



## 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.<sup>1</sup> 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.

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<sup>1</sup> 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](http://www.irs.gov/form990).

OMB No. 1545-0047

**2018****Open to Public  
Inspection****A** For the 2018 calendar year, or tax year beginning

10/01, 2018, and ending

09/30, 2019

**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

Doing Business As RUTLAND REGIONAL MEDICAL CENTER

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

160 ALLEN STREET

Room/suite

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

RUTLAND, VT 05701

**F** Name and address of principal officer:

CLAUDIO D. FORT

160 ALLEN STREET, RUTLAND, VT 05701

**D** Employer identification number

03-0183483

**E** Telephone number

(802) 775-7111

**G** Gross receipts \$ 296,907,504.**H(a)** Is this a group return for subordinates? ☐ Yes ☒ No**H(b)** Are all subordinates included? ☐ Yes ☐ No

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

**I** Tax-exempt status: ☒ 501(c)(3) ☐ 501(c) ( ) ◀ (insert no.) ☐ 4947(a)(1) or ☐ 527**J** Website: ▶ WWW.RRMC.ORG**H(c)** Group exemption number ▶**K** Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶**L** Year of formation: 1892**M** State of legal domicile: VT**Part I Summary**

<b>Activities &amp; Governance</b>	<b>1</b>	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.		
	<b>2</b>	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	<b>3</b>	Number of voting members of the governing body (Part VI, line 1a)	<b>3</b>	18.
	<b>4</b>	Number of independent voting members of the governing body (Part VI, line 1b)	<b>4</b>	13.
	<b>5</b>	Total number of individuals employed in calendar year 2018 (Part V, line 2a)	<b>5</b>	1,984.
	<b>6</b>	Total number of volunteers (estimate if necessary)	<b>6</b>	303.
	<b>7a</b>	Total unrelated business revenue from Part VIII, column (C), line 12	<b>7a</b>	3,084,432.
<b>7b</b>	Net unrelated business taxable income from Form 990-T, line 34	<b>7b</b>	384,606.	
<b>Revenue</b>	<b>8</b>	Contributions and grants (Part VIII, line 1h)	<b>Prior Year</b>	<b>Current Year</b>
	<b>9</b>	Program service revenue (Part VIII, line 2g)	3,833,818.	3,736,338.
	<b>10</b>	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	274,404,086.	278,857,440.
	<b>11</b>	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	3,188,773.	5,654,624.
	<b>12</b>	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	-231,943.	-210,100.
<b>Expenses</b>	<b>13</b>	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	281,194,734.	288,038,302.
	<b>14</b>	Benefits paid to or for members (Part IX, column (A), line 4)	693,844.	757,950.
	<b>15</b>	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	0.	0.
	<b>16a</b>	Professional fundraising fees (Part IX, column (A), line 11e)	161,654,118.	163,195,370.
	<b>b</b>	Total fundraising expenses (Part IX, column (D), line 25) ▶ 404,577.	0.	0.
	<b>17</b>	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	113,861,731.	117,143,818.
	<b>18</b>	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	276,209,693.	281,097,138.
<b>Net Assets or Fund Balances</b>	<b>19</b>	Revenue less expenses. Subtract line 18 from line 12	4,985,041.	6,941,164.
	<b>20</b>	Total assets (Part X, line 16)	<b>Beginning of Current Year</b>	<b>End of Year</b>
	<b>21</b>	Total liabilities (Part X, line 26)	280,501,247.	292,231,354.
	<b>22</b>	Net assets or fund balances. Subtract line 21 from line 20.	74,446,048.	79,039,051.
			206,055,199.	213,192,303.

**COPY FOR  
PUBLIC INSPECTION****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.

<b>Sign Here</b>	Signature of officer	Date			
	Type or print name and title				
<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	BRIAN D TODD	<i>Brian Todd</i>	07/21/2020		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** (2018)

**Part III** Statement of Program Service AccomplishmentsCheck 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 ☒ **No**

If "Yes," describe these new services on Schedule O.

**3** Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ **No**

If "Yes," describe these changes on Schedule O.

**4** Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.**4a** (Code: ) (Expenses \$ 118,283,722. including grants of \$ ) (Revenue \$ 141,425,524. )

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 \$ 49,279,599. including grants of \$ ) (Revenue \$ 58,920,983. )

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 \$ 28,078,199. including grants of \$ ) (Revenue \$ 33,571,600. )

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 \$ 37,585,802. including grants of \$ 757,950. ) (Revenue \$ 44,939,333. )

**4e** Total program service expenses ▶ 233,227,322.

**Part IV Checklist of Required Schedules**

	Yes	No
<b>1</b> Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A. . . . .	<b>1</b> X	
<b>2</b> Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)? . . . . .	<b>2</b> X	
<b>3</b> 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. . . . .	<b>3</b>	X
<b>4</b> <b>Section 501(c)(3) organizations.</b> 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. . . . .	<b>4</b> X	
<b>5</b> 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. . . . .	<b>5</b>	X
<b>6</b> 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. . . . .	<b>6</b>	X
<b>7</b> 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. . . . .	<b>7</b>	X
<b>8</b> Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III. . . . .	<b>8</b>	X
<b>9</b> 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. . . . .	<b>9</b>	X
<b>10</b> 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. . . . .	<b>10</b> X	
<b>11</b> 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.		
<b>a</b> Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI. . . . .	<b>11a</b> X	
<b>b</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. . . . .	<b>11b</b>	X
<b>c</b> 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. . . . .	<b>11c</b>	X
<b>d</b> 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. . . . .	<b>11d</b> X	
<b>e</b> Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X. . . . .	<b>11e</b> X	
<b>f</b> 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. . . . .	<b>11f</b>	X
<b>12a</b> Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII. . . . .	<b>12a</b> X	
<b>b</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. . . . .	<b>12b</b> X	
<b>13</b> Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E. . . . .	<b>13</b>	X
<b>14a</b> Did the organization maintain an office, employees, or agents outside of the United States? . . . . .	<b>14a</b>	X
<b>b</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. . . . .	<b>14b</b>	X
<b>15</b> 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. . . . .	<b>15</b>	X
<b>16</b> 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. . . . .	<b>16</b>	X
<b>17</b> 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). . . . .	<b>17</b>	X
<b>18</b> 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. . . . .	<b>18</b> X	
<b>19</b> 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. . . . .	<b>19</b>	X
<b>20a</b> Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H. . . . .	<b>20a</b> X	
<b>b</b> If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return? . . . . .	<b>20b</b> X	
<b>21</b> Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II. . . . .	<b>21</b> X	

**Part IV Checklist of Required Schedules (continued)**

	Yes	No
<b>22</b> 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
<b>23</b> 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	
<b>24a</b> 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>24b</b> Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? . . . . .		X
<b>24c</b> 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
<b>24d</b> Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? . . . . .		X
<b>25a</b> <b>Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations.</b> 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>25b</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
<b>26</b> 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
<b>27</b> 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
<b>28</b> 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):		
<b>28a</b> A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV . . . . .</i>		X
<b>28b</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
<b>28c</b> 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	
<b>29</b> Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M . . . . .</i>		X
<b>30</b> 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
<b>31</b> Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I . . . . .</i>		X
<b>32</b> 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
<b>33</b> 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
<b>34</b> 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	
<b>35a</b> Did the organization have a controlled entity within the meaning of section 512(b)(13)? . . . . .		X
<b>35b</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>		
<b>36</b> <b>Section 501(c)(3) organizations.</b> 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
<b>37</b> 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
<b>38</b> Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O.	X	

**Part V Statements Regarding Other IRS Filings and Tax Compliance**Check if Schedule O contains a response or note to any line in this Part V. ☐

	Yes	No
<b>1a</b> Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable . . . . .		
<b>1b</b> Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable . . . . .		
<b>1c</b> Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? . . . . .	X	

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

	Yes	No
<b>2a</b> Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return. <b>2a</b> 1,984		
<b>b</b> If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions) . . . . .	<b>2b</b> X	
<b>3a</b> Did the organization have unrelated business gross income of \$1,000 or more during the year? . . . . .	<b>3a</b> X	
<b>b</b> If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O . . . . .	<b>3b</b> X	
<b>4a</b> At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)? . .	<b>4a</b>	X
<b>b</b> If "Yes," enter the name of the foreign country: ▶ See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).		
<b>5a</b> Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . . . . .	<b>5a</b>	X
<b>b</b> Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	<b>5b</b>	X
<b>c</b> If "Yes" to line 5a or 5b, did the organization file Form 8886-T? . . . . .	<b>5c</b>	
<b>6a</b> Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions? . . . . .	<b>6a</b>	X
<b>b</b> If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? . . . . .	<b>6b</b>	
<b>7 Organizations that may receive deductible contributions under section 170(c).</b>		
<b>a</b> Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor? . . . . .	<b>7a</b> X	
<b>b</b> If "Yes," did the organization notify the donor of the value of the goods or services provided? . . . . .	<b>7b</b> X	
<b>c</b> Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? . . . . .	<b>7c</b>	X
<b>d</b> If "Yes," indicate the number of Forms 8282 filed during the year <b>7d</b>		
<b>e</b> Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	<b>7e</b>	X
<b>f</b> Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . . .	<b>7f</b>	X
<b>g</b> If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	<b>7g</b>	
<b>h</b> If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C? .	<b>7h</b>	
<b>8 Sponsoring organizations maintaining donor advised funds.</b> Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year? . . . . .	<b>8</b>	
<b>9 Sponsoring organizations maintaining donor advised funds.</b>		
<b>a</b> Did the sponsoring organization make any taxable distributions under section 4966? . . . . .	<b>9a</b>	
<b>b</b> Did the sponsoring organization make a distribution to a donor, donor advisor, or related person? . . . . .	<b>9b</b>	
<b>10 Section 501(c)(7) organizations.</b> Enter:		
<b>a</b> Initiation fees and capital contributions included on Part VIII, line 12 . . . . . <b>10a</b>		
<b>b</b> Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities . . . . <b>10b</b>		
<b>11 Section 501(c)(12) organizations.</b> Enter:		
<b>a</b> Gross income from members or shareholders . . . . . <b>11a</b>		
<b>b</b> Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.) . . . . . <b>11b</b>		
<b>12a Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?	<b>12a</b>	
<b>b</b> If "Yes," enter the amount of tax-exempt interest received or accrued during the year . . . . <b>12b</b>		
<b>13 Section 501(c)(29) qualified nonprofit health insurance issuers.</b>		
<b>a</b> Is the organization licensed to issue qualified health plans in more than one state? . . . . .	<b>13a</b>	
<b>Note.</b> See the instructions for additional information the organization must report on Schedule O.		
<b>b</b> Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans . . . . . <b>13b</b>		
<b>c</b> Enter the amount of reserves on hand . . . . . <b>13c</b>		
<b>14a</b> Did the organization receive any payments for indoor tanning services during the tax year? . . . . .	<b>14a</b>	X
<b>b</b> If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O . . . . .	<b>14b</b>	
<b>15</b> Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year? . . . . .	<b>15</b>	X
If "Yes," see instructions and file Form 4720, Schedule N.		
<b>16</b> Is the organization an educational institution subject to the section 4968 excise tax on net investment income? If "Yes," complete Form 4720, Schedule O.	<b>16</b>	X

**Part VI Governance, Management, and Disclosure** For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.Check if Schedule O contains a response or note to any line in this Part VI ☒ **X****Section A. Governing Body and Management**

	Yes	No
<b>1a</b> Enter the number of voting members of the governing body at the end of the tax year . . . . . If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O. <b>1a</b> 18		
<b>b</b> Enter the number of voting members included in line 1a, above, who are independent . . . . . <b>1b</b> 13		
<b>2</b> Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? . . . . .		<b>X</b>
<b>3</b> Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person? . .		<b>X</b>
<b>4</b> Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? . . . . .	<b>X</b>	
<b>5</b> Did the organization become aware during the year of a significant diversion of the organization's assets? . . . .		<b>X</b>
<b>6</b> Did the organization have members or stockholders? . . . . .	<b>X</b>	
<b>7a</b> Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body? . . . . .	<b>X</b>	
<b>b</b> Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? . . . . .	<b>X</b>	
<b>8</b> Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
<b>a</b> The governing body? . . . . .	<b>X</b>	
<b>b</b> Each committee with authority to act on behalf of the governing body? . . . . .	<b>X</b>	
<b>9</b> Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O . . . . .		<b>X</b>

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

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

**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 (1024 or 1024-A if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.  
☐ Own website ☐ Another's website ☒ Upon request ☐ Other (explain in Schedule O)
- 19** Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
- 20** State the name, address, and telephone number of the person who possesses the organization's books and records ►

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 ☐**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) MARY M. BEERWORTH, M.D. DIRECTOR	40.00 1.00	X						432,611.	0.	33,613.
(2) DENISE A. CLARK DIRECTOR	1.00 1.00	X						0.	0.	0.
(3) MARK K. FOLEY, JR. SECRETARY	1.00 1.00	X		X				0.	0.	0.
(4) MICHAEL J. KENOSH, M.D. DIRECTOR	40.00 1.00	X						518,777.	0.	54,883.
(5) JOSEPH KRAUS VICE CHAIR	1.00 1.00	X		X				0.	0.	0.
(6) PAUL GALLO DIRECTOR	1.00 1.00	X						0.	0.	0.
(7) MICHELE NELSON DIRECTOR	1.00 1.00	X						0.	0.	0.
(8) MICHAEL R. SOLIMANO CHAIR	1.00 1.00	X		X				0.	0.	0.
(9) JOHN W. CASELLA DIRECTOR	1.00 1.00	X						0.	0.	0.
(10) MICHAEL DICK, DMD DIRECTOR END 10/18	1.00 1.00	X						0.	0.	0.
(11) DANIEL DOENGES DIRECTOR BEG 11/18	1.00 1.00	X						0.	0.	0.
(12) J. CORTLAND JONES DIRECTOR	1.00 1.00	X						0.	0.	0.
(13) THOMAS J. SABOTKA DIRECTOR	1.00 1.00	X						0.	0.	0.
(14) JOAN F. GAMBLE DIRECTOR	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) ROBERT G. HEDDEN DIRECTOR	1.00 1.00	X						0.	0.	0.
(16) STEPHEN LEFFLER, M.D. DIRECTOR END 04/19	1.00 1.00	X						0.	0.	0.
(17) EDWARD J. MERRENS, M.D. DIRECTOR BEG 11/18	1.00 1.00	X						0.	0.	0.
(18) PHILIP R. LAPP, M.D. DIRECTOR	40.00 1.00	X						332,031.	0.	54,672.
(19) ERIC J. MARSH, M.D. DIRECTOR	40.00 1.00	X						1,047,477.	0.	49,146.
(20) RONALD J. CIOFFI DIRECTOR	1.00 1.00	X						0.	0.	0.
(21) JOHN R. BUTTERLY, M.D. DIRECTOR END 10/18	1.00 1.00	X						0.	0.	0.
(22) CLAUDIO D. FORT PRESIDENT/CEO	40.00 1.00			X				400,081.	0.	19,244.
(23) JUDI K. FOX CFO	40.00 1.00			X				274,372.	0.	54,674.
(24) MELBOURNE D. BOYNTON, M.D. ORTHOPEDIC SRGN/CHIEF MED OFFR	40.00 0.				X			1,010,393.	0.	51,231.
(25) STANLEY M. SHAPIRO, M.D. CARDIOLOGIST/MEDICAL DIRECTOR	40.00 0.				X			506,850.	0.	50,941.
<b>1b Sub-total</b>								951,388.	0.	88,496.
<b>c Total from continuation sheets to Part VII, Section A</b>								10,095,512.	0.	1,021,566.
<b>d Total (add lines 1b and 1c)</b>								11,046,900.	0.	1,110,062.

**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 **174**

- 3** Did the organization list any **former** officer, director, or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual* . . . . .
- 4** For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? *If "Yes," complete Schedule J for such individual* . . . . .
- 5** Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? *If "Yes," complete Schedule J for such person* . . . . .

	Yes	No
<b>3</b>	X	
<b>4</b>	X	
<b>5</b>		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 ) TODD GREGORY, M.D. EMERGENCY PHYSICIAN/MED DIRECT	40.00 0.				X			386,199.	0.	49,214.
( 27 ) SCOTT J. GRAHAM, M.D. CHIEF MEDICAL INFO OFFICER	40.00 0.				X			362,835.	0.	49,203.
( 28 ) BARBARA M. ROBINSON VP CLINICAL SERVICES	40.00 0.				X			309,809.	0.	40,297.
( 29 ) CAROL M. EGAN VP CHIEF NURSING OFFICER	40.00 0.				X			245,697.	0.	48,776.
( 30 ) BRIAN KERNS VP HUMAN RESOURCES	40.00 0.				X			244,652.	0.	41,174.
( 31 ) JOHN WALLACE GEN COUNSEL COMPLIANCE OFFICER	40.00 0.				X			238,854.	0.	42,315.
( 32 ) JEFFREY MCKEE VP COMMUNITY & BEH HEALTH SVCS	40.00 0.				X			234,899.	0.	42,101.
( 33 ) JONATHAN REYNOLDS VP CLINICAL SERVICES BEG 06/19	40.00 0.				X			208,136.	0.	40,974.
( 34 ) JAMES F. GREENHOUGH VP CORPORATE SUPPORT SERVICES	40.00 0.				X			200,049.	0.	40,144.
( 35 ) RICK HILDERBRANT, M.D. HOSPITALIST MEDICAL DIRECTOR	40.00 0.				X			292,445.	0.	48,522.
( 36 ) MATTHEW CONWAY, M.D. SURGEON	40.00 0.					X		532,715.	0.	51,054.
<b>1b Sub-total</b> . . . . .										
<b>c Total from continuation sheets to Part VII, Section A</b> . . . . .										
<b>d Total (add lines 1b and 1c)</b> . . . . .										

**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 ► 174

- 3** Did the organization list any **former** officer, director, or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual . . . . .
- 4** For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual . . . . .
- 5** Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person . . . . .

	Yes	No
<b>3</b>	X	
<b>4</b>	X	
<b>5</b>		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)

(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			
( 37 ) DALE JANIK, M.D. ----- GASTRONENTEROLOGY	40.00 0.					X		596,073.	0.	51,047.
( 38 ) WILLIAM LIGHTHART, M.D. ----- ORTHOPAEDCIS	40.00 0.					X		920,972.	0.	49,167.
( 39 ) HARVEY REICH, M.D. ----- INTERNIST	40.00 0.					X		565,316.	0.	59,728.
( 40 ) MICHAEL ROBERTELLO, M.D. ----- CARDIOLOGY	40.00 0.					X		764,324.	0.	51,129.
( 41 ) THOMAS W. HUEBNER ----- FORMER PRESIDENT/CEO END 03/18	40.00 1.00						X	226,896.	0.	27,013.
( 42 ) MARY T. NEMETH ----- FORMER VP CORP SRVS END 03/17	1.00 0.						X	194,437.	0.	9,800.
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<b>1b Sub-total</b> . . . . .										
<b>c Total from continuation sheets to Part VII, Section A</b> . . . . .										
<b>d Total (add lines 1b and 1c)</b> . . . . .										

**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 ► 174

- 3** Did the organization list any **former** officer, director, or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual* . . . . .
- 4** For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? *If "Yes," complete Schedule J for such individual* . . . . .
- 5** Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? *If "Yes," complete Schedule J for such person* . . . . .

