATED BUSINESS TAXABLE INCOME (PAGE1, PART II, LINE 34).	178,429.
2 TAX ON LINE 1 FIGURED USING THE TAX RATE SCHEDULE OR TAX COMPUTATION WORKSHEET FOR MEMBERS OF A CONTROLLED GROUP.....	52,837.
3 TAX ON LINE 1 FIGURED USING THE 21% RATE.....	37,470.
4 MULTIPLY LINE 2 BY THE NUMBER OF DAYS 92 IN THE CORPORATION'S TAX YEAR BEFORE 01/01/2018.....	4,861,004.
5 MULTIPLY LINE 3 BY THE NUMBER OF DAYS 273 IN THE CORPORATION'S TAX YEAR AFTER 12/31/2017.....	10,229,310.
6 DIVIDE LINE 4 BY THE TOTAL NUMBER OF DAYS 365 IN THE CORPORATION'S TAX YEAR.....	13,318.
7 DIVIDE LINE 5 BY THE TOTAL NUMBER OF DAYS 365 IN THE CORPORATION'S TAX YEAR.....	<u>28,026.</u>
8 ADD LINES 6 AND 7: THE TOTAL TAX FOR THE FISCAL YEAR.....	<u><u>41,344.</u></u>

RUTLAND REGIONAL MEDICAL CENTER
EIN: 03-0183483
9/30/2018

CHARITABLE CONTRIBUTION CARRYOVER SCHEDULE
ATTACHMENT TO FORM 990-T, PART II, LINE 20

	CC GENERATED	CC EXPIRED	CC UTILIZED	CC CARRYFORWARD
9/30/2013	992,258	(924,659)	(67,599)	-
9/30/2014	1,981,071	-	(30,593)	1,950,478
9/30/2015	1,144,143	-	(17,848)	1,126,295
9/30/2016	961,077	-	(12,995)	948,082
9/30/2017	672,031	-	-	672,031
9/30/2018	693,844	-	(19,937)	673,907
	<hr/> 6,444,424	<hr/> (924,659)	<hr/> (148,972)	<hr/> 5,370,793