	Yes	No
<b>3</b>	X	
<b>4</b>	X	
<b>5</b>		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 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
<b>Contributions, Gifts, Grants and Other Similar Amounts</b>	<b>1a</b>	Federated campaigns . . . . .	<b>1a</b>				
	<b>b</b>	Membership dues . . . . .	<b>1b</b>				
	<b>c</b>	Fundraising events . . . . .	<b>1c</b>	140,604.			
	<b>d</b>	Related organizations . . . . .	<b>1d</b>				
	<b>e</b>	Government grants (contributions) . .	<b>1e</b>	2,421,860.			
	<b>f</b>	All other contributions, gifts, grants, and similar amounts not included above .	<b>1f</b>	1,173,874.			
	<b>g</b>	Noncash contributions included in lines 1a-1f: \$					
	<b>h</b>	<b>Total.</b> Add lines 1a-1f . . . . . ▶		3,736,338.			
<b>Program Service Revenue</b>	<b>2a</b>	NET PATIENT SERVICE REVENUE	Business Code	621400	261,082,615.	261,082,615.	
	<b>b</b>	PHARMACY		446110	12,762,016.	12,487,838.	274,178.
	<b>c</b>	LAB AND SCREENING SERVICES		621500	2,810,254.		2,810,254.
	<b>d</b>	CAFETERIA		722514	1,066,551.	1,066,551.	
	<b>e</b>	OTHER REVENUE		900099	1,136,004.	1,136,004.	
	<b>f</b>	All other program service revenue . . . . .					
	<b>g</b>	<b>Total.</b> Add lines 2a-2f . . . . . ▶			278,857,440.		
	<b>Other Revenue</b>	<b>3</b>	Investment income (including dividends, interest, and other similar amounts). . . . . ▶			3,620,467.	
<b>4</b>		Income from investment of tax-exempt bond proceeds . ▶			0.		
<b>5</b>		Royalties . . . . . ▶			0.		
			(i) Real	(ii) Personal			
<b>6a</b>		Gross rents . . . . .		215,106.			
<b>b</b>		Less: rental expenses . . . . .		390,305.			
<b>c</b>		Rental income or (loss) . . . . .		-175,199.			
<b>d</b>		Net rental income or (loss) . . . . . ▶			-175,199.		-175,199.
<b>7a</b>		Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other			
					10,324,356.	118,140.	
<b>b</b>		Less: cost or other basis and sales expenses . . . . .			8,397,654.	10,685.	
<b>c</b>		Gain or (loss) . . . . .			1,926,702.	107,455.	
<b>d</b>		Net gain or (loss) . . . . . ▶			2,034,157.		2,034,157.
<b>8a</b>		Gross income from fundraising events (not including \$ 140,604. of contributions reported on line 1c). See Part IV, line 18 . . . . . <b>a</b>			35,657.		
<b>b</b>		Less: direct expenses . . . . . <b>b</b>			70,558.		
<b>c</b>		Net income or (loss) from fundraising events . . . . . ▶			-34,901.		-34,901.
<b>9a</b>	Gross income from gaming activities. See Part IV, line 19 . . . . . <b>a</b>			0.			
<b>b</b>	Less: direct expenses . . . . . <b>b</b>			0.			
<b>c</b>	Net income or (loss) from gaming activities . . . . . ▶			0.			
<b>10a</b>	Gross sales of inventory, less returns and allowances . . . . . <b>a</b>			0.			
<b>b</b>	Less: cost of goods sold . . . . . <b>b</b>			0.			
<b>c</b>	Net income or (loss) from sales of inventory . . . . . ▶			0.			
	Miscellaneous Revenue	Business Code					
<b>11a</b>							
<b>b</b>							
<b>c</b>							
<b>d</b>	All other revenue . . . . .						
<b>e</b>	<b>Total.</b> Add lines 11a-11d . . . . . ▶			0.			
<b>12</b>	<b>Total revenue.</b> See instructions. . . . . ▶			288,038,302.	275,773,008.	3,084,432.	5,444,524.

**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 . . . . .	757,950.	757,950.		
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 . . . . .	8,056,281.	6,501,732.	1,554,549.	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . . . .	458,146.		458,146.	
7 Other salaries and wages . . . . .	127,036,097.	110,359,333.	16,421,656.	255,108.
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions) . . . . .	5,507,699.	4,757,709.	739,014.	10,976.
9 Other employee benefits . . . . .	14,522,637.	12,524,623.	1,969,757.	28,257.
10 Payroll taxes . . . . .	7,614,510.	6,528,245.	1,071,999.	14,266.
11 Fees for services (non-employees):				
a Management . . . . .	0.			
b Legal . . . . .	304,332.		304,332.	
c Accounting . . . . .	221,510.		221,510.	
d Lobbying . . . . .	124,667.		124,667.	
e Professional fundraising services. See Part IV, line 17.	0.			
f Investment management fees . . . . .	51,466.		51,466.	
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.) . . . . .	21,670,128.	10,769,557.	10,894,626.	5,945.
12 Advertising and promotion . . . . .	918,590.	6,864.	911,713.	13.
13 Office expenses . . . . .	6,784,092.	4,659,019.	2,088,125.	36,948.
14 Information technology . . . . .	3,512,397.	248,965.	3,263,402.	30.
15 Royalties . . . . .	0.			
16 Occupancy . . . . .	5,186,111.	3,793,469.	1,364,451.	28,191.
17 Travel . . . . .	97,919.	86,068.	11,840.	11.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials . . . . .	0.			
19 Conferences, conventions, and meetings . . . . .	926,408.	682,787.	241,475.	2,146.
20 Interest . . . . .	1,314,932.	930,990.	382,398.	1,544.
21 Payments to affiliates . . . . .	0.			
22 Depreciation, depletion, and amortization . . . . .	12,219,451.	8,651,546.	3,553,560.	14,345.
23 Insurance . . . . .	2,741,889.	1,642,148.	1,095,456.	4,285.
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 . . . . .	35,903,022.	35,903,022.		
b MEDICAID TAX ASSESSMENT . . . . .	15,286,305.	15,286,305.		
c BAD DEBTS . . . . .	7,489,965.	7,489,965.		
d LICENSES, DUES, SUBSCRIPTION . . . . .	1,891,968.	1,377,431.	512,518.	2,019.
e All other expenses . . . . .	498,666.	269,594.	228,579.	493.
25 Total functional expenses. Add lines 1 through 24e . . . . .	281,097,138.	233,227,322.	47,465,239.	404,577.
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
<b>Assets</b>	<b>1</b> Cash - non-interest-bearing . . . . .	4,933.	<b>1</b>	6,240.
	<b>2</b> Savings and temporary cash investments . . . . .	8,586,736.	<b>2</b>	12,090,735.
	<b>3</b> Pledges and grants receivable, net . . . . .	81,432.	<b>3</b>	9,800.
	<b>4</b> Accounts receivable, net . . . . .	26,832,549.	<b>4</b>	29,745,296.
	<b>5</b> Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L . . . . .	0.	<b>5</b>	0.
	<b>6</b> 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.	<b>6</b>	0.
	<b>7</b> Notes and loans receivable, net . . . . .	2,653,514.	<b>7</b>	2,979,987.
	<b>8</b> Inventories for sale or use . . . . .	1,766,816.	<b>8</b>	2,508,886.
	<b>9</b> Prepaid expenses and deferred charges . . . . .	3,693,894.	<b>9</b>	3,716,310.
	<b>10a</b> Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D . . . . .	<b>10a</b> 257,721,488.		
	<b>b</b> Less: accumulated depreciation . . . . .	<b>10b</b> 169,519,745.		
		81,446,095.	<b>10c</b>	88,201,743.
	<b>11</b> Investments - publicly traded securities . . . . .	143,562,211.	<b>11</b>	138,347,847.
	<b>12</b> Investments - other securities. See Part IV, line 11 . . . . .	0.	<b>12</b>	0.
	<b>13</b> Investments - program-related. See Part IV, line 11 . . . . .	0.	<b>13</b>	0.
	<b>14</b> Intangible assets . . . . .	0.	<b>14</b>	0.
<b>15</b> Other assets. See Part IV, line 11 . . . . .	11,873,067.	<b>15</b>	14,624,510.	
<b>16</b> <b>Total assets.</b> Add lines 1 through 15 (must equal line 34) . . . . .	280,501,247.	<b>16</b>	292,231,354.	
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses . . . . .	29,533,629.	<b>17</b>	31,821,184.
	<b>18</b> Grants payable . . . . .	0.	<b>18</b>	0.
	<b>19</b> Deferred revenue . . . . .	0.	<b>19</b>	0.
	<b>20</b> Tax-exempt bond liabilities . . . . .	31,206,083.	<b>20</b>	31,215,731.
	<b>21</b> Escrow or custodial account liability. Complete Part IV of Schedule D . . . . .	0.	<b>21</b>	0.
	<b>22</b> 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.	<b>22</b>	0.
	<b>23</b> Secured mortgages and notes payable to unrelated third parties . . . . .	5,147,730.	<b>23</b>	6,760,194.
	<b>24</b> Unsecured notes and loans payable to unrelated third parties . . . . .	0.	<b>24</b>	0.
	<b>25</b> 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 . . . . .	8,558,606.	<b>25</b>	9,241,942.
	<b>26</b> <b>Total liabilities.</b> Add lines 17 through 25 . . . . .	74,446,048.	<b>26</b>	79,039,051.
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117 (ASC 958), check here</b> <input checked="" type="checkbox"/> <b>X</b> <b>and complete lines 27 through 29, and lines 33 and 34.</b>			
	<b>27</b> Unrestricted net assets . . . . .	201,028,235.	<b>27</b>	208,273,500.
	<b>28</b> Temporarily restricted net assets . . . . .	4,348,322.	<b>28</b>	4,240,161.
	<b>29</b> Permanently restricted net assets . . . . .	678,642.	<b>29</b>	678,642.
	<b>Organizations that do not follow SFAS 117 (ASC 958), check here</b> <input type="checkbox"/> <b>and complete lines 30 through 34.</b>			
	<b>30</b> Capital stock or trust principal, or current funds . . . . .		<b>30</b>	
	<b>31</b> Paid-in or capital surplus, or land, building, or equipment fund . . . . .		<b>31</b>	
	<b>32</b> Retained earnings, endowment, accumulated income, or other funds . . . . .		<b>32</b>	
	<b>33</b> Total net assets or fund balances . . . . .	206,055,199.	<b>33</b>	213,192,303.
	<b>34</b> Total liabilities and net assets/fund balances . . . . .	280,501,247.	<b>34</b>	292,231,354.

Form **990** (2018)

**Part XI Reconciliation of Net Assets**Check if Schedule O contains a response or note to any line in this Part XI. ☒

<b>1</b>	Total revenue (must equal Part VIII, column (A), line 12) . . . . .	<b>1</b>	288,038,302.
<b>2</b>	Total expenses (must equal Part IX, column (A), line 25) . . . . .	<b>2</b>	281,097,138.
<b>3</b>	Revenue less expenses. Subtract line 2 from line 1 . . . . .	<b>3</b>	6,941,164.
<b>4</b>	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) . . . . .	<b>4</b>	206,055,199.
<b>5</b>	Net unrealized gains (losses) on investments . . . . .	<b>5</b>	-49,343.
<b>6</b>	Donated services and use of facilities . . . . .	<b>6</b>	0.
<b>7</b>	Investment expenses . . . . .	<b>7</b>	0.
<b>8</b>	Prior period adjustments . . . . .	<b>8</b>	0.
<b>9</b>	Other changes in net assets or fund balances (explain in Schedule O) . . . . .	<b>9</b>	245,283.
<b>10</b>	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B)) . . . . .	<b>10</b>	213,192,303.

**Part XII Financial Statements and Reporting**Check if Schedule O contains a response or note to any line in this Part XII ☐

	Yes	No
<b>1</b> Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
<b>2a</b> Were the organization's financial statements compiled or reviewed by an independent accountant? . . . . . If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		X
<b>b</b> Were the organization's financial statements audited by an independent accountant? . . . . . If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input checked="" type="checkbox"/> Both consolidated and separate basis	X	
<b>c</b> 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.	X	
<b>3a</b> 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? . . . . .	X	
<b>b</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.	X	

Form **990** (2018)



**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](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

**2018**

**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)						
<b>Total</b>						

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

Schedule A (Form 990 or 990-EZ) 2018

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**Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**  
(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ►	(a) 2014	(b) 2015	(c) 2016	(d) 2017	(e) 2018	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") . . . . .						
<b>2</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf . . . . .						
<b>3</b> The value of services or facilities furnished by a governmental unit to the organization without charge . . . . .						
<b>4 Total.</b> Add lines 1 through 3. . . . .						
<b>5</b> The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f). . . . .						
<b>6 Public support.</b> Subtract line 5 from line 4						

**Section B. Total Support**

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

**Section C. Computation of Public Support Percentage**

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

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

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

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ►	(a) 2014	(b) 2015	(c) 2016	(d) 2017	(e) 2018	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
<b>2</b> Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose . . . . .						
<b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513 . . . . .						
<b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf . . . . .						
<b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge . . . . .						
<b>6 Total.</b> Add lines 1 through 5. . . . .						
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons . . . . .						
<b>b</b> Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year . . . . .						
<b>c</b> Add lines 7a and 7b. . . . .						
<b>8 Public support.</b> (Subtract line 7c from line 6.) . . . . .						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►	(a) 2014	(b) 2015	(c) 2016	(d) 2017	(e) 2018	(f) Total
<b>9</b> Amounts from line 6. . . . .						
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources. . . . .						
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 . . . . .						
<b>c</b> Add lines 10a and 10b . . . . .						
<b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on. . . . .						
<b>12</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.) . . . . .						
<b>13 Total support.</b> (Add lines 9, 10c, 11, and 12.) . . . . .						
<b>14 First five years.</b> 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 <b>stop here</b> . . . . . <input type="checkbox"/>						

**Section C. Computation of Public Support Percentage**

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

**Section D. Computation of Investment Income Percentage**

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

**19a 33 1/3% support tests - 2018.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization. ☐

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

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

**Part IV Supporting Organizations**

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

**Section A. All Supporting Organizations**

	Yes	No
<b>1</b> Are all of the organization's supported organizations listed by name in the organization's governing documents? <i>If "No," describe in <b>Part VI</b> how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.</i>		
<b>2</b> 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 <b>Part VI</b> how the organization determined that the supported organization was described in section 509(a)(1) or (2).</i>		
<b>3a</b> 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>b</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 <b>Part VI</b> when and how the organization made the determination.</i>		
<b>c</b> 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 <b>Part VI</b> what controls the organization put in place to ensure such use.</i>		
<b>4a</b> 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>b</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 <b>Part VI</b> how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.</i>		
<b>c</b> 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 <b>Part VI</b> 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>		
<b>5a</b> 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 <b>Part VI</b>, 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>b Type I or Type II only.</b> Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
<b>c Substitutions only.</b> Was the substitution the result of an event beyond the organization's control?		
<b>6</b> 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 <b>Part VI</b>.</i>		
<b>7</b> Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (as defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>		
<b>8</b> 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>		
<b>9a</b> 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 <b>Part VI</b>.</i>		
<b>b</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 <b>Part VI</b>.</i>		
<b>c</b> 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 <b>Part VI</b>.</i>		
<b>10a</b> 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>b</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
<b>11</b> Has the organization accepted a gift or contribution from any of the following persons?		
<b>a</b> A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization?		
<b>b</b> A family member of a person described in (a) above?		
<b>c</b> A 35% controlled entity of a person described in (a) or (b) above? If "Yes" to a, b, or c, provide detail in <b>Part VI</b> .		

**Section B. Type I Supporting Organizations**

	Yes	No
<b>1</b> 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? If "No," describe in <b>Part VI</b> 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.		
<b>2</b> 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? If "Yes," explain in <b>Part VI</b> how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.		

**Section C. Type II Supporting Organizations**

	Yes	No
<b>1</b> 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)? If "No," describe in <b>Part VI</b> how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).		

**Section D. All Type III Supporting Organizations**

	Yes	No
<b>1</b> 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?		
<b>2</b> 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? If "No," explain in <b>Part VI</b> how the organization maintained a close and continuous working relationship with the supported organization(s).		
<b>3</b> 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? If "Yes," describe in <b>Part VI</b> the role the organization's supported organizations played in this regard.		

**Section E. Type III Functionally Integrated Supporting Organizations**

<b>1</b> Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions).			
<b>a</b> <input type="checkbox"/> The organization satisfied the Activities Test. Complete <b>line 2</b> below.			
<b>b</b> <input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete <b>line 3</b> below.			
<b>c</b> <input type="checkbox"/> The organization supported a governmental entity. Describe in <b>Part VI</b> how you supported a government entity (see instructions).			
<b>2</b> Activities Test. Answer (a) and (b) below.		Yes	No
<b>a</b> 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? If "Yes," then in <b>Part VI</b> 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.			
<b>b</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? If "Yes," explain in <b>Part VI</b> the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.			
<b>3</b> Parent of Supported Organizations. Answer (a) and (b) below.			
<b>a</b> 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? Provide details in <b>Part VI</b> .			
<b>b</b> Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? If "Yes," describe in <b>Part VI</b> the role played by the organization in this regard.			

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

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

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

Schedule A (Form 990 or 990-EZ) 2018

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

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

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

Schedule A (Form 990 or 990-EZ) 2018

**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.)

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**Schedule of Contributors**

OMB No. 1545-0047

**2018**

▶ **Attach to Form 990, Form 990-EZ, or Form 990-PF.**  
▶ **Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for the latest information.**

Name of the organization  
RUTLAND HOSPITAL INC

Employer identification number  
03-0183483

**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 (entering "N/A" in column (b) instead of the contributor name and address), II, and III.
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Don't complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year . . . . . ▶ \$ \_\_\_\_\_

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

Name of organization **RUTLAND HOSPITAL INC**Employer identification number  
**03-0183483****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		\$ 6,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
2		\$ 7,400.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
3		\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
4		\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
5		\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
6		\$ 17,000.	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****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="checked" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
8		\$ 5,000.	Person <input checked="checked" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
9		\$ 43,307.	Person <input checked="checked" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
10		\$ 13,750.	Person <input checked="checked" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
11		\$ 15,510.	Person <input checked="checked" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
12		\$ 15,000.	Person <input checked="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****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		\$ 8,597.	Person <input checked="checked" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
14		\$ 5,000.	Person <input checked="checked" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
15		\$ 8,000.	Person <input checked="checked" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
16		\$ 5,000.	Person <input checked="checked" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
17		\$ 5,000.	Person <input checked="checked" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
18		\$ 22,182.	Person <input checked="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****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		\$ 6,805.	Person <input checked="checked" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
20		\$ 20,000.	Person <input checked="checked" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
21		\$ 5,000.	Person <input checked="checked" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
22		\$ 5,100.	Person <input checked="checked" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
23		\$ 5,000.	Person <input checked="checked" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
24		\$ 8,323.	Person <input checked="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****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		\$ 20,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
26		\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
27		\$ 27,336.	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		\$ 43,967.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
30		\$ 888,404.	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****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		\$ 1,268,259.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
32		\$ 221,230.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
33		\$ 57,186.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
34		\$ 187,372.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
35		\$ 35,527.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
36		\$ 424,815.	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****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
37		\$ 70,000.	Person <input checked="checked" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
38		\$ 5,000.	Person <input checked="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.)
		\$	Person <input 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.)
		\$	Person <input 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
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee

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

Department of the Treasury  
Internal Revenue Service

**Political Campaign and Lobbying Activities**

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

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

OMB No. 1545-0047

**2018**

**Open to Public  
Inspection**

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

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

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

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

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

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

Name of 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) 2018

**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.

<b>Limits on Lobbying Expenditures</b> (The term "expenditures" means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals
<b>1a</b> Total lobbying expenditures to influence public opinion (grass roots lobbying) . . . . .			
<b>b</b> Total lobbying expenditures to influence a legislative body (direct lobbying) . . . . .			
<b>c</b> Total lobbying expenditures (add lines 1a and 1b) . . . . .			
<b>d</b> Other exempt purpose expenditures . . . . .			
<b>e</b> Total exempt purpose expenditures (add lines 1c and 1d) . . . . .			
<b>f</b> Lobbying nontaxable amount. Enter the amount from the following table in both columns.			
<b>If the amount on line 1e, column (a) or (b) is:</b>	<b>The lobbying nontaxable amount is:</b>		
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.		
<b>g</b> Grassroots nontaxable amount (enter 25% of line 1f) . . . . .			
<b>h</b> Subtract line 1g from line 1a. If zero or less, enter -0- . . . . .			
<b>i</b> Subtract line 1f from line 1c. If zero or less, enter -0- . . . . .			
<b>j</b> 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.)

<b>Lobbying Expenditures During 4-Year Averaging Period</b>					
Calendar year (or fiscal year beginning in)	(a) 2015	(b) 2016	(c) 2017	(d) 2018	(e) Total
<b>2a</b> Lobbying nontaxable amount					
<b>b</b> Lobbying ceiling amount (150% of line 2a, column (e))					
<b>c</b> Total lobbying expenditures					
<b>d</b> Grassroots nontaxable amount					
<b>e</b> Grassroots ceiling amount (150% of line 2d, column (e))					
<b>f</b> Grassroots lobbying expenditures					

Schedule C (Form 990 or 990-EZ) 2018

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

For each "Yes," response on lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.	(a)		(b)
	Yes	No	Amount
<b>1</b> During the year, did the filing organization attempt to influence foreign, national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
<b>a</b> Volunteers? . . . . .	X		
<b>b</b> Paid staff or management (include compensation in expenses reported on lines 1c through 1i)? . . . . .	X		
<b>c</b> Media advertisements? . . . . .		X	
<b>d</b> Mailings to members, legislators, or the public? . . . . .		X	
<b>e</b> Publications, or published or broadcast statements? . . . . .		X	
<b>f</b> Grants to other organizations for lobbying purposes? . . . . .		X	
<b>g</b> Direct contact with legislators, their staffs, government officials, or a legislative body? . . . . .	X		76,879.
<b>h</b> Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means? . . . . .		X	
<b>i</b> Other activities? . . . . .	X		47,788.
<b>j</b> Total. Add lines 1c through 1i . . . . .			124,667.
<b>2a</b> Did the activities in line 1 cause the organization to be not described in section 501(c)(3)? . . . . .		X	
<b>b</b> If "Yes," enter the amount of any tax incurred under section 4912 . . . . .			
<b>c</b> If "Yes," enter the amount of any tax incurred by organization managers under section 4912 . . . . .			
<b>d</b> If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year? . . . . .			

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

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

**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."**

<b>1</b> Dues, assessments and similar amounts from members . . . . .	<b>1</b>	
<b>2</b> Section 162(e) nondeductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).		
<b>a</b> Current year . . . . .	<b>2a</b>	
<b>b</b> Carryover from last year. . . . .	<b>2b</b>	
<b>c</b> Total . . . . .	<b>2c</b>	
<b>3</b> Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues. . . . .	<b>3</b>	
<b>4</b> 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? . . . . .	<b>4</b>	
<b>5</b> Taxable amount of lobbying and political expenditures (see instructions) . . . . .	<b>5</b>	

**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 \$75,869 TO A PROFESSIONAL  
GOVERNMENT AFFAIRS AND COMMUNICATION STRATEGIES COMPANY.

THE ORGANIZATION'S CEO, CLAUDIO FORT, SPENDS TIME EACH YEAR WORKING  
DIRECTLY WITH STATE LEGISLATORS TO IMPROVE SERVICES FOR THE RUTLAND  
REGION. APPROXIMATELY \$1,010, 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:

\$ 39,360 VHA

8,016 AHA

412 340B HEALTH

-----

\$ 47,788

**SCHEDULE D  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

Name of the organization

RUTLAND HOSPITAL INC

**Supplemental Financial Statements**

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

▶ Attach to Form 990.

▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

**2018**

**Open to Public  
Inspection**

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.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year . . . . .		
2 Aggregate value of contributions to (during year)		
3 Aggregate value of grants from (during year) . .		
4 Aggregate value at end of year . . . . .		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? . . . . .		<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? . . . . .		<input type="checkbox"/> Yes <input type="checkbox"/> No

**Part II Conservation Easements.**

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

1 Purpose(s) of conservation easements held by the organization (check all that apply).	
<input type="checkbox"/> Preservation of land for public use (e.g., recreation or education)	<input type="checkbox"/> Preservation of a historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> Preservation of open space	
2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.	
a Total number of conservation easements . . . . .	2a
b Total acreage restricted by conservation easements . . . . .	2b
c Number of conservation easements on a certified historic structure included in (a) . . . . .	2c
d Number of conservation easements included in (c) acquired after 7/25/06, and not on a historic structure listed in the National Register . . . . .	2d
3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ _____	
4 Number of states where property subject to conservation easement is located ▶ _____	
5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? . . . . .	<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶ _____	
7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶ \$ _____	
8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? . . . . .	<input type="checkbox"/> Yes <input type="checkbox"/> No
9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.	

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

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

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

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

Schedule D (Form 990) 2018

**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 **d** ☐ Loan or exchange programs  
**b** ☐ Scholarly research **e** ☐ Other \_\_\_\_\_  
**c** ☐ Preservation for future generations

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

**5** During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? . . . . . ☐ Yes ☐ No

**Part IV Escrow and Custodial Arrangements.**

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

**1a** Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? . . . . . ☐ Yes ☐ No

**b** If "Yes," explain the arrangement in Part XIII and complete the following table:

	Amount
<b>c</b> Beginning balance . . . . .	<b>1c</b>
<b>d</b> Additions during the year . . . . .	<b>1d</b>
<b>e</b> Distributions during the year . . . . .	<b>1e</b>
<b>f</b> Ending balance . . . . .	<b>1f</b>

**2a** Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? ☐ Yes ☐ No

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

**Part V Endowment Funds.**

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
<b>1a</b> Beginning of year balance . . . . .	619,668.	689,107.	7,634,079.	7,285,252.	7,589,626.
<b>b</b> Contributions . . . . .	1,177,168.				
<b>c</b> Net investment earnings, gains, and losses . . . . .	44,971.	30,561.	74,330.	348,827.	21,075.
<b>d</b> Grants or scholarships . . . . .					
<b>e</b> Other expenditures for facilities and programs . . . . .	249,515.	100,000.	7,019,302.		325,449.
<b>f</b> Administrative expenses . . . . .					
<b>g</b> End of year balance . . . . .	1,592,292.	619,668.	689,107.	7,634,079.	7,285,252.

**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 ▶ 42.4200 %

**c** Temporarily restricted endowment ▶ 57.5800 %

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

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

(i) unrelated organizations . . . . . **3a(i)** ☐ Yes ☒ No

(ii) related organizations . . . . . **3a(ii)** ☐ Yes ☒ No

**b** If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R? . . . . . **3b** ☐ Yes ☐ No

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

**Part VI Land, Buildings, and Equipment.**

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
<b>1a</b> Land . . . . .		645,676.		645,676.
<b>b</b> Buildings . . . . .		42,271,274.	27,972,004.	14,299,270.
<b>c</b> Leasehold improvements . . . . .		67,060,705.	35,855,640.	31,205,065.
<b>d</b> Equipment . . . . .		136,568,180.	103,533,711.	33,034,469.
<b>e</b> Other . . . . .		11,175,653.	2,158,390.	9,017,263.
<b>Total.</b> Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.) . . . . .				88,201,743.



**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) _____		
<b>Total.</b> (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) _____		
<b>Total.</b> (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) DUE FROM AFFILIATES	5,999,302.
(2) OTHER RECEIVABLES	4,943,153.
(3) INTEREST RECEIVABLE	27,925.
(4) INSURANCE RECEIVABLE	806,430.
(5) INVESTMENT IN VERMONT COMM FDN	325,102.
(6) PREPAID PENSION ASSET	2,522,598.
(7) _____	
(8) _____	
(9) _____	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 15.) . . . . . ►	14,624,510.

**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) EST AMTS DUE TO THIRD PARTY	9,241,942.	
(3) _____		
(4) _____		
(5) _____		
(6) _____		
(7) _____		
(8) _____		
(9) _____		
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 25.) ►	9,241,942.	

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

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

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

<b>1</b>	Total revenue, gains, and other support per audited financial statements . . . . .	<b>1</b>	281,261,835.
<b>2</b>	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
<b>a</b>	Net unrealized gains (losses) on investments . . . . .	<b>2a</b>	-49,343.
<b>b</b>	Donated services and use of facilities . . . . .	<b>2b</b>	
<b>c</b>	Recoveries of prior year grants . . . . .	<b>2c</b>	
<b>d</b>	Other (Describe in Part XIII.) . . . . .	<b>2d</b>	-6,371,506.
<b>e</b>	Add lines <b>2a</b> through <b>2d</b> . . . . .	<b>2e</b>	-6,420,849.
<b>3</b>	Subtract line <b>2e</b> from line <b>1</b> . . . . .	<b>3</b>	287,682,684.
<b>4</b>	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
<b>a</b>	Investment expenses not included on Form 990, Part VIII, line 7b . . . . .	<b>4a</b>	51,466.
<b>b</b>	Other (Describe in Part XIII.) . . . . .	<b>4b</b>	304,152.
<b>c</b>	Add lines <b>4a</b> and <b>4b</b> . . . . .	<b>4c</b>	355,618.
<b>5</b>	Total revenue. Add lines <b>3</b> and <b>4c</b> . (This must equal Form 990, Part I, line 12.) . . . . .	<b>5</b>	288,038,302.

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

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

<b>1</b>	Total expenses and losses per audited financial statements . . . . .	<b>1</b>	274,016,570.
<b>2</b>	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
<b>a</b>	Donated services and use of facilities . . . . .	<b>2a</b>	
<b>b</b>	Prior year adjustments . . . . .	<b>2b</b>	
<b>c</b>	Other losses . . . . .	<b>2c</b>	
<b>d</b>	Other (Describe in Part XIII.) . . . . .	<b>2d</b>	460,863.
<b>e</b>	Add lines <b>2a</b> through <b>2d</b> . . . . .	<b>2e</b>	460,863.
<b>3</b>	Subtract line <b>2e</b> from line <b>1</b> . . . . .	<b>3</b>	273,555,707.
<b>4</b>	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
<b>a</b>	Investment expenses not included on Form 990, Part VIII, line 7b . . . . .	<b>4a</b>	51,466.
<b>b</b>	Other (Describe in Part XIII.) . . . . .	<b>4b</b>	7,489,965.
<b>c</b>	Add lines <b>4a</b> and <b>4b</b> . . . . .	<b>4c</b>	7,541,431.
<b>5</b>	Total expenses. Add lines <b>3</b> and <b>4c</b> . (This must equal Form 990, Part I, line 18.) . . . . .	<b>5</b>	281,097,138.

**Part XIII Supplemental Information.**

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

SEE PAGE 5

**Part XIII** Supplemental Information (continued)

SCHEDULE D, PART V, LINE 4

ENDOWMENT FUND PURPOSE:

RRMC'S ENDOWMENTS CONSIST OF VARIOUS INDIVIDUAL FUNDS ESTABLISHED FOR A VARIETY OF PURPOSES. THE ENDOWMENT INCLUDES BOTH DONOR-RESTRICTED ENDOWMENT FUNDS AND FUNDS DESIGNATED BY THE GOVERNING BODY TO FUNCTION AS ENDOWMENTS (BOARD-DESIGNATED ENDOWMENT FUNDS). AS REQUIRED BY ACCOUNTING PRINCIPLES GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA (GAAP), NET ASSETS ASSOCIATED WITH ENDOWMENT FUNDS, INCLUDING BOARD-DESIGNATED 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) AND, THUS, CLASSIFIES AMOUNTS IN ITS DONOR-RESTRICTED ENDOWMENT FUNDS AS NET ASSETS WITH DONOR RESTRICTIONS BECAUSE THOSE NET ASSETS ARE TIME RESTRICTED UNTIL THE BOARD APPROPRIATES SUCH AMOUNTS FOR EXPENDITURE. MOST OF THOSE NET ASSETS ARE ALSO SUBJECT TO PURPOSE RESTRICTIONS THAT MUST BE MET BEFORE RECLASSIFYING THOSE NET ASSETS TO NET ASSETS WITHOUT DONOR RESTRICTIONS. RRMC'S GOVERNING BODY HAS INTERPRETED SPMIFA AS NOT REQUIRING THE MAINTENANCE OF PURCHASING POWER OF THE ORIGINAL GIFT AMOUNT CONTRIBUTED TO AN ENDOWMENT FUND, UNLESS A DONOR STIPULATES TO THE CONTRARY. AS A RESULT OF THIS INTERPRETATION, WHEN VIEWING ITS DONOR-RESTRICTED ENDOWMENT FUNDS, RRMC CONSIDERS A FUND TO BE UNDERWATER IF THE FAIR VALUE OF THE FUND IS LESS THAN THE SUM OF (A) THE ORIGINAL VALUE OF INITIAL AND SUBSEQUENT GIFT AMOUNTS DONATED TO THE FUND AND (B) ANY ACCUMULATIONS TO THE FUND THAT ARE REQUIRED TO BE MAINTAINED IN PERPETUITY IN ACCORDANCE WITH THE DIRECTION OF THE APPLICABLE DONOR GIFT INSTRUMENT. RRMC HAS

**Part XIII** Supplemental Information (continued)

INTERPRETED SPMIFA TO PERMIT SPENDING FROM UNDERWATER FUNDS IN ACCORDANCE WITH THE PRUDENT MEASURES REQUIRED UNDER THE LAW. IN ADDITION, IN ACCORDANCE WITH SPMIFA, RRMC CONSIDER 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

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:

\$ 873,176 NET ASSETS RELEASED FROM RESTRICTIONS

1,290,882 NET LOSS FROM DEF BEN PLAN & POSTRETIRMENT BEN COSTS

(1,045,599) LOSS ON INTEREST RATE SWAP AGREEMENT

(7,489,965) PROVISION FOR UNCOLLECTIBLE ACCOUNTS

-----

**Part XIII** Supplemental Information (continued)

\$(6,371,506)

SCHEDULE D, PART XI, LINE 4B

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

\$ 716,863 TEMPORARILY RESTRICTED CONTRIBUTIONS

48,152 TEMPORARILY RESTRICTED INVESTMENT RETURN

( 390,305) RENTAL EXPENSES

( 70,558) SPECIAL EVENTS EXPENSE

-----

\$ 304,152

SCHEDULE D, PART XII, LINE 2D

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

\$ 390,305 RENTAL EXPENSES

70,558 SPECIAL EVENTS EXPENSE

-----

\$ 460,863

SCHEDULE D, PART XII, LINE 4B

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

\$ 7,489,965 PROVISION FOR UNCOLLECTIBLE ACCOUNTS

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

Department of the Treasury  
Internal Revenue Service

Name of the organization

RUTLAND HOSPITAL INC

**Supplemental Information Regarding Fundraising or Gaming Activities**

Complete if the organization answered "Yes" on Form 990, Part IV, line 17, 18, or 19, or if the organization entered more than \$15,000 on Form 990-EZ, line 6a.

▶ Attach to Form 990 or Form 990-EZ.

▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest instructions.

OMB No. 1545-0047

**2018**

**Open to Public  
Inspection**

Employer identification number

03-0183483

**Part I Fundraising Activities.** Complete if the organization answered "Yes" on Form 990, Part IV, line 17.  
Form 990-EZ filers are not required to complete this part.

**1** Indicate whether the organization raised funds through any of the following activities. Check all that apply.

- |  |   |
|--|---|
| <b>a</b> <input type="checkbox"/> Mail solicitations               | <b>e</b> <input type="checkbox"/> Solicitation of non-government grants |
| <b>b</b> <input type="checkbox"/> Internet and email solicitations | <b>f</b> <input type="checkbox"/> Solicitation of government grants     |
| <b>c</b> <input type="checkbox"/> Phone solicitations              | <b>g</b> <input type="checkbox"/> Special fundraising events            |
| <b>d</b> <input type="checkbox"/> In-person solicitations          |   |

- 2a** Did the organization have a written or oral agreement with any individual (including officers, directors, trustees, or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? ☐ **Yes** ☐ **No**
- b** If "Yes," list the 10 highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization.

(i) Name and address of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col. (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
<b>Total</b> .....				▶		

- 3** List all states in which the organization is registered or licensed to solicit contributions or has been notified it is exempt from registration or licensing.

**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 GREEN MT GALA (event type)	(b) Event #2 GOLF TOURNAMEN (event type)	(c) Other events 1. (total number)	(d) Total events (add col. (a) through col. (c))
Revenue	1 Gross receipts . . . . .	114,229.	47,756.	14,276.	176,261.
	2 Less: Contributions . . . . .	99,679.	28,536.	12,389.	140,604.
	3 Gross income (line 1 minus line 2) . . . . .	14,550.	19,220.	1,887.	35,657.
Direct Expenses	4 Cash prizes . . . . .		1,950.		1,950.
	5 Noncash prizes . . . . .		4,339.		4,339.
	6 Rent/facility costs . . . . .				
	7 Food and beverages . . . . .	21,639.	16,335.	35.	38,009.
	8 Entertainment . . . . .				
	9 Other direct expenses . . . . .	19,614.	6,646.		26,260.
	10 Direct expense summary. Add lines 4 through 9 in column (d) . . . . .				70,558.
	11 Net income summary. Subtract line 10 from line 3, column (d) . . . . .				-34,901.

**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))
Revenue	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:
- |                                      |            |   |
|--------------------------------------|------------|---|
| <b>a</b> The organization's facility | <b>13a</b> | % |
| <b>b</b> An outside facility         | <b>13b</b> | % |
- 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

**2018**

**Open to Public Inspection**

Department of the Treasury  
Internal Revenue Service

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, question 20.**

▶ **Attach to Form 990.**

▶ **Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.**

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
<b>1a</b> Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a . . . . .	X	
<b>1b</b> If "Yes," was it a written policy? . . . . .	X	
<b>2</b> 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		
<b>3</b> 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.		
<b>a</b> 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 300.0000 %	X	
<b>b</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 500.0000 %	X	
<b>c</b> 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.		
<b>4</b> 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	
<b>5a</b> Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	X	
<b>5b</b> If "Yes," did the organization's financial assistance expenses exceed the budgeted amount? . . . . .	X	
<b>5c</b> 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
<b>6a</b> Did the organization prepare a community benefit report during the tax year? . . . . .	X	
<b>6b</b> 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
<b>a</b> Financial Assistance at cost (from Worksheet 1) . . . .			3,515,577.		3,515,577.	1.28
<b>b</b> Medicaid (from Worksheet 3, column a) . . . . .			62,200,880.	30,722,380.	31,478,500.	11.50
<b>c</b> Costs of other means-tested government programs (from Worksheet 3, column b) . .						
<b>d</b> <b>Total.</b> Financial Assistance and Means-Tested Government Programs . . .			65,716,457.	30,722,380.	34,994,077.	12.78
<b>Other Benefits</b>						
<b>e</b> Community health improvement services and community benefit operations (from Worksheet 4) .	7	27505	3,089,203.	2,383,034.	706,169.	.26
<b>f</b> Health professions education (from Worksheet 5) . . . .	5	461	1,021,038.		1,021,038.	.37
<b>g</b> Subsidized health services (from Worksheet 6) . . . . .			63,669,984.	44,044,718.	19,625,266.	7.18
<b>h</b> Research (from Worksheet 7)						
<b>i</b> Cash and in-kind contributions for community benefit (from Worksheet 8) . . . . .	6	53629	717,859.		717,859.	.26
<b>j</b> <b>Total.</b> Other Benefits . . . .	18	81595	68,498,084.	46,427,752.	22,070,332.	8.07
<b>k</b> <b>Total.</b> Add lines 7d and 7j . .	18	81595	134,214,541.	77,150,132.	57,064,409.	20.85

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

Schedule H (Form 990) 2018

**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	14440	225,780.		225,780.	.08
4 Environmental improvements						
5 Leadership development and training for community members						
6 Coalition building	1		11,810.		11,810.	
7 Community health improvement advocacy	1		1,293.		1,293.	
8 Workforce development	1		1,095.		1,095.	
9 Other						
10 Total	4	14440	239,978.		239,978.	.08

**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? . . . . .		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. . . . .		
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 . . . . .		
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	75,615,739.
6 Enter Medicare allowable costs of care relating to payments on line 5 . . . . .	6	97,615,740.
7 Subtract line 6 from line 5. This is the surplus (or shortfall) . . . . .	7	-22,000,001.
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
<b>1</b> RUTLAND HOSPITAL 160 ALLEN STREET RUTLAND VT 05701 WWW.RRMC.ORG 884	X	X					X		MED DEV RURAL COMMUNITY HOSPITAL	
<b>2</b>										
<b>3</b>										
<b>4</b>										
<b>5</b>										
<b>6</b>										
<b>7</b>										
<b>8</b>										
<b>9</b>										
<b>10</b>										

**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 HOSPITALLine 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**

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

**Part V Facility Information** (continued)**Financial Assistance Policy (FAP)**Name of hospital facility or letter of facility reporting group RUTLAND HOSPITAL

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

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**Part V Facility Information** (continued)**Billing and Collections**Name of hospital facility or letter of facility reporting group RUTLAND HOSPITAL

	Yes	No
<b>17</b> 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	
<b>18</b> 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		
<b>19</b> 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? . . . . .		X
If "Yes," check all actions in which the hospital facility or a third party engaged:		
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)		
<b>20</b> 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 (if not, describe in Section C)		
b <input checked="" type="checkbox"/> Made a reasonable effort to orally notify individuals about the FAP and FAP application process (if not, describe in Section C)		
c <input checked="" type="checkbox"/> Processed incomplete and complete FAP applications (if not, describe in Section C)		
d <input type="checkbox"/> Made presumptive eligibility determinations (if not, describe in Section C)		
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
<b>21</b> 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? . . . . .	X	
If "No," indicate why:		
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)		

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**Part V Facility Information** *(continued)***Charges to Individuals Eligible for Assistance Under the FAP (FAP-Eligible Individuals)**Name of hospital facility or letter of facility reporting group RUTLAND HOSPITAL

		Yes	No
<b>22</b>	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.		
<b>a</b>	<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>b</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		
<b>c</b>	<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		
<b>d</b>	<input type="checkbox"/> The hospital facility used a prospective Medicare or Medicaid method		
<b>23</b>	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.	<b>23</b>	X
<b>24</b>	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.	<b>24</b>	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, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

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 AREA 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, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

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, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

- 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](http://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, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

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:

[HTTP://WWW.RRMC.ORG/APP/FILES/PUBLIC/2645/CHNA-IMPLEMENTATION-STRATEGY-2019.PDF](http://WWW.RRMC.ORG/APP/FILES/PUBLIC/2645/CHNA-IMPLEMENTATION-STRATEGY-2019.PDF)

SCHEDULE H, PART V, SECTION B, LINE 11

IMPLEMENTATION STRATEGY:

IMPLEMENTATION STRATEGY RESULTS IN FY19.

IMPLEMENTATION STRATEGY FOR ALL FOUR GROUPS INDEPENDENTLY IDENTIFIED SIMILAR CHARACTERISTICS OF ACTION AND ACTIVITIES. THE CONNECTION TO COMMUNITY CAME THROUGH VERY STRONGLY; A WIDE-ANGLE LENS WAS USED TO APPROACH THE IDENTIFIED HEALTH NEEDS. THE OVERARCHING THEMES FOR ALL GROUPS INCLUDED: PARTNERING WITH THE PRIVATE SECTOR TO ENGAGE AND SUSTAIN COMMUNITY-WIDE INVOLVEMENT; UNDERSTANDING THE NEED TO BE MORE PROACTIVE THAN REACTIVE; FOCUSING ON COMMUNICATION AND OUTREACH, IN PARTICULAR TO

**Part V Facility Information** (continued)

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

THOSE WHO ARE NOT CURRENTLY RECEIVING THE MESSAGE; AND EMPHASIZING THE  
NEED TO ACT WITH COMPASSION AND WITHOUT JUDGMENT, AND TO KEEP THE FOCUS  
OF WORK PERSON-CENTERED.

THE RUTLAND REGION IS AN EXCELLENT EXAMPLE OF WHAT CAN HAPPEN WHEN THE  
STATE SUPPORTS WIDESCALE HEALTH INITIATIVES, THE LOCAL COMMUNITY COMES  
TOGETHER, AND INDIVIDUALS BRING THEIR SKILLS AND THEIR PASSION TO THEIR  
WORK AND OUTREACH. THERE ARE ALREADY A GREAT DEAL OF RESOURCES IN THE  
COMMUNITY TO ADDRESS THESE FOUR PRIORITIES; THERE ARE AGENCIES DEDICATED  
TO THESE POPULATIONS, AND GRANT FUNDS UTILIZED TO GET PROJECTS OFF THE  
GROUND. THE COMMUNITY STAKEHOLDERS WHO DEVELOPED THIS ROADMAP ARE ALL  
EXTREMELY KNOWLEDGEABLE ABOUT WHAT IS BOTH IN PLACE AND UPCOMING IN THEIR  
RESPECTIVE FIELDS, AND THEY TOOK IT AS PART OF THEIR MISSION TO DEVELOP  
THIS IMPLEMENTATION PLAN IN THE SPIRIT OF ALIGNING WHAT EXISTS AND  
PROVIDING A FRAMEWORK FOR WORK TO FILL THE IDENTIFIED GAPS.

ALIGNMENT OF THE COMMUNITY HEALTH NEEDS ASSESSMENT:

THE OVERARCHING KEY THEMES OF ALL THE PRIORITY COMMITTEES AROSE  
INDEPENDENTLY IN EACH OF THE GROUP DISCUSSIONS. BY FOCUSING EFFORTS FIRST  
ON ALIGNMENT, THE WORK THAT IS ALREADY BEING DONE IN THE COMMUNITY BY  
VARIOUS GROUPS, AGENCIES, AND COLLABORATIVES CAN BE RECOGNIZED. THIS WILL  
SOLIDIFY THE FOUNDATION FOR FUTURE WORK TO BE BUILT UPON. FURTHERMORE, BY  
FOCUSING ON ALIGNMENT, THIS WILL ALLOW FOR INTER-COMMUNITY SHARING OF  
IDEAS, SUCCESSES, CHALLENGES, AND OPPORTUNITIES. THE ROADMAP CREATED BY  
THESE GROUPS WILL BE ABLE TO CONNECT PAST, CURRENT, AND FUTURE WORK INTO

**Part V Facility Information** (continued)

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

AN INTERWOVEN APPROACH TO ADDRESSING COMMUNITY HEALTH NEEDS.

FROM IMPLEMENTATION STRATEGY TO ACTION:

THE STRATEGIES REMAIN BROAD TO ALLOW FOR ORGANIZATIONS TO DEVELOP  
MEANINGFUL GOALS AND ALIGN EFFORTS TO AVOID DUPLICATION OR PARALLEL WORK.  
THE FOLLOWING INFORMATION BELOW PROVIDES A SAMPLE OF SOME OF THE MORE  
SPECIFIC STRATEGIES IDENTIFIED BY THE FOCUS COMMITTEES.

SUPPORTING AN AGING COMMUNITY:

- INCREASE THE RESOURCES FOR EDUCATING PROVIDERS ON SOCIAL DETERMINANTS  
IMPORTANT TO SUPPORTING AN AGING COMMUNITY
- CREATE OPPORTUNITIES TO RECOGNIZE AND RECORD OLDER VERMONTER'S  
HISTORIES AND STORIES
- CREATE A VOLUNTEER DATABASE THAT CAN HELP LINK OLDER PEOPLE SEEKING  
SERVICES WITH THOSE LOOKING TO PROVIDE SERVICES, SUCH AS TRANSPORTATION  
OR HOME-SHARING

HOUSING:

- DEVELOP A MASTER LIST FOR SUPPORTIVE HOUSING THAT CAN ADDRESS A VARIETY  
OF NEEDS SUCH AS ACCESSIBLE TRANSPORTATION AND FOOD SECURITY
- FIND ALTERNATIVES TO USING LOCAL HOTELS AS EMERGENCY HOUSING FOR  
INDIVIDUALS AND FAMILIES
- EXPLORE POTENTIAL AND DEVELOP PROGRAM FOR MASTER LEASING OPPORTUNITIES  
WITH THE PRIVATE SECTOR AND AREA LANDLORDS

**Part V Facility Information** (continued)

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

## MENTAL HEALTH:

- PROVIDE COMMUNITY TRAININGS IN MENTAL HEALTH FIRST AID, YOUTH MENTAL HEALTH FIRST AID, AND SUICIDE PREVENTION
- ENHANCE SERVICES AVAILABLE TO ACCOMPANY FIRST RESPONDERS WHO ARE ABLE TO ADDRESS URGENT BUT NON-EMERGENT NEEDS SUCH AS HOUSING OR MENTAL HEALTH, INCLUDING OUTSIDE OF RUTLAND CITY
- PERFORM COLLABORATIVE OUTREACH TO CONNECT PEOPLE TO SERVICES WHO ARE NOT CURRENTLY ACCESSING OR UNABLE TO ACCESS SERVICES
- ENHANCE AND CREATE PROGRAMS TO ALLOW PARENTS TO SUCCEED WITH NON-STIGMATIZED SUPPORT

## CHILDCARE AND PARENTING:

- PROMOTE EARLY EDUCATION AND EARLY INTERVENTION ACROSS THE COMMUNITY, INCLUDING TOWN MEETINGS AND TOWN HALLS TO ENGAGE THE COMMUNITY
- INCREASE MESSAGING AROUND THE IMPORTANCE OF CARING FOR OUR YOUNGEST COMMUNITY MEMBERS AND THEIR PARENTS AND GUARDIANS TO INCREASE RESILIENCE IN FAMILIES AND THE COMMUNITY AT LARGE IN FAMILIES AND THE COMMUNITY AT LARGE

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/)

**Part V Facility Information** (continued)

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

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  
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? 14

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

Schedule H (Form 990) 2018



**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)
<b>1</b> WESTRIDGE TREATMENT CENTER 1 SCALE AVE, BLDG 10 RUTLAND VT 05701	PATIENT CLINIC
<b>2</b> MARBLE VALLEY UROLOGY 145 ALLEN STREET RUTLAND VT 05701	PATIENT CLINIC
<b>3</b> MARBLE VALLEY EYE CARE 1 ALBERT CREE DRIVE RUTLAND VT 05701	PATIENT CLINIC
<b>4</b> RUTLAND REGIONAL NEUROLOGY CENTER 1 ALBERT CREE DRIVE RUTLAND VT 05701	PATIENT CLINIC
<b>5</b>	
<b>6</b>	
<b>7</b>	
<b>8</b>	
<b>9</b>	
<b>10</b>	

Schedule H (Form 990) 2018

**Part VI Supplemental Information**

Provide the following information.

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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 \$7,489,965.

**Part VI Supplemental Information**

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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 \$12,976,986. 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**

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## 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.

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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 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.

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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 2019, APPROXIMATELY 10.4 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, RRMCA 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

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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

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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.



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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:

RRMC 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

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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 RPMC

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 RPMC 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.

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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 DEPENDENT 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.

ADDITIONALLY, THE SENIOR POPULATION CONTINUES TO GROW - 25.3% OF RUTLAND

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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:

I. SENIOR POPULATIONS

**Part VI** Supplemental Information

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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 FY19, NINE PROVIDERS WERE RECRUITED TO THE HOSPITAL, INCLUDING AN ANESTHESIOLOGIST, OB/GYN, RADIOLOGIST, ENDOCRINOLOGIST, NEUROLOGIST, THREE PRIMARY CARE PHYSICIANS AND A HOSPITALIST. RRMC ALSO WORKS COLLABORATIVELY TO HELP RECRUIT PRIMARY CARE PHYSICIANS WITH COMMUNITY HEALTH, RUTLAND COUNTY'S FEDERALLY QUALIFIED HEALTH CENTER WHICH SERVES APPROXIMATELY 80+% OF AREA PRIMARY CARE NEEDS. RRMC CONTINUES TO SUPPORT A HOSPITALIST PROGRAM WHERE

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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 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 RRM C 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. RRM C ALSO PROVIDES SUPPORT FOR FEDERALLY QUALIFIED HEALTH CENTERS (FQHC S) IN THE REGION BY HAVING A LEADER REPRESENTATIVE ON THE BOARD OF THE ORGANIZATION. THE FQHC S ARE REIMBURSED AT A HIGHER LEVEL FOR CARING FOR MEDICAID PATIENTS. RRM C 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,

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RUTLAND COUNTY NUTRITION COALITION, RUTLAND'S PROJECT VISION, RUTLAND COMMUNITY COLLABORATIVE (ACCOUNTABLE COMMUNITY OF HEALTH) AS WELL AS MANY OTHERS. RRMC PARTNERS WITH UNITED WAY OF RUTLAND COUNTY TO OFFER AND PROVIDE A LEADERSHIP AND BOARD TRAINING PROGRAM EACH YEAR, GRADUATING AN 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



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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 RRM C 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. RRM C 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 RRM C 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

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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.

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

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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  
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

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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  
IN THEIR SERVICE; 5 OF THESE ARE PHYSICIANS, 2 REPRESENT HEALTH CARE  
PARTNERS, 11 ARE RUTLAND COUNTY RESIDENTS WHO REPRESENT A VARIETY OF  
BUSINESS SECTORS AND 1 POSITION IS VACANT. 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,

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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 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. RPMC'S 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, RPMC PROVIDES A BROAD ARRAY OF

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SERVICES. THE FOLEY CANCER CENTER AT RRMHC 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 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. RRMHC PROVIDES CARE FOR BOTH MEDICARE AND MEDICAID PATIENTS; THESE POPULATIONS MAKE UP 65% OF THE PAYER MIX FOR RRMHC. BY WORKING COLLABORATIVELY WITH THE LOCAL FQHCs, COMMUNITY HEALTH CENTERS OF THE RUTLAND REGION, CAPACITY IS INCREASED IN THE SERVICE AREA.

THE RRMHC VOLUNTEER PROGRAM IS PROVIDED BY 330 INDIVIDUALS WHO

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DONATED 51,451 HOURS OF SERVICE IN FY19. THE VOLUNTEERS ASSIST WITH  
THE NON-CLINICAL NEEDS OF PATIENTS IN THE HOSPITAL, AMONG OTHER  
ACTIVITIES.

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

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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 2019, FUNDING WAS PROVIDED TO THE FOLLOWING:

MILL RIVER ENGAGE!

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.



**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.

YEAR ONE OUTCOMES:

- 155 STUDENTS, 16 TEACHERS, AND FOUR COMMUNITY MEMBERS PARTICIPATED
- INCREASED PARTICIPATION IN 'MATHCOUNTS' AFTERSCHOOL PROGRAMMING
- INCREASED PARTICIPATION IN ROCK CLIMBING AFTERSCHOOL PROGRAMMING

RUTLAND SUICIDE SAFE CARE

HOSTED BY CENTER FOR HEALTH AND LEARNING

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 OUTCOMES

**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.

- 100 HEALTHCARE WORKERS ATTENDED SUICIDE PREVENTION TRAINING

- ESTABLISHED ZERO SUICIDE COORDINATION TEAM WITH MAJOR HEALTHCARE

PARTNERS

- IDENTIFIED OUTCOME MEASURES FOR EACH ORGANIZATION RELATED TO SUICIDE

DATA COLLECTION

FARM-BASED EXPERIENTIAL LEARNING

HOSTED BY VERMONT FARMERS FOOD CENTER

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

**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.

## YEAR ONE OUTCOMES

- PROVIDED 1,395 CONTACT HOURS OF EXPERIENTIAL HANDS-ON EDUCATION TO 350

## YOUTHS

- TRAINED 20 LOCAL CHILDCARE PROVIDERS IN EARLY CHILDHOOD GARDEN

## EDUCATION

- STUDENTS ABILITY TO IDENTIFY AT LEAST ONE PRACTICE IN THE SCIENTIFIC  
PROCESS INCREASED BY 28%

## 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  
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.

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

#### YEAR TWO OUTCOMES

- SERVED A TOTAL OF 1,045 PEOPLE IN AND OUT OF CORRECTIONAL FACILITIES
- PROVIDED 115 UNIQUE INDIVIDUALS WITHIN CORRECTIONAL FACILITIES WITH  
RECOVERY COACHING; 64 CONTINUE TO BE ENGAGED POST INCARCERATION
- DELIVERED "SMART RECOVERY" AND "MAKING RECOVERY EASIER" PROGRAMS TO  
707 PEOPLE IN AND OUT OF CORRECTIONAL FACILITIES

#### OPIOID FAMILY MENTORING PROGRAM

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 RESILIENCY, IMPROVE LIFE SKILLS AND

**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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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 TWO OUTCOMES

- SEVEN FAMILIES HAVE BEEN MATCHED WITH A FAMILY MENTOR, IN ADDITION,  
EACH CHILD HAS THEIR OWN MENTOR
- OBSERVED POSITIVE OUTCOMES FOR PARTICIPATING FAMILIES IN EMPLOYMENT,  
FAMILY REUNIFICATION, SAFER HOUSING, AND POSITIVE CHANGE IN BEHAVIOR OF  
CHILDREN
- PARTNERSHIP WITH WEST RIDGE CENTER HAS INCREASE PROGRAM PARTICIPATION

#### 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

**Part VI Supplemental Information**

Provide the following information.

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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 BROCC, PROJECT VISION, RUTLAND REGIONAL WORKFORCE INVESTMENT BOARD AND CASELLA WASTE MANAGEMENT.

#### YEAR TWO OUTCOMES

- 31 PARTICIPANTS HAVE ENROLLED IN PROGRAM
- 42% OF PARTICIPANTS HAVE BEEN PLACED IN EMPLOYMENT AND 12% IN EDUCATIONAL AND SKILLS TRAINING PROGRAMS
- 70% OF PARTICIPANTS HAVE BEEN ASSESSED AS STABLE IN MULTIPLE AREAS IDENTIFIED AS BARRIERS AT ONSET OF PROGRAMMING

#### PARKS RX RUTLAND RECREATION DEPARTMENT

THE PARKS RX PROGRAM IS A NATIONAL PROGRAM LED BY THE NATIONAL RECREATION

**Part VI Supplemental Information**

Provide the following information.

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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 THREE OUTCOMES

- 72% OF PROGRAM REFERRALS COMPLETED THE 12-WEEK PROGRAM
- 74% OF PARTICIPANTS INCREASED THEIR PHYSICAL ACTIVITY
- 93% OF PARTICIPANTS SAID THE PROGRAM HAD A POSITIVE EFFECT ON THEIR MENTAL WELLBEING

**Part VI Supplemental Information**

Provide the following information.

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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

LEARNING, PUBLIC SCHOOLS, MENTOR CONNECTOR, RUTLAND YOUNG PROFESSIONALS,

SERENITY HOUSE, AND RUTLAND MENTAL HEALTH.

YEAR THREE OUTCOMES

- SERVED 23 INDIVIDUALS WITH 4,000 HOURS OF PARTICIPATION

- 80% OF STUDENTS ENGAGED IN POST-COMPLETION ACTIVITIES



**Part VI Supplemental Information**

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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.

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

**Part VI Supplemental Information**

Provide the following information.

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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.

SCHEDULE I  
(Form 990)

Department of the Treasury  
Internal Revenue Service

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

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

► Attach to Form 990.

► Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for the latest information.

OMB No. 1545-0047

2018

Open to Public  
Inspection

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) COME ALIVE OUTSIDE, INC. P.O. BOX 267 RUTLAND, VT 05701	47-2357025	501(C)(3)	67,124.				COMMUNITY HEALTH IMP
(2) RUTLAND REGION EDUCATION CORPORATION P.O. BOX 6015 RUTLAND, VT 05701	03-0353236	501(C)(3)	13,974.				COMMUNITY HEALTH IMP
(3) THE MENTOR CONNECTOR 88 PARK STREET RUTLAND, VT 05701	65-1290104	501(C)(3)	33,902.				COMMUNITY HEALTH IMP
(4) GREEN MOUNTAIN RECOVERY FOUNDATION, INC. 141 STATE STREET RUTLAND, VT 05701	51-0425091	501(C)(3)	32,438.				COMMUNITY HEALTH IMP
(5) GOODWILL INDUSTRIES OF NORTHERN NEW ENGLAND 75 WASHINGTON AVENUE PORTLAND, ME 04101	01-0284340	501(C)(3)	32,000.				COMMUNITY HEALTH IMP
(6) MILL RIVER UNIFIED UNION SCHOOL DISTRICT 2321 MIDDLE ROAD N. CLARENDON, VT 05759	81-2267789	STATE OF VT	30,740.				COMMUNITY HEALTH IMP
(7) CENTER FOR HEALTH AND LEARNING 28 VERNON STREET, SUITE 319	03-0351024	501(C)(3)	44,309.				COMMUNITY HEALTH IMP
(8) RUTLAND AREA FARM AND FOOD LINK, INC. P.O. BOX 284 RUTLAND, VT 05702	20-8283600	501(C)(3)	43,600.				COMMUNITY HEALTH IMP
(9) COMMUNITY HEALTH CENTERS OF RUTLAND REGION 375 ROUTE 30 NORTH BOMOSEEN, VT 05732	22-1179701	501(C)(3)	240,304.				COMMUNITY HEALTH IMP
(10) RUTLAND REGION CHAMBER OF COMMERCE 50 MERCHANTS ROW RUTLAND, VT 05701	03-0111510	501(C)(3)	14,650.				COMMUNITY HEALTH IMP
(11) RUTLAND REGIONAL 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) (2018)

SCHEDULE I  
(Form 990)

Department of the Treasury  
Internal Revenue Service

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

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

► Attach to Form 990.

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OMB No. 1545-0047

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

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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) SPECIAL OLYMPICS VERMONT 16 GREGORY DRIVE, SUITE 2	23-7231535	501(C)(3)	10,000.				COMMUNITY HEALTH IMP
(3) AMERICAN CANCER SOCIETY 55 DAY LANE WILLISTON, VT 05701	13-1788491	501(C)(3)	7,000.				COMMUNITY HEALTH IMP
(4) RUTLAND COUNTY PARENT CHILD CENTER, INC. 61 PLEASANT STREET RUTLAND, VT 05701	22-2589017	501(C)(3)	6,919.				COMMUNITY HEALTH IMP
(5) UNITED WAY OF RUTLAND COUNTY 6 CHURCH STREET, SUITE 1 RUTLAND, VT 05701	03-6000224	501(C)(3)	13,000.				COMMUNITY HEALTH IMP
(6) VERMONT FOODBANK 33 PARKER ROAD BARRE, VT 05641	22-3021942	501(C)(3)	6,100.				COMMUNITY HEALTH IMP
(7) VERMONT SYMPHONY ORCHESTRA ASSOCIATION 2 CHURCH STREET, SUITE 3B	03-0222134	501(C)(3)	25,000.				COMMUNITY HEALTH IMP
(8) RUTLAND AREA VISITING NURSING ASSOC & HOSPI 7 ALBERT CREE DRIVE RUTLAND, VT 05701	03-0185024	501(C)(3)	6,500.				COMMUNITY HEALTH IMP
(9) UNIVERSITY OF VERMONT 85 S. PROSPECT STREET BURLINGTON, VT 05405	03-0179440	501(C)(3)	50,390.				COMMUNITY HEALTH IMP
(10)							
(11)							
(12)							

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table 21.

3 Enter total number of other organizations listed in the line 1 table 21.

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

Schedule I (Form 990) (2018)

**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
<b>1</b>					
<b>2</b>					
<b>3</b>					
<b>4</b>					
<b>5</b>					
<b>6</b>					
<b>7</b>					

**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:

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.

THE AGREEMENT WAS RENEWED DURING THE YEAR ENDED SEPTEMBER 30, 2019, FOR A  
PERIOD OF THIRTY-SIX MONTHS FROM OCTOBER 1, 2018, TO SEPTEMBER 20, 2021.  
THESE PAYMENTS ARE BEING MADE MONTHLY AND RANGE FROM \$20,123 TO \$21,348,  
FOR A TOTAL GRANT OF \$746,364. RRHS CONTINUALLY WORKS WITH CHCRR TO

**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.

ENSURE THE ORGANIZATION IS USING FUNDS APPROPRIATELY AND FURTHERING THE

CHCRR EXEMPT PURPOSE.

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 BROOK 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

Name of the organization

RUTLAND HOSPITAL INC

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](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

2018

Open to Public  
Inspection

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 checked="" 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
1b		
2		
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) 2018



Schedule J (Form 990) 2018

Page **2****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 M. BEERWORTH, M.D. DIRECTOR	(i)	358,210.	69,095.	5,306.	23,375.	10,238.	466,224.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
2 MICHAEL J. KENOSH, M.D. DIRECTOR	(i)	433,571.	64,305.	20,901.	23,375.	31,508.	573,660.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
3 PHILIP R. LAPP, M.D. DIRECTOR	(i)	302,175.	27,455.	2,401.	23,375.	31,297.	386,703.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
4 ERIC J. MARSH, M.D. DIRECTOR	(i)	582,766.	463,283.	1,428.	17,875.	31,271.	1,096,623.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
5 THOMAS W. HUEBNER FORMER PRESIDENT/CEO END 03/18	(i)	196,511.	0.	30,385.	21,646.	5,367.	253,909.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
6 CLAUDIO D. FORT PRESIDENT/CEO	(i)	365,563.	9,404.	25,114.	1,375.	17,869.	419,325.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
7 JUDI K. FOX CFO	(i)	272,959.	0.	1,413.	23,375.	31,299.	329,046.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
8 MATTHEW CONWAY, M.D. SURGEON	(i)	436,558.	92,545.	3,612.	23,375.	27,679.	583,769.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
9 DALE JANIK, M.D. GASTROENTEROLOGY	(i)	356,168.	217,845.	22,060.	23,375.	27,672.	647,120.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
10 WILLIAM LIGHTHART, M.D. ORTHOPAEDCIS	(i)	603,757.	316,093.	1,122.	17,875.	31,292.	970,139.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
11 HARVEY REICH, M.D. INTERNIST	(i)	529,453.	0.	35,863.	28,875.	30,853.	625,044.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
12 MICHAEL ROBERTELLO, M.D. CARDIOLOGY	(i)	403,016.	336,424.	24,884.	23,375.	27,754.	815,453.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
13 MELBOURNE D. BOYNTON, M.D. ORTHOPEDIC SRGN/CHIEF MED OFFR	(i)	633,600.	353,391.	23,402.	23,375.	27,856.	1,061,624.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
14 STANLEY M. SHAPIRO, M.D. CARDIOLOGIST/MEDICAL DIRECTOR	(i)	292,720.	205,900.	8,230.	23,375.	27,566.	557,791.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
15 TODD GREGORY, M.D. EMERGENCY PHYSICIAN/MED DIRECT	(i)	380,023.	5,040.	1,136.	17,875.	31,339.	435,413.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
16 SCOTT J. GRAHAM, M.D. CHIEF MEDICAL INFO OFFICER	(i)	338,828.	4,783.	19,224.	17,875.	31,328.	412,038.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.

Schedule J (Form 990) 2018

JSA

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PAGE 105

Schedule J (Form 990) 2018

Page **2****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 BARBARA M. ROBINSON VP CLINICAL SERVICES	(i)	291,582.	15,000.	3,227.	28,875.	11,422.	350,106.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
2 CAROL M. EGAN VP CHIEF NURSING OFFICER	(i)	242,165.	0.	3,532.	26,127.	22,649.	294,473.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
3 BRIAN KERNS VP HUMAN RESOURCES	(i)	243,432.	0.	1,220.	10,773.	30,401.	285,826.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
4 JOHN WALLACE GEN COUNSEL COMPLIANCE OFFICER	(i)	236,334.	0.	2,520.	11,068.	31,247.	281,169.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
5 JEFFREY MCKEE VP COMMUNITY & BEH HEALTH SVCS	(i)	233,839.	0.	1,060.	10,894.	31,207.	277,000.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
6 JONATHAN REYNOLDS VP CLINICAL SERVICES BEG 06/19	(i)	207,369.	0.	767.	9,768.	31,206.	249,110.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
7 JAMES F. GREENHOUGH VP CORPORATE SUPPORT SERVICES	(i)	198,181.	0.	1,868.	17,555.	22,589.	240,193.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
8 MARY T. NEMETH FORMER VP CORP SRVS END 03/17	(i)	0.	0.	194,437.	0.	9,800.	204,237.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
9 RICK HILDERBRANT, M.D. HOSPITALIST MEDICAL DIRECTOR	(i)	273,210.	18,686.	549.	17,875.	30,647.	340,967.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
10	(i)							
	(ii)							
11	(i)							
	(ii)							
12	(i)							
	(ii)							
13	(i)							
	(ii)							
14	(i)							
	(ii)							
15	(i)							
	(ii)							
16	(i)							
	(ii)							

Schedule J (Form 990) 2018

**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 NET TAXABLE SEVERANCE PAYMENT OF \$194,437 IN 2018.

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)**

Department of the Treasury  
Internal Revenue Service

Name of the organization

RUTLAND HOSPITAL INC

GROUP 1

**Supplemental Information on Tax-Exempt Bonds**

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

► Attach to Form 990.

► Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

**2018**

**Open to Public  
Inspection**

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 refunding issue of tax-exempt bonds (or, if issued prior to 2018, a current refunding issue)? . . . . .	X							
15 Were the bonds issued as part of a refunding issue of taxable bonds (or, if issued prior to 2018, an advance refunding issue)? . . . . .		X						
16 Has the final allocation of proceeds been made? . . . . .	X							
17 Does the organization maintain adequate books and records to support the final allocation of proceeds? . . . . .	X							

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

Schedule K (Form 990) 2018

**Part III Private Business Use**

GROUP 1

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
<b>1</b> Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds? . . . . .		X						
<b>2</b> Are there any lease arrangements that may result in private business use of bond-financed property? . . . . .		X						
<b>3a</b> Are there any management or service contracts that may result in private business use of bond-financed property? . . . . .	X							
<b>b</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							
<b>c</b> Are there any research agreements that may result in private business use of bond-financed property? . . . . .		X						
<b>d</b> 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? . . . . .								
<b>4</b> 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 . . . . . ▶		%		%		%		%
<b>5</b> 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 . . . . . ▶		%		%		%		%
<b>6</b> Total of lines 4 and 5 . . . . .		%		%		%		%
<b>7</b> Does the bond issue meet the private security or payment test? . . . . .		X						
<b>8a</b> 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>b</b> If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of . . . . .		%		%		%		%
<b>c</b> If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2? . . . . .								
<b>9</b> 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
<b>1</b> Has the issuer filed Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate? . . . . .		X						
<b>2</b> If "No" to line 1, did the following apply?								
<b>a</b> Rebate not due yet? . . . . .		X						
<b>b</b> Exception to rebate? . . . . .	X							
<b>c</b> No rebate due? . . . . .		X						
If "Yes" to line 2c, provide in Part VI the date the rebate computation was performed . . . . .								
<b>3</b> Is the bond issue a variable rate issue? . . . . .	X							

Schedule K (Form 990) 2018

**Part IV Arbitrage (Continued)**

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

<b>Part V</b>	<b>Procedures To Undertake Corrective Action</b>
---------------	--

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

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

[illegible]

**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

**2018**

**Open To Public  
Inspection**

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](http://www.irs.gov/Form990) for instructions and the latest information.**

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.

(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)												
<b>Total</b> . . . . . ▶ \$												

**Part III**

**Grants or Assistance Benefiting Interested Persons.**

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of assistance	(d) Type of assistance	(e) Purpose of assistance
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				
(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) 2018



**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
<b>(1)</b> FOLEY SERVICES & FOLEY DISTRIBUTING	MARK K. FOLEY, JR.	334,807.	SUPPLIES & JANITORIAL PRODUCTS		X
<b>(2)</b>					
<b>(3)</b>					
<b>(4)</b>					
<b>(5)</b>					
<b>(6)</b>					
<b>(7)</b>					
<b>(8)</b>					
<b>(9)</b>					
<b>(10)</b>					

**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 \$334,807 IN FISCAL YEAR 2019.

**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](http://www.irs.gov/form990).

OMB No. 1545-0047

**2018**

**Open to Public  
Inspection**

Employer identification number

03-0183483

FORM 990, PART I, LINE 1

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 2019 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	Employer identification number
RUTLAND HOSPITAL INC	03-0183483

## 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 2019 TOTALED \$6,929,977.

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 &amp; 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 PUBLICLY AVAILABLE ON [WWW.RRMC.ORG](http://www.rrmc.org).

THE PURPOSE OF THE ASSESSMENT IS TO:

- DESCRIBE THE HEALTH STATUS OF THE COMMUNITY
- IDENTIFY THE COMMUNITY'S HEALTH NEEDS

Name of the organization RUTLAND HOSPITAL INC	Employer identification number 03-0183483
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-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, SECTION A, LINE 4

SIGNIFICANT CHANGES TO GOVERNING DOCUMENTS:

THE BYLAWS OF RUTLAND REGIONAL MEDICAL CENTER WERE UPDATED DURING THE FISCAL YEAR TO INCLUDED THE FOLLOWING REVISION:

Name of the organization RUTLAND HOSPITAL INC	Employer identification number 03-0183483
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SECTION 5. COMPENSATION COMMITTEE: THE COMPENSATION COMMITTEE SHALL BE COMPRISED OF NO FEWER THAN THREE (3) BOARD MEMBERS. THE MEMBER OF THE COMMITTEE SHALL BE APPOINTED BY THE CHAIR OF THE BOARD OF DIRECTORS, SUBJECT TO THE APPROVAL OF THE FULL BOARD.

THE COMPENSATION COMMITTEE SHALL RECOMMEND POLICIES AND PROCESSES TO THE BOARD FOR THE REGULAR REVIEW OF THE PERFORMANCE AND COMPENSATION OF (1) PRESIDENT, (2) VICE PRESIDENT, (3) HIGHEST COMPENSATION EMPLOYEES AND INDEPENDENT CONTRACTORS, AND (4) OTHER IDENTIFIED INDIVIDUALS OF THIS CORPORATION AND RRM. C.

THE FUNCTIONS OF THE COMPENSATION COMMITTEE SHALL INCLUDE:

A - RECOMMENDING A CEO EVALUATION POLICY TO THE BOARD, INCLUDING GOALS FOR THE CEO AND A PROCESS FOR THE CEO PERFORMANCE EVALUATION. THE POLICY SHALL INCLUDE PROVISIONS FOR INPUT FOR THE BOARD AND A REPORT TO THE BOARD ON THE RESULTS OF THE EVALUATION AND COMPENSATION REVIEW.

B - CONDUCTING THE CEO EVALUATION PROCESS, CONSISTENT WITH BOARD-APPROVED POLICY, AND IN A MANNER THAT PROMOTES TRUST AND CANDID COMMUNICATION BETWEEN THE BOARD AND CEO, AND ENSURES THAT THE CEO UNDERSTANDS THE BOARD'S EXPECTATIONS, AND PROVIDES CONSTRUCTIVE FEEDBACK TO THE CEO ON THEIR PERFORMANCE.

C - ENSURING THAT THE ORGANIZATION'S COMPENSATION PROGRAM COMPLIES WITH

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RUTLAND HOSPITAL INC	03-0183483

STATE AND FEDERAL LAW.

D - RECOMMENDING A COMPENSATION PHILOSOPHY AND PLAN TO THE BOARD.

E - REVIEWING AND MAKING RECOMMENDATIONS TO THE BOARD FOR THEIR ANNUAL REVIEW OF THE CEO'S COMPENSATION.

FORM 990, PART VI, SECTION A, 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.

ARTICLE III, SECTIONS 1 AND 2, OF 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.



Name of the organization RUTLAND HOSPITAL INC	Employer identification number 03-0183483
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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, THE PUBLIC DISCLOSURE COPY 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 PUBLIC DISCLOSURE COPY 990 DRAFT WILL BE PROVIDED TO ALL BOARD MEMBERS.

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

CONFLICT OF INTEREST POLICY:

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.

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

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

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 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

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

FORM 990, PART VI, SECTION B, LINE 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 IN ACCORDANCE WITH THE PREVAILING IRS KEY EMPLOYEE DEFINITION.

-THE RRMC KEY EMPLOYEE LABOR MARKET IS TYPICALLY ALL HOSPITALS WITH SIMILAR REVENUES, STAFFED BEDS, EMPLOYEE FULL-TIME EQUIVALENTS, OR REGIONAL GEOGRAPHY AS RRMC.

Name of the organization RUTLAND HOSPITAL INC	Employer identification number 03-0183483
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-KEY EMPLOYEE COMPENSATION IS REVIEWED ANNUALLY USING THREE SOURCES OF INDEPENDENT COMPETITIVE MARKET DATA.

-PERIODICALLY AN INDEPENDENT CONSULTANT ENGAGED BY THE COMPENSATION COMMITTEE WILL CONDUCT THE ANNUAL REVIEW. OTHERWISE THE REVIEW WILL BE PERFORMED BY HUMAN RESOURCES.

-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 TOTAL CASH COMPENSATION VS. MARKET MEDIAN TOTAL CASH COMPENSATION AND ANY RECOMMENDED PAY ACTIONS.

-GENERALLY SPEAKING, KEY EMPLOYEE BASE PAY VARIANCES OF -5% VS. MARKET MEDIAN TOTAL CASH COMPENSATION ARE CONSIDERED FOR A BASE PAY INCREASE.

-THE RESULTS OF THE REVIEW AND RECOMMENDED PAY ACTIONS ARE REVIEWED AND APPROVED BY THE COMPENSATION COMMITTEE.

-THE PRESIDENT AND CEO'S PAY IS REVIEWED SEPARATELY USING THE SAME APPROACH AND APPROVED BY THE BOARD OF DIRECTORS.

DURING FISCAL YEAR 9/30/19, A COMPENSATION COMMITTEE WAS ESTABLISHED BY THE BOARD.

THE COMPENSATION COMMITTEE SHALL BE COMPRISED OF NO FEWER THAN THREE (3) BOARD MEMBERS. THE MEMBER OF THE COMMITTEE SHALL BE APPOINTED BY THE CHAIR OF THE BOARD OF DIRECTORS, SUBJECT TO THE APPROVAL OF THE FULL BOARD.

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THE COMPENSATION COMMITTEE SHALL RECOMMEND POLICIES AND PROCESSES TO THE BOARD FOR THE REGULAR REVIEW OF THE PERFORMANCE AND COMPENSATION OF (1) PRESIDENT, (2) VICE PRESIDENT, (3) HIGHEST COMPENSATION EMPLOYEES AND INDEPENDENT CONTRACTORS, AND (4) OTHER IDENTIFIED INDIVIDUALS OF THIS CORPORATION AND RRM. C.

THE FUNCTIONS OF THE COMPENSATION COMMITTEE SHALL INCLUDE:

A - RECOMMENDING A CEO EVALUATION POLICY TO THE BOARD, INCLUDING GOALS FOR THE CEO AND A PROCESS FOR THE CEO PERFORMANCE EVALUATION. THE POLICY SHALL INCLUDE PROVISIONS FOR INPUT FOR THE BOARD AND A REPORT TO THE BOARD ON THE RESULTS OF THE EVALUATION AND COMPENSATION REVIEW.

B - CONDUCTING THE CEO EVALUATION PROCESS, CONSISTENT WITH BOARD-APPROVED

POLICY, AND IN A MANNER THAT PROMOTES TRUST AND CANDID COMMUNICATION BETWEEN THE BOARD AND CEO, AND ENSURES THAT THE CEO UNDERSTANDS THE BOARD'S EXPECTATIONS, AND PROVIDES CONSTRUCTIVE FEEDBACK TO THE CEO ON THEIR PERFORMANCE.

C - ENSURING THAT THE ORGANIZATION'S COMPENSATION PROGRAM COMPLIES WITH STATE AND FEDERAL LAW.

D - RECOMMENDING A COMPENSATION PHILOSOPHY AND PLAN TO THE BOARD.

E - REVIEWING AND MAKING RECOMMENDATIONS TO THE BOARD FOR THEIR ANNUAL REVIEW OF THE CEO'S COMPENSATION.

FORM 990, PART VI, SECTION C, LINE 19

DOCUMENT DISCLOSURE:

CONSOLIDATED FINANCIAL STATEMENTS ARE AVAILABLE ANNUALLY IN THE ANNUAL

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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:

- ERIC MARSH, MD
- MARY BEERWORTH, MD
- MICHAEL KENOSH, MD
- PHILIP LAPP, MD

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  
( 134,269) UNAMORTIZED BOND ISSUANCE COSTS  
-----  
\$ 31,215,731

FORM 990, PART XI, LINE 9

OTHER CHANGES IN NET ASSETS:

Name of the organization RUTLAND HOSPITAL INC	Employer identification number 03-0183483
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\$ 1,290,882 GAIN FROM DEF BEN PLAN & POST RETIREMENT BEN COSTS

(1,045,599) LOSS ON INTEREST RATE SWAP AGREEMENT

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\$ 245,283

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 2800 ROCKCREEK PARKWAY KANSAS CITY, MO 64117	PROFESSIONAL SERVICE	6,227,025.
SHERIDAN HEALTHCARE OF VERMONT INC P.O. BOX 744883 ATLANTA, GA 30374-4883	ANESTHESIOLOGISTS	2,668,683.
ARNC HOLDCO LLC DBA ADVANTAGE RN LLC P.O. BOX 404691 ATLANTA, GA 30384-4691	TEMPORARY STAFF	1,741,228.
MAYO COLLABORATIVE SERVICES, INC. P.O. BOX 4100 ROCHESTER, MN 65903-4100	LAB SERVICES	920,549.
C&A INDUSTRIES INC. DBA AUREUS RADIOLOGY P.O. BOX 3037 OMAHA, NE 68103-0037	TEMPORARY STAFF	802,453.



**SCHEDULE R  
(Form 990)**Department of the Treasury  
Internal Revenue Service**Related Organizations and Unrelated Partnerships**

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

▶ Attach to Form 990.

▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

**2018****Open to Public  
Inspection**

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) 2018

**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 0 157 HERITAGE HILL PLACE RUTLAN	ELDER CARE	VT	RRHS									
(2) THE GABLES AT EAST MOUNTAIN 03 ONE GABLES PLACE RUTLAND, VT 0	ELDER CARE	VT	RRHS									
(3) VERMONT SPORTS MEDICINE CENTER 160 ALLEN ST RUTLAND, VT 05701	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
<b>1</b> 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?		
<b>a</b> Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity . . . . .	<b>1a</b>	X
<b>b</b> Gift, grant, or capital contribution to related organization(s) . . . . .	<b>1b</b>	X
<b>c</b> Gift, grant, or capital contribution from related organization(s) . . . . .	<b>1c</b>	X
<b>d</b> Loans or loan guarantees to or for related organization(s) . . . . .	<b>1d</b>	X
<b>e</b> Loans or loan guarantees by related organization(s) . . . . .	<b>1e</b>	X
<b>f</b> Dividends from related organization(s) . . . . .	<b>1f</b>	X
<b>g</b> Sale of assets to related organization(s) . . . . .	<b>1g</b>	X
<b>h</b> Purchase of assets from related organization(s) . . . . .	<b>1h</b>	X
<b>i</b> Exchange of assets with related organization(s) . . . . .	<b>1i</b>	X
<b>j</b> Lease of facilities, equipment, or other assets to related organization(s) . . . . .	<b>1j</b>	X
<b>k</b> Lease of facilities, equipment, or other assets from related organization(s) . . . . .	<b>1k</b>	X
<b>l</b> Performance of services or membership or fundraising solicitations for related organization(s) . . . . .	<b>1l</b>	X
<b>m</b> Performance of services or membership or fundraising solicitations by related organization(s) . . . . .	<b>1m</b>	X
<b>n</b> Sharing of facilities, equipment, mailing lists, or other assets with related organization(s) . . . . .	<b>1n</b>	X
<b>o</b> Sharing of paid employees with related organization(s) . . . . .	<b>1o</b>	X
<b>p</b> Reimbursement paid to related organization(s) for expenses . . . . .	<b>1p</b>	X
<b>q</b> Reimbursement paid by related organization(s) for expenses . . . . .	<b>1q</b>	X
<b>r</b> Other transfer of cash or property to related organization(s) . . . . .	<b>1r</b>	X
<b>s</b> Other transfer of cash or property from related organization(s) . . . . .	<b>1s</b>	X
<b>2</b> 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)													
(4)													
(5)													
(6)													
(7)													
(8)													
(9)													
(10)													
(11)													
(12)													
(13)													
(14)													
(15)													
(16)													

Schedule R (Form 990) 2018

**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, 2019 and 2018

**The Rutland Hospital, Inc.**  
**d/b/a Rutland Regional Medical Center**  
**September 30, 2019 and 2018**

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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, 2019 and 2018, and the related statements of operations, changes in net assets and cash flows for the years then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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, 2019 and 2018, and the results of its operations, changes in net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Emphasis of Matter***

As described in *Note 1* to the financial statements, in 2019, RRMC adopted ASU 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. Our opinion is not modified with respect to this matter.

### ***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  
January 30, 2020

**The Rutland Hospital, Inc.**  
**d/b/a Rutland Regional Medical Center**  
**Balance Sheets**  
**September 30, 2019 and 2018**

**Assets**

	<b>2019</b>	<b>2018</b>
<b>Current Assets</b>		
Cash and cash equivalents	\$ 9,934,148	\$ 7,330,571
Patient accounts receivable, net of allowance; 2019 – \$7,125,000 and 2018 – \$8,510,000	29,745,296	26,832,549
Other receivables	4,943,153	5,198,945
Due from affiliates	5,999,302	5,589,575
Supplies	2,508,886	1,766,816
Prepaid expenses and other	3,716,310	3,759,940
	<hr/>	<hr/>
Total current assets	56,847,095	50,478,396
	<hr/>	<hr/>
<b>Assets Limited As To Use</b>		
Workers' compensation trust fund	1,543,729	828,917
Restricted by donors	4,885,362	4,957,850
Internally designated	134,434,610	139,394,745
	<hr/>	<hr/>
	140,863,701	145,181,512
	<hr/>	<hr/>
<b>Property and Equipment, At Cost</b>		
Land and land improvements	4,354,593	3,721,172
Buildings and leasehold improvements	109,331,979	104,229,690
Equipment	136,568,180	130,990,748
Construction in progress	7,466,736	3,660,435
	<hr/>	<hr/>
	257,721,488	242,602,045
Less accumulated depreciation	169,519,745	161,155,950
	<hr/>	<hr/>
	88,201,743	81,446,095
	<hr/>	<hr/>
<b>Other Assets</b>		
Pledges receivable	9,800	15,386
Prepaid pension asset	2,522,598	-
Other	3,786,417	3,379,858
	<hr/>	<hr/>
	6,318,815	3,395,244
	<hr/>	<hr/>
Total assets	\$ 292,231,354	\$ 280,501,247
	<hr/> <hr/>	<hr/> <hr/>

## Liabilities and Net Assets

	2019	2018
<b>Current Liabilities</b>		
Current maturities of long-term debt	\$ 1,972,137	\$ 1,885,160
Accounts payable and accrued expenses	11,365,579	10,620,687
Accrued compensation and related taxes	13,887,746	13,124,089
Estimated amounts due to and advances from third-party payers	9,241,942	7,963,185
Total current liabilities	36,467,404	33,593,121
<b>Other Liabilities</b>	6,567,859	5,788,853
<b>Accrued Pension Obligation</b>	-	595,421
<b>Long-Term Debt</b>	36,003,788	34,468,653
Total liabilities	79,039,051	74,446,048
<b>Net Assets</b>		
Without donor restrictions	208,273,500	201,028,235
With donor restriction	4,918,803	5,026,964
Total net assets	213,192,303	206,055,199
Total liabilities and net assets	\$ 292,231,354	\$ 280,501,247

**The Rutland Hospital, Inc.**  
**d/b/a Rutland Regional Medical Center**  
**Statements of Operations**  
**Years Ended September 30, 2019 and 2018**

	<b>2019</b>	<b>2018</b>
<b>Revenues, Gains and Other Support Without Donor Restrictions</b>		
Patient service revenue (net of contractual discounts and allowances)	\$ 256,379,824	\$ 262,832,235
Provision for uncollectible accounts	7,489,965	8,597,207
Net patient service revenue less provision for uncollectible accounts	248,889,859	254,235,028
Fixed payment revenue	7,513,045	-
Other revenue	18,232,598	14,613,015
Net assets released from restrictions used for operations	553,191	567,551
Total revenues, gains and other support without donor restrictions	<u>275,188,693</u>	<u>269,415,594</u>
<b>Expenses and Losses</b>		
Salaries and benefits	163,196,380	161,654,118
Supplies and other	97,285,807	93,254,759
Depreciation and amortization	12,219,451	11,919,033
Interest	1,314,932	1,290,424
Total expenses and losses	<u>274,016,570</u>	<u>268,118,334</u>
<b>Operating Income</b>	<u>1,172,123</u>	<u>1,297,260</u>
<b>Other Income (Expense)</b>		
Investment return, net	5,421,197	3,334,734
Contributions received and other	109,666	(77,920)
Change in unrealized gains and losses on trading securities	(22,989)	5,409,401
Gain (loss) on interest rate swap agreements	(1,045,599)	1,486,656
Total other income (expense)	<u>4,462,275</u>	<u>10,152,871</u>
<b>Excess of Revenues Over Expenses</b>	5,634,398	11,450,131
Net assets released from restriction for purchase of property and equipment	319,985	439,511
Defined benefit pension and postretirement benefit costs		
Net gain (loss) arising during the year	(212,501)	1,973,648
Amortization of net loss and prior service credit	1,645,679	1,740,875
Recognition of net gain	(142,296)	(250,061)
<b>Increase in Net Assets Without Donor Restrictions</b>	<u><u>\$ 7,245,265</u></u>	<u><u>\$ 15,354,104</u></u>

**The Rutland Hospital, Inc.**  
**d/b/a Rutland Regional Medical Center**  
**Statements of Changes in Net Assets**  
**Years Ended September 30, 2019 and 2018**

	<u>2019</u>	<u>2018</u>
<b>Net Assets Without Donor Restrictions</b>		
Excess of revenues over expenses	\$ 5,634,398	\$ 11,450,131
Net assets released from restriction used for purchase of property and equipment	319,985	439,511
Defined benefit pension costs		
Net gain (loss) arising during the year	(212,501)	1,973,648
Amortization of net loss and prior service credit	1,645,679	1,740,875
Recognition of net gain	<u>(142,296)</u>	<u>(250,061)</u>
Increase in net assets without donor restrictions	<u>7,245,265</u>	<u>15,354,104</u>
<b>Net Assets With Donor Restrictions</b>		
Contributions received	716,863	938,682
Investment return, net	48,152	117,801
Net assets released from restrictions	<u>(873,176)</u>	<u>(1,007,062)</u>
Increase (decrease) in net assets with donor restrictions	<u>(108,161)</u>	<u>49,421</u>
<b>Change in Net Assets</b>	7,137,104	15,403,525
<b>Net Assets, Beginning of Year</b>	<u>206,055,199</u>	<u>190,651,674</u>
<b>Net Assets, End of Year</b>	<u><u>\$ 213,192,303</u></u>	<u><u>\$ 206,055,199</u></u>

**The Rutland Hospital, Inc.**  
**d/b/a Rutland Regional Medical Center**  
**Statements of Cash Flows**  
**Years Ended September 30, 2019 and 2018**

	<b>2019</b>	<b>2018</b>
<b>Operating Activities</b>		
Change in net assets	\$ 7,137,104	\$ 15,403,525
Items not requiring (providing) cash		
Depreciation and amortization	12,219,451	11,919,033
(Gain) loss on disposal of property and equipment	(107,455)	77,090
Net gain on investments	(1,877,359)	(5,497,394)
Restricted contributions received	(716,863)	(938,682)
Change in defined benefit pension and postretirement benefit plans	(1,290,882)	(3,464,462)
Change in fair value of interest rate swap agreements	1,045,599	(1,486,656)
Changes in		
Patient accounts receivable, net	(2,912,747)	442,217
Other receivables	213,550	(819,299)
Estimated third-party settlements and advances	1,278,757	76,247
Other current assets and liabilities	(4,253,389)	(1,805,382)
Net cash provided by operating activities	<u>10,735,766</u>	<u>13,906,237</u>
<b>Investing Activities</b>		
Proceeds from disposition of trading securities	10,324,356	522,543
Purchases of trading securities	(4,129,186)	(4,357,046)
Net advances to related parties	(409,727)	(148,228)
Proceeds from sale of property and equipment	118,140	-
Purchase of property and equipment	(16,408,623)	(11,486,282)
Net cash used in investing activities	<u>(10,505,040)</u>	<u>(15,469,013)</u>
<b>Financing Activities</b>		
Principal payments on long-term debt	(1,865,421)	(1,794,978)
Proceeds from issuance of long-term debt	3,906,305	-
Proceeds from restricted contributions	764,691	962,545
Payment of deferred financing costs	(432,724)	-
Net cash provided by (used in) financing activities	<u>2,372,851</u>	<u>(832,433)</u>
<b>Increase (Decrease) in Cash and Cash Equivalents</b>	<u>2,603,577</u>	<u>(2,395,209)</u>
<b>Cash and Cash Equivalents, Beginning of Year</b>	<u>7,330,571</u>	<u>9,725,780</u>
<b>Cash and Cash Equivalents, End of Year</b>	<u><u>\$ 9,934,148</u></u>	<u><u>\$ 7,330,571</u></u>
<b>Supplemental Cash Flows Information</b>		
Interest paid	\$ 1,517,662	\$ 1,494,457
Property and equipment purchases in accounts payable	\$ 3,453,198	\$ 894,620

**The Rutland Hospital, Inc.**  
**d/b/a Rutland Regional Medical Center**  
**Notes to Financial Statements**  
**September 30, 2019 and 2018**

**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, 2019 and 2018, 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, 2019, 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; less external and direct internal investment expense.

Investment return that is initially restricted by donor stipulation and for which the restriction will be satisfied in the same year is included in net assets without donor restrictions. Other investment return is reflected in the statements of operations and changes in net assets as net assets without donor restrictions or net assets with donor restrictions 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, 2019 and 2018**

***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 future capital improvements over which the Board retains control and may at its discretion subsequently use for other purposes. Amounts required to meet current liabilities of RRMC are included in current assets.

***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 was reduced from 95 percent of self-pay accounts receivable at September 30, 2018, to 75 percent at September 30, 2019. In addition, RRMC's write-offs decreased approximately \$738,000 from approximately \$11,739,000 for the year ended September 30, 2018, to approximately \$11,001,000 for the year ended September 30, 2019.

***Supplies***

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



**The Rutland Hospital, Inc.**  
**d/b/a Rutland Regional Medical Center**  
**Notes to Financial Statements**  
**September 30, 2019 and 2018**

***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.

The estimated useful lives for each major depreciable classification of property and equipment are as follows:

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 net assets without donor restrictions 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 net assets without donor restrictions 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, 2019 and 2018.

***Debt Issuance Costs***

Debt issuance costs represent costs incurred in connection with the issuance of long-term debt. Such costs are being amortized over the term of the respective debt using the effective interest method.

***Net Assets With Donor Restrictions***

Net assets with donor restrictions are those whose use by RRMC has been limited by donors to a specific time period or purpose or 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, 2019 and 2018**

***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.

***Fixed Prospective Revenue***

Beginning January 1, 2019, RRMC began to receive monthly fixed prospective payments for services provided by hospitals and hospital-owned physician practices participating in the Vermont Medicaid Next Generation Accountable Care Organization (ACO) Program. This is a monthly, per member payment received in advance of the services being performed and is recognized as revenue in the month to which it relates.

Medicaid fee-for-service payments continue for all other nonhospital providers in the ACO, for all patients who are not part of the ACO, and for all services that are not in the fixed prospective payment. The ACO is responsible for both the cost and the quality of care for each attributed member, regardless of individual member's utilization. RRMC is subject to an annual contracted maximum risk corridor, of which for calendar 2019 is a maximum potential gain or loss of \$978,193. As of September 30, 2019, RRMC has recorded a liability related to this risk corridor of \$927,000, which is recorded within estimated amounts due to third-party payers on the balance sheets.

***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***

Gifts of cash and other assets received without donor stipulations are reported as revenue and net assets without donor restrictions. Gifts received with a donor stipulation that limits their use are reported as revenue and net assets with donor restrictions. When a donor-stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Gifts having donor stipulations which are satisfied in the period the gift is received are reported as revenue and net assets without donor restrictions.

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Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Gifts of land, buildings, equipment and other long-lived assets are reported as revenue and net assets without donor restrictions unless explicit donor stipulations specify how such assets must be used, in which case the gifts are reported as revenue and net assets with donor restrictions. Absent explicit donor stipulations for the time long-lived assets must be held, expirations of restrictions resulting in reclassification of net assets with donor restrictions as net assets without donor restrictions are reported when the long-lived assets are placed in service.

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.

Conditional gifts depend on the occurrence of a specified future and uncertain event to bind the potential donor and are recognized as assets and revenue when the conditions are substantially met and the gift becomes unconditional. Donor-restricted conditional gifts in which the condition and restriction is met in the period the gift is received are reported as revenue and net assets without donor restrictions.

***Professional Liability and Workers' Compensation 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 and workers' compensation claims are described more fully in *Note 5*.

***Self-Insurance***

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.

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***Income Taxes***

RRMC has been recognized as 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 include excess of revenues over expenses. Changes in net assets without donor restrictions which are excluded from excess of revenues over expenses, consistent with industry practice, include permanent transfers to and from affiliates for other than goods and services 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) and defined benefit and other post-employment benefit plan changes.

***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, 2019 and 2018.

***Change in Accounting Principle***

**Presentation of Financial Statements of Not-for-Profit Entities**

During the year ended September 30, 2019, RRMC adopted Financial Accounting Standards Board Accounting Standards Update 2016-14, *Not-for-Profit Entities (Topic 958: Presentation of Financial Statements of Not-for-Profit Entities)*. A summary of the changes is as follows:

***Balance Sheets***

- The balance sheets distinguish between two new classes of net assets—those with donor-imposed restrictions and those without. This is a change from the previously required three classes of net assets—unrestricted, temporarily restricted and permanently restricted.

***Statements of Operations***

- Investment income is shown net of external and direct internal investment expenses. Disclosure of the expenses netted against investment income is no longer required.

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***Notes to the Consolidated Financial Statements***

- Expenses are reported by both nature and function in one location.
- Enhanced quantitative and qualitative disclosures provide additional information useful in assessing liquidity and cash flows available to meet operating expenses for one year from the date of the balance sheet.

This change had no impact on previously reported total change in net assets. Revisions were made to *Notes 10, 11 and 14* as a result of adoption of this standard.

***Revisions***

Revisions have been made to the 2018 financial statements. Revisions were made to *Note 3* to reclassify Medicare net receivables disclosed as other receivables in 2018 to Medicare receivables. Additionally, within *Note 11*, the donor restricted endowments were revised to include additional endowment amounts of \$1,177,168 to \$1,796,836, previously disclosed in the 2018 financial statements as \$619,668.

**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.

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*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, 2019 and 2018, was approximately:

	<b>2019</b>	<b>2018</b>
Medicare	\$ 99,695,899	\$ 99,684,559
Medicaid	19,379,517	29,954,833
Other third-party payers	124,684,106	123,182,928
Patients	12,620,302	10,009,915
	<u>\$ 256,379,824</u>	<u>\$ 262,832,235</u>

The reduction in Medicaid revenue for 2019 is primarily related to RRMC's participation in the Vermont Medicaid Next Generation ACO program.

**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, 2019 and 2018, was:

	<b>2019</b>	<b>2018</b>
Medicare	38%	37%
Medicaid	10%	15%
Other third-party payers and patients	52%	48%
	<u>100%</u>	<u>100%</u>

The reduction in Medicaid percentage for 2019 is primarily related to RRMC's participation in the Vermont Medicaid Next Generation ACO program.

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**Note 4: Investments and Investment Return**

***Assets Limited As To Use***

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

	<b>2019</b>	<b>2018</b>
Cash	\$ 2,162,827	\$ 1,261,098
Mutual funds – equity	55,575,528	92,228,614
Mutual funds – fixed	82,772,319	51,333,597
Interest in assets of Vermont Community Foundation	325,102	339,333
Interest receivable	27,925	18,870
	<u>140,863,701</u>	<u>145,181,512</u>
Less worker's compensation trust fund	1,543,729	828,917
Less restricted by donor	<u>4,885,362</u>	<u>4,957,850</u>
Internally designated	<u><u>\$ 134,434,610</u></u>	<u><u>\$ 139,394,745</u></u>

Total investment return is comprised of the following:

	<b>2019</b>	<b>2018</b>
Interest and dividend income, net of investment expenses	\$ 3,569,001	\$ 3,364,542
Realized gains on trading securities	1,926,702	30,028
Unrealized gains (losses) on trading securities	<u>(49,343)</u>	<u>5,467,366</u>
	<u><u>\$ 5,446,360</u></u>	<u><u>\$ 8,861,936</u></u>

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

	<b>2019</b>	<b>2018</b>
Net assets without donor restrictions		
Investment return, net	\$ 5,421,197	\$ 3,334,734
Change in unrealized gains and losses on trading securities	(22,989)	5,409,401
Net assets with donor restrictions	<u>48,152</u>	<u>117,801</u>
	<u><u>\$ 5,446,360</u></u>	<u><u>\$ 8,861,936</u></u>

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**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 \$810,000 and \$730,000, respectively, of estimated insurance coverage receivables and recorded \$1,860,000 and \$2,340,000, respectively, of estimated insurance liabilities as of September 30, 2019 and 2018. 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, 2019 and 2018. Actual results could differ from these estimates.

Estimated employee health insurance and dental claim liabilities recorded by RRMC totaled \$1,545,147 and \$1,235,756 as of September 30, 2019 and 2018, respectively.

***Workers' Compensation***

RRMC has purchased insurance that limits its exposure for individual workers' compensation claims with claim coverage of \$350,000 for individuals and \$1,600,000 in the aggregate with this coverage. RRMC has obtained an outstanding letter of credit to be used for outstanding workers' compensation claims as of September 30, 2019 and 2018, the balance of the letter of credit was \$1,095,845 and \$0, respectively.



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**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 \$325,102 and \$339,333 at September 30, 2019 and 2018, respectively (*Note 4*).

**Note 7: Line of Credit**

RRMC has a \$5,000,000 revolving bank line of credit expiring May 31, 2020. At September 30, 2019 and 2018, there was \$0 borrowed against this line. The line is collateralized by substantially all of RRMC's revenues without donor restrictions. Interest varies with the bank's prime rate, which was 5.25 percent on September 30, 2019 and 2018, and is payable monthly.

**Note 8: Long-Term Debt**

	<b>2019</b>	<b>2018</b>
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)	2,939,514	4,751,723
Capital lease (C)	54,992	68,783
Note payable, bank (D)	314,275	367,487
Construction loan, bank (E)	3,906,305	-
	<u>38,565,086</u>	<u>36,537,993</u>
Less unamortized costs of issuance	589,161	184,180
Less current maturities	<u>1,972,137</u>	<u>1,885,160</u>
	<u><u>\$ 36,003,788</u></u>	<u><u>\$ 34,468,653</u></u>

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- (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 2.30 percent and 2.29 percent at September 30, 2019 and 2018, respectively. Unamortized costs of issuance were \$134,269 and \$143,917 at September 30, 2019 and 2018, 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 9* for additional discussion on the interest rate swap agreement.

- (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 at September 30, 2019 and 2018. Unamortized debt issuance costs were \$28,991 and \$40,263 at September 30, 2019 and 2018, 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 9* 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.
- (E) During the year ended September 30, 2019, RRMC obtained a \$17,400,000 construction loan to partially finance the construction of a new facility. This loan represents a bridge loan with a local financial institution which will partially convert to a USDA loan in 2021. At September 30, 2019, there was \$3,906,305 borrowed against this loan. The balance at September 30, 2019, is considered due in 2021 when the loan will be converted to a mortgage loan with a local financial institution and a USDA loan for a period of 35 years. The loan is collateralized by substantially all of RRMC's assets. Interest accrues at a rate of 3.10 percent and is added to the loan balance each month.

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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, 2019, are:

	<b>Long-Term Debt</b>	<b>Capital Lease Obligations</b>
2020	\$ 1,938,661	\$ 35,157
2021	5,921,214	21,930
2022	2,093,956	-
2023	28,475,820	-
2024	63,933	-
Thereafter	16,510	-
	<u>\$ 38,510,094</u>	57,087
Less amount representing interest		<u>2,095</u>
Present value of future minimum lease payments		54,992
Less current maturities		<u>33,476</u>
Noncurrent portion		<u>\$ 21,516</u>

**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, 2019 and 2018, the notional amount was \$16,940,322 and \$16,286,244, respectively.

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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, 2019 and 2018, the notional amounts were \$2,939,514 and \$4,751,723, 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, 2019 and 2018, the notional amounts were \$14,409,678 and \$15,063,756, respectively.

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, 2019 and 2018, that were designated as hedging instruments.

	<b>2019</b>	<b>2018</b>
<b>Other Liabilities</b>		
Fair value of interest rate swap agreements	\$ 2,040,706	\$ 995,108
<b>Interest Expense</b>		
Additional interest expense incurred from interest rate swap agreements	336,753	517,963
<b>Other Income (Expense)</b>		
Gain (loss) recognized in change in interest rate swap agreements	(1,045,599)	1,486,656

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**Note 10: Net Assets With Donor Restrictions**

Net assets with donor restrictions are available for the following purposes or periods:

	<b>2019</b>	<b>2018</b>
Subject to expenditure for specified purpose		
Capital	\$ 25,884	\$ 61,571
Special purpose endowments	1,004,424	834,710
Various departments and other	316,605	370,797
	<u>1,346,913</u>	<u>1,267,078</u>
Subject to appropriation and expenditure when a specified event occurs	<u>1,592,292</u>	<u>1,796,836</u>
Not subject to appropriation or expenditure		
Beneficial interests in perpetual trusts	1,654,496	1,623,717
Beneficial interests in assets held by Foundation	325,102	339,333
	<u>1,979,598</u>	<u>1,963,050</u>
	<u><u>\$ 4,918,803</u></u>	<u><u>\$ 5,026,964</u></u>

During the years ended September 30, 2019 and 2018, net assets of \$553,191 and \$567,551, respectively, were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of the passage of time or other events specified by donors. Net assets of \$319,985 and \$439,511 were released from donor restriction for the purchase of capital assets during the years ended September 30, 2019 and 2018, respectively.

**Note 11: Endowments**

RRMC's endowments consist of various individual funds established for a variety of purposes. The endowment includes both donor-restricted endowment funds and funds designated by the governing body to function as endowments (board-designated endowment funds). As required by accounting principles generally accepted in the United States of America (GAAP), net assets associated with endowment funds, including Board-designated endowment funds, are classified and reported based on the existence or absence of donor-imposed restrictions.

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RRMC's governing body has interpreted the State of Vermont Prudent Management of Institutional Funds Act (SPMIFA) and, thus, classifies amounts in its donor-restricted endowment funds as net assets with donor restrictions because those net assets are time restricted until the Board appropriates such amounts for expenditure. Most of those net assets are also subject to purpose restrictions that must be met before reclassifying those net assets to net assets without donor restrictions. RRMC's governing body has interpreted SPMIFA as not requiring the maintenance of purchasing power of the original gift amount contributed to an endowment fund, unless a donor stipulates to the contrary. As a result of this interpretation, when reviewing its donor-restricted endowment funds, RRMC considers a fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gift amounts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument. RRMC has interpreted SPMIFA to permit spending from underwater funds in accordance with the prudent measures required under the law. In addition, in accordance with SPMIFA, RRMC consider 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

The composition of net assets by type of endowment fund at September 30, 2019 and 2018, was:

	<b>2019</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Donor-restricted endowment funds	\$ -	\$ 1,592,292	\$ 1,592,292
Board-designated endowment funds	-	-	-
Total endowment funds	<u>\$ -</u>	<u>\$ 1,592,292</u>	<u>\$ 1,592,292</u>

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	<b>2018</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Donor-restricted endowment funds	\$ -	\$ 1,796,836	\$ 1,796,836
Board-designated endowment funds	-	-	-
Total endowment funds	<u>\$ -</u>	<u>\$ 1,796,836</u>	<u>\$ 1,796,836</u>

Changes in endowment net assets for the years ended September 30, 2019 and 2018, were:

	<b>2019</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Endowment net assets, beginning of the year	\$ -	\$ 1,796,836	\$ 1,796,836
Investment return and net appreciation	-	44,971	44,971
Appropriation of endowment net assets for expenditure	-	(249,515)	(249,515)
Endowment net assets, end of year	<u>\$ -</u>	<u>\$ 1,592,292</u>	<u>\$ 1,592,292</u>

	<b>2018</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Endowment net assets, beginning of the year	\$ -	\$ 1,955,247	\$ 1,955,247
Investment return and net appreciation	-	93,849	93,849
Appropriation of endowment net assets for expenditure	-	(252,260)	(252,260)
Endowment net assets, end of year	<u>\$ -</u>	<u>\$ 1,796,836</u>	<u>\$ 1,796,836</u>

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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 net assets without restriction and aggregated \$0 at September 30, 2019 and 2018. 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. Endowment assets include those assets of donor-restricted endowment funds RRMC must hold in perpetuity or for donor-specified periods, as well as those of Board-designated endowment funds. 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 total return strategy in which investment returns are achieved through both current yield (investment income such as dividends and interest) and capital appreciation (both realized and unrealized). RRMC targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

**Note 12: Liquidity and Availability**

RRMC's financial assets available within one year of the balance sheet date for general expenditures are:

	<b>2019</b>	<b>2018</b>
Financial assets at year end		
Cash and cash equivalents	\$ 9,934,148	\$ 7,330,571
Patient accounts receivable, net	29,745,296	26,832,549
Other receivables	4,943,153	5,198,945
Assets limited as to use	140,863,701	145,181,512
Pledges receivable	33,604	81,432
Due from affiliates	5,999,302	5,589,575
Total financial assets	<u>191,519,204</u>	<u>190,214,584</u>
Less amounts not available to be used within one year		
Pledges receivable	9,800	15,386
Funds held by trustees	1,543,729	828,917
Donor restricted with liquidity horizons greater than one year	4,885,362	4,957,850
Financial assets not available to be used within one year	<u>6,438,891</u>	<u>5,802,153</u>
Financial assets available to meet general expenditures within one year	<u>\$ 185,080,313</u>	<u>\$ 184,412,431</u>



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RRMC has certain Board-designated assets limited to use which are available for general expenditure within one year in the normal course of operations. Accordingly, these assets have been included in the qualitative information above for financial assets to meet general expenditures within one year. RRMC has other assets limited to use for donor-restricted purposes and for workers' compensation. In addition, certain other Board-designated assets are designated for future capital expenditures and an operating reserve. These assets limited to use, which are more fully described in *Notes 1* and *4*, are not available for general expenditure within the next year. However, the Board-designated amounts could be made available, if necessary.

**Note 13: Charity Care**

The costs of charity care provided under RRMC's charity care policy were approximately \$3,241,000 and \$2,322,000 for 2019 and 2018, respectively. The cost of charity care is estimated by applying the ratio of cost to gross charges to the gross uncompensated charges.

**Note 14: Functional Expenses**

RRMC provides general health care services to residents within its geographic area. Certain costs attributable to more than one function have been allocated among the health care services, general and administrative and fundraising functional expense classifications based on the direct assignment, expenses and other methods. The following schedule presents the natural classification of expenses by function as follows:

	<b>2019</b>			
	<b>Health Care Services</b>	<b>General and Administrative</b>	<b>Fundraising Expenses</b>	<b>Total</b>
Salaries and wages	\$ 116,285,459	\$ 18,364,846	\$ 255,108	\$ 134,905,413
Employee benefits	24,386,183	3,851,285	53,499	28,290,967
Total personnel expenses	<u>140,671,642</u>	<u>22,216,131</u>	<u>308,607</u>	<u>163,196,380</u>
Supplies and other	60,447,503	36,686,761	151,543	97,285,807
Depreciation and amortization	8,651,546	3,553,560	14,345	12,219,451
Interest	<u>930,990</u>	<u>382,398</u>	<u>1,544</u>	<u>1,314,932</u>
Total expenses	<u><u>\$ 210,701,681</u></u>	<u><u>\$ 62,838,850</u></u>	<u><u>\$ 476,039</u></u>	<u><u>\$ 274,016,570</u></u>

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	<b>2018</b>			
	<b>Health Care Services</b>	<b>General and Administrative</b>	<b>Fundraising Expenses</b>	<b>Total</b>
Salaries and wages	\$ 115,233,948	\$ 18,415,715	\$ 202,437	\$ 133,852,100
Employee benefits	23,934,897	3,825,073	42,048	27,802,018
Total personnel expenses	139,168,845	22,240,788	244,485	161,654,118
Supplies and other	57,089,544	36,063,259	101,956	93,254,759
Depreciation and amortization	8,438,845	3,466,195	13,993	11,919,033
Interest	913,639	375,270	1,515	1,290,424
Total expenses	<u>\$ 205,610,873</u>	<u>\$ 62,145,512</u>	<u>\$ 361,949</u>	<u>\$ 268,118,334</u>

**Note 15: Operating Leases**

Rental expense under operating lease agreements totaled \$1,568,758 and \$1,640,350 for the years ended September 30, 2019 and 2018, respectively.

**Note 16: Significant Commitments**

***Service Agreement***

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, 2019, are summarized as follows:

2020	\$ 12,847,887
2021	13,225,524
2022	13,350,870
2023	10,232,649
2024	-
	<u>\$ 49,656,930</u>

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Expenses under this agreement totaled \$12,540,473 and \$10,097,212 for the years ended September 30, 2019 and 2018, respectively.

**Note 17: 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 \$131,469 to the postretirement health care plan in 2019.

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:

	<b>Pension Benefits</b>		<b>Other Benefits</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
Benefit obligation	\$ 130,156,649	\$ 117,650,858	\$ 131,469	\$ 337,808
Fair value of plan assets	<u>132,679,247</u>	<u>117,055,437</u>	<u>-</u>	<u>-</u>
Funded status	<u>\$ 2,522,598</u>	<u>\$ (595,421)</u>	<u>\$ (131,469)</u>	<u>\$ (337,808)</u>

Assets and liabilities recognized in the balance sheets:

	<b>Pension Benefits</b>		<b>Other Benefits</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
Noncurrent asset	<u>\$ 2,522,598</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Current liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 131,469</u>	<u>\$ 210,306</u>
Noncurrent liabilities	<u>\$ -</u>	<u>\$ 595,421</u>	<u>\$ -</u>	<u>\$ 127,502</u>

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Amounts recognized in net assets without restriction not yet recognized as components of net periodic benefit cost consist of:

	<b>Pension Benefits</b>		<b>Other Benefits</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
Prior service credit	\$ -	\$ -	\$ -	\$ -
Net loss (gain)	\$ 26,831,670	\$ 28,139,592	\$ (177,535)	\$ (194,575)

The accumulated benefit obligation for the defined benefit pension plan was \$130,156,649 and \$117,650,858 at September 30, 2019 and 2018, respectively.

Other significant balances and costs are:

	<b>Pension Benefits</b>		<b>Other Benefits</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
Benefit costs (credit)	\$ 189,903	\$ (898,516)	\$ (135,938)	\$ (242,094)
Employer contributions	2,000,000	2,000,000	87,441	434,786
Benefits paid	5,961,393	5,756,793	87,441	434,786

The following amounts have been recognized in the statements of operations and changes in net assets for the years ended September 30, 2019 and 2018:

	<b>Pension Benefits</b>		<b>Other Benefits</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
Amounts arising during the period				
Net loss (gain)	\$ 337,757	\$ (2,009,490)	\$ (125,256)	\$ 35,842
Amortization of net loss	1,645,679	1,740,875	-	-
Recognition of net loss (gain)	-	-	(142,296)	(250,061)

The estimated net loss for the defined benefit pension plan that will be amortized from net assets without restriction into net periodic benefit cost over the next fiscal year is \$1,384,056.

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Significant assumptions include:

	<b>Pension Benefits</b>		<b>Other Benefits</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
Weighted average assumptions used to determine benefit obligations				
Discount rate	3.25%	4.25%	2.00%	2.75%
Rate of compensation increase	N/A	N/A	N/A	N/A
Weighted average assumptions used to determine benefit costs				
Discount rate	4.25%	3.75%	2.75%	1.50%
Expected return on plan assets	5.50%	6.20%	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 6.00 percent and 6.50 percent annual rate of increase in the per capita cost of covered health care benefits was assumed for 2019 and 2018, 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, 2019:

	<b>Pension Benefits</b>	<b>Other Benefits</b>
2020	\$ 6,340,993	\$ 132,777
2021	6,624,984	-
2022	6,859,189	-
2023	7,072,628	-
2024	7,265,916	-
2025 – 2029	37,936,637	-

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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, 2019 and 2018, by asset class are as follows:

		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)
	Fair Value			
<b>2019</b>				
Investments				
Money market funds	\$ 1,548,120	\$ 1,548,120	\$ -	\$ -
Mutual funds – equity	12,925,545	12,925,545	-	-
Mutual funds – fixed	118,205,582	118,205,582	-	-
Total	<u>\$ 132,679,247</u>	<u>\$ 132,679,247</u>	<u>\$ -</u>	<u>\$ -</u>
<b>2018</b>				
Investments				
Money market funds	\$ 632,351	\$ 632,351	\$ -	\$ -
Mutual funds – equity	23,155,570	23,155,570	-	-
Mutual funds – fixed	93,267,516	93,267,516	-	-
Total	<u>\$ 117,055,437</u>	<u>\$ 117,055,437</u>	<u>\$ -</u>	<u>\$ -</u>

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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.

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, 2019 and 2018, plan assets by category are as follows:

	<b>Pension Benefits</b>	
	<b>2019</b>	<b>2018</b>
Equity securities	10%	19%
Debt securities	89%	80%
Cash and cash equivalents	1%	1%
	<u>100%</u>	<u>100%</u>

***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:

<b><u>Combined Age and Years of Service</u></b>	<b><u>Percentage of Compensation</u></b>
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, 2019 and 2018, was \$5,380,859 and \$5,369,751, respectively.

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**Note 18: Executive Option Plan**

Prior to 2002, RPMC 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, 2019 and 2018, plan assets amounted to \$2,014,987 and \$1,688,514, respectively.

**Note 19: Related Party Transactions**

A receivable from RRHS, RPMC's parent organization, of \$5,999,290 and \$5,589,575 is recorded at September 30, 2019 and 2018, respectively. RPMC has advanced RRHS funds to cover operating expenses.

A receivable from The Meadows Associates, an investment of RRHS of \$12 and \$0 is recorded at September 30, 2019 and 2018, respectively. RPMC advanced The Meadows Associates funds to cover operating expenses.

**Note 20: 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. The agreement was renewed during the year ended September 30, 2019, for a period of thirty-six months from October 1, 2018, to September 30, 2021. These payments are being made monthly and range from \$20,123 to \$21,348, for a total grant of \$746,364.

For the years ended September 30, 2019 and 2018, \$318,905 and \$288,026, respectively, was expended for the grant award from RPMC and is included in RPMC's general operating expenses.



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**Note 21: 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.
- 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, 2019 and 2018:

		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)
	Fair Value			
<b>September 30, 2019</b>				
Investments				
Money market funds	\$ 1,143,720	\$ 1,143,720	\$ -	\$ -
Mutual funds – equity	82,586,499	82,586,499	-	-
Mutual funds – fixed	55,575,528	55,575,528	-	-
Interest in assets of Vermont Community Foundation	325,102	-	-	325,102
Interest rate swap agreements	(2,040,706)	-	(2,040,706)	-
<b>September 30, 2018</b>				
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)	-

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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, 2019.

***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:

	<b>Interest in Assets of Vermont Community Foundation</b>
Balance, October 1, 2017	\$ 335,877
Total realized and unrealized gains and losses included in other income (expense)	<u>3,456</u>
Balance, September 30, 2018	339,333
Total realized and unrealized gains and losses included in other income (expense)	<u>(14,231)</u>
Balance, September 30, 2019	<u><u>\$ 325,102</u></u>

Realized and unrealized gains and losses are included in excess of revenues over expenses for the period from October 1, 2018, through September 30, 2019.

**Note 22: 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, 2019 and 2018, respectively, was approximately \$6,782,190 and \$5,189,000 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.

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**Note 23: 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 24 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 27*, 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 9*, RRMC has entered into interest rate swap agreements and has estimated the fair value of the swaps at September 30, 2019 and 2018. 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.

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***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. Both of the plans are frozen and are no longer actively accruing additional benefits for participants. 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 24: Construction in Progress**

The construction in progress at September 30, 2019, 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, 2019. These projects include upgrades to nuclear medicine, replacement windows and cancer center renovations. Below is a table listing anticipated cost and completion date.

<b>Project Description</b>	<b>Estimated Total Cost</b>	<b>Estimated Remaining to be Spent</b>	<b>Estimated Completion Date</b>
Cancer Center Renovations	\$ 2,600,000	\$ 2,393,686	January 2020
433 West Street E-Power	679,957	646,279	September 2020
Medical Office Building	16,075,836	10,968,841	June 2020
Loading Dock – MOB	3,220,666	2,299,531	March 2020
Window Replacement	1,280,742	794,800	September 2020
Psych Renovations	3,870,824	3,674,295	December 2020
AHU-3	2,729,175	2,651,974	September 2020
Old Boiler Room Condensate Return Unit	82,500	33,849	September 2020
WACU / Birthing Center Renovations	455,000	382,438	September 2020
Chiller #4	2,589,678	2,579,686	December 2020
VOC Renovations	1,745,567	1,740,563	January 2021
IV Pump Replacement	746,518	593,901	October 2020
CT Scanner Renovations	2,024,027	7,400	October 2019
HVAC System Optimization	100,315	82,615	September 2020

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**Note 25: 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.

**Note 26: Other Liabilities**

Other liabilities consisted of the following at September 30, 2019 and 2018:

	<b>2019</b>	<b>2018</b>
Accrued postretirement health care benefit	\$ -	\$ 127,502
Employee option payable	2,014,987	1,688,514
Accrued claims liabilities	1,855,890	2,337,845
Asset retirement obligations	596,479	584,912
Interest rate swap agreements	2,040,706	995,108
Other	59,797	54,972
	<u>\$ 6,567,859</u>	<u>\$ 5,788,853</u>

**Note 27: 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 \$596,479 and \$584,912 has been recognized in the accompanying 2019 and 2018 financial statements, respectively, for the portion of the liability that can be reasonably estimated.

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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.

**Note 28: 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 annual periods beginning after December 15, 2018, for nonpublic entities (December 15, 2017, for not for profits that are conduit debt obligors), and any interim periods within annual reporting periods that begin after December 15, 2019, for nonpublic entities (December 15, 2018, for not for profits that are conduit debt obligors). RRMC is in the process of evaluating the impact the amendment will have on the financial statements and will adopt the new accounting standard during fiscal year 2020.

***Accounting for 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 annual periods beginning after December 15, 2019 (2018 for not for profits that are conduit debt obligors), and any interim periods within annual reporting periods that begin after December 15, 2020 (2018 for not for profits that are conduit debt obligors). RRMC is evaluating the impact the standard will have on the financial statements; however, the standard is expected to have a material impact on

**The Rutland Hospital, Inc.**  
**d/b/a Rutland Regional Medical Center**  
**Notes to Financial Statements**  
**September 30, 2019 and 2018**

the financial statements due to the recognition of additional assets and liabilities for operating leases. RRMC will adopt the new accounting standard during fiscal year 2021.

***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 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 any interim periods within annual reporting periods that begin after December 15, 2022. RRMC is in the process of evaluating the impact the amendment will have on the financial statements and will adopt the new accounting standard October 1, 2023.

**Note 29: Subsequent Events**

Subsequent to year end, RRMC received cash from Rutland Regional Health Systems, Inc. in the amount of \$2.0 million.

Subsequent events have been evaluated through January 30, 2020, 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, 2019 and 2018**

	Inpatient		Outpatient		Total	
	2019	2018	2019	2018	2019	2018
<b>Routine Services</b>						
Medical and surgical	\$ 46,953,045	\$ 45,266,615	\$ -	\$ -	\$ 46,953,045	\$ 45,266,615
Psychiatric	16,526,622	16,362,124	-	-	16,526,622	16,362,124
Obstetrics and gynecology	2,852,509	2,963,039	-	-	2,852,509	2,963,039
Intensive care	11,057,550	9,499,411	-	-	11,057,550	9,499,411
Nursery	1,107,413	1,071,336	-	-	1,107,413	1,071,336
	<u>78,497,139</u>	<u>75,162,525</u>	<u>-</u>	<u>-</u>	<u>78,497,139</u>	<u>75,162,525</u>
<b>Special Services</b>						
Operating room	36,137,069	39,796,278	38,906,754	32,340,425	75,043,823	72,136,703
Recovery room	2,467,454	2,597,727	3,025,209	2,625,043	5,492,663	5,222,770
Emergency room	11,690,446	11,687,783	33,966,677	33,244,051	45,657,123	44,931,834
Endoscopy	1,434,568	1,389,183	12,578,339	11,875,710	14,012,907	13,264,893
Ambulatory care	3,980	3,654	155,473	248,004	159,453	251,658
Delivery room	1,396,937	1,244,109	741,915	586,532	2,138,852	1,830,641
Medical and surgical supplies	505,310	323,952	1,187,646	680,513	1,692,956	1,004,465
Oncology	209,537	176,747	5,704,837	5,484,670	5,914,374	5,661,417
Laboratory	13,773,028	13,117,401	32,087,670	29,548,621	45,860,698	42,666,022
Cardiology	7,121,621	7,365,777	20,829,608	21,933,224	27,951,229	29,299,001
Pulmonary	353,171	227,147	989,791	812,079	1,342,962	1,039,226
Electroencephalography	58,580	93,908	654,507	636,013	713,087	729,921
Radiology – diagnostic	7,502,112	8,208,144	38,286,655	37,329,720	45,788,767	45,537,864
Radiology – isotopes	711,800	661,146	1,599,711	1,536,611	2,311,511	2,197,757
Chemotherapy	659,982	761,786	2,607,734	3,507,333	3,267,716	4,269,119
CT scanning	8,384,109	7,865,948	22,369,077	19,175,265	30,753,186	27,041,213
Radiation therapy	463,480	471,775	9,107,067	10,402,167	9,570,547	10,873,942
Pharmacy	18,245,114	16,856,647	61,200,303	54,876,914	79,445,417	71,733,561
Respiratory care	8,648,291	8,991,869	1,564,153	1,562,710	10,212,444	10,554,579
Psychiatric counseling	1,709,107	1,757,154	2,771,311	2,912,320	4,480,418	4,669,474
Physical therapy	1,358,587	1,425,273	1,817,979	2,312,921	3,176,566	3,738,194
Physiatry	30,592	46,035	2,884,943	2,837,814	2,915,535	2,883,849
Occupational therapy	1,759,710	1,833,404	525,318	582,272	2,285,028	2,415,676
Speech therapy	827,860	748,613	293,660	287,476	1,121,520	1,036,089
Hospitalist	6,373,373	6,669,289	553,336	682,857	6,926,709	7,352,146
OB/GYN oncology	1,672,710	1,731,652	3,475,388	3,470,051	5,148,098	5,201,703
Digestive services	276,970	209,753	3,524,918	3,402,182	3,801,888	3,611,935
Sleep services	5,199	10,560	4,630,382	5,122,776	4,635,581	5,133,336
Endocrinology	184,545	221,918	1,771,403	1,798,551	1,955,948	2,020,469
Gastroenterology	122,804	133,132	1,007,750	946,680	1,130,554	1,079,812
Infectious diseases	186,064	234,331	214,593	230,731	400,657	465,062
Miscellaneous clinical services	6,258,333	7,393,407	24,898,194	24,086,708	31,156,527	31,480,115
Opiate addiction center	-	-	3,485,387	3,487,842	3,485,387	3,487,842
Urology clinic	540,737	422,158	3,370,232	3,204,327	3,910,969	3,626,485
Eye clinic	7,742	4,187	3,621,997	3,571,594	3,629,739	3,575,781
Neurology	50,384	187,301	986,245	1,141,185	1,036,629	1,328,486
	<u>141,131,306</u>	<u>144,869,148</u>	<u>347,396,162</u>	<u>328,483,892</u>	<u>488,527,468</u>	<u>473,353,040</u>
<b>Gross Patient Service Revenue</b>	<u>\$ 219,628,445</u>	<u>\$ 220,031,673</u>	<u>\$ 347,396,162</u>	<u>\$ 328,483,892</u>	<u>567,024,607</u>	<u>548,515,565</u>
<b>Less Contractual Allowances</b>						
Medicare					191,393,273	178,357,552
Medicaid					74,024,952	65,733,956
Blue Cross					22,279,875	22,653,357
Charity care					6,929,977	4,702,339
Other					16,016,706	14,236,126
					<u>310,644,783</u>	<u>285,683,330</u>
<b>Patient Service Revenue (Net of Contractual Discounts and Allowances)</b>					<u>256,379,824</u>	<u>262,832,235</u>
Provision for uncollectible accounts					<u>7,489,965</u>	<u>8,597,207</u>
<b>Net Patient Service Revenue Less Provision for Uncollectible Accounts</b>					<u>\$ 248,889,859</u>	<u>\$ 254,235,028</u>

**The Rutland Hospital, Inc.**  
**d/b/a Rutland Regional Medical Center**  
**Expenses**  
**Years Ended September 30, 2019 and 2018**

	Salaries and Wages		Supplies and Other		Total	
	2019	2018	2019	2018	2019	2018
<b>Nursing Services</b>						
Nursing administration	\$ 741,622	\$ 756,181	\$ 142,226	\$ 55,358	\$ 883,848	\$ 811,539
Nursing education	1,047,117	1,067,448	244,393	202,055	1,291,510	1,269,503
Medical and surgical	11,811,648	11,617,864	851,049	782,088	12,662,697	12,399,952
Psychiatric	5,208,405	4,977,074	165,952	185,040	5,374,357	5,162,114
Obstetrics and gynecology	1,527,600	1,270,738	140,058	123,359	1,667,658	1,394,097
Intensive care	4,773,175	4,740,812	338,461	328,245	5,111,636	5,069,057
Nursery	311,296	320,170	38,801	45,677	350,097	365,847
	<u>25,420,863</u>	<u>24,750,287</u>	<u>1,920,940</u>	<u>1,721,822</u>	<u>27,341,803</u>	<u>26,472,109</u>
<b>Other Professional Services</b>						
Operating room	5,631,834	5,492,132	9,718,422	9,984,652	15,350,256	15,476,784
Recovery room	629,224	661,865	69,290	62,783	698,514	724,648
Emergency room	11,270,210	11,049,225	982,034	999,238	12,252,244	12,048,463
Endoscopy	806,744	819,712	518,151	459,885	1,324,895	1,279,597
Ambulatory care	1,183,081	1,149,671	224,601	224,124	1,407,682	1,373,795
Physical rehabilitation services	1,556,399	1,747,308	55,793	75,844	1,612,192	1,823,152
Delivery room	1,298,866	1,164,553	77,858	65,406	1,376,724	1,229,959
HIV clinic	386,829	404,760	10,582	11,935	397,411	416,695
Central supply	757,014	754,091	1,333,922	911,011	2,090,936	1,665,102
Anesthesiology	2,286,575	2,457,797	52,702	53,372	2,339,277	2,511,169
Oncology	2,222,884	2,173,505	336,302	300,328	2,559,186	2,473,833
Laboratory	4,877,380	4,951,752	4,777,468	4,733,918	9,654,848	9,685,670
Cardiology	3,948,677	3,951,137	804,204	825,833	4,752,881	4,776,970
Pulmonary	717,281	734,389	8,658	21,773	725,939	756,162
Cardiac cath	100,395	181,613	46,932	733,513	147,327	915,126
Electroencephalography	503,713	418,067	26,964	16,890	530,677	434,957
Radiology – diagnostic	4,190,278	4,221,303	2,097,406	2,200,171	6,287,684	6,421,474
Radiology – isotopes	217,062	206,999	441,245	413,554	658,307	620,553
CT scanning	647,358	477,229	646,068	566,971	1,293,426	1,044,200
Radiation therapy	488,194	467,684	515,616	501,658	1,003,810	969,342
Pharmacy	2,349,874	2,397,532	20,223,030	16,782,662	22,572,904	19,180,194
Respiratory care	1,774,970	1,730,581	358,445	314,716	2,133,415	2,045,297
Psychiatric counseling	2,581,265	2,971,229	159,511	144,576	2,740,776	3,115,805
Physical therapy	981,459	1,091,212	35,125	38,754	1,016,584	1,129,966
Occupational therapy	475,605	493,386	25,816	27,707	501,421	521,093
Hospitalists	4,919,876	4,372,442	75,643	64,721	4,995,519	4,437,163
Speech therapy	210,273	207,547	7,456	6,558	217,729	214,105
OB/GYN oncology	11,581	13,674	410	723	11,991	14,397
OB/GYN clinic	2,858,392	2,858,846	291,915	317,949	3,150,307	3,176,795
Gastroenterology	2,006,156	2,141,399	86,284	101,769	2,092,440	2,243,168
Sleep services	854,043	943,519	84,939	78,266	938,982	1,021,785
Endocrinology	1,344,304	1,307,383	174,579	171,711	1,518,883	1,479,094
Miscellaneous clinical services	9,515,787	9,595,695	1,784,797	1,884,058	11,300,584	11,479,753
Opiate addiction center	1,494,899	1,363,213	800,258	827,941	2,295,157	2,191,154
Urology clinic	1,292,977	1,077,233	330,460	347,819	1,623,437	1,425,052
Eye clinic	1,138,188	1,154,338	136,466	162,088	1,274,654	1,316,426
Neurology	770,069	829,919	83,129	71,571	853,198	901,490
Retail pharmacy	313,108	219,034	1,982,282	1,520,701	2,295,390	1,739,735
	<u>78,612,824</u>	<u>78,252,974</u>	<u>49,384,763</u>	<u>46,027,149</u>	<u>127,997,587</u>	<u>124,280,123</u>

**The Rutland Hospital, Inc.**  
**d/b/a Rutland Regional Medical Center**  
**Expenses**  
**Years Ended September 30, 2019 and 2018**

	Salaries and Wages		Supplies and Other		Total	
	2019	2018	2019	2018	2019	2018
<b>General and Support Services</b>						
Dietary	\$ 1,617,202	\$ 1,562,669	\$ 1,228,594	\$ 1,139,333	\$ 2,845,796	\$ 2,702,002
Plant operations	216,259	196,935	2,593,508	2,596,257	2,809,767	2,793,192
Maintenance	1,383,746	1,413,116	1,023,034	983,494	2,406,780	2,396,610
Housekeeping	1,556,134	1,465,265	412,608	410,362	1,968,742	1,875,627
Laundry and linen	108,055	100,043	686,668	674,112	794,723	774,155
Purchasing	392,753	379,822	47,940	110,679	440,693	490,501
Security	516,096	580,097	46,060	50,925	562,156	631,022
FQHC	-	-	318,905	288,026	318,905	288,026
Medicaid tax assessment	-	-	15,286,305	14,701,522	15,286,305	14,701,522
Administration/development/planning	7,125,849	6,969,998	8,212,537	8,280,292	15,338,386	15,250,290
Financial services	2,037,161	2,382,741	305,917	382,513	2,343,078	2,765,254
Patient access	2,458,955	2,321,210	1,471,764	1,418,517	3,930,719	3,739,727
Outpatient and oncology services management	85,344	98,450	591	200	85,935	98,650
Mail services	121,213	118,272	247,759	231,734	368,972	350,006
Telecommunications	346,418	343,683	80,120	63,899	426,538	407,582
Personnel	1,716,256	1,882,665	899,143	1,178,817	2,615,399	3,061,482
Medical records and library	3,383,139	3,386,128	631,908	728,498	4,015,047	4,114,626
Social services	547,712	501,873	126,515	140,789	674,227	642,662
Employee health	257,731	227,331	87,523	75,091	345,254	302,422
Volunteer services	151,479	132,341	75,869	68,103	227,348	200,444
Community health improvement	1,491,048	1,449,054	70,012	109,376	1,561,060	1,558,430
Information technology services	5,968,794	5,337,896	11,120,553	11,022,152	17,089,347	16,360,048
Employee benefits	26,966,950	28,133,287	-	-	26,966,950	28,133,287
Pension expense (credit)	400,549	(623,478)	-	-	400,549	(623,478)
James T. Bowse Community Trust	11,808	35,059	308,698	370,833	320,506	405,892
Rutland Health Foundation	240,075	189,824	131,359	87,362	371,434	277,186
Gift shoppe	61,967	66,576	105,923	100,039	167,890	166,615
Community investment	-	-	460,291	292,863	460,291	292,863
	<u>59,162,693</u>	<u>58,650,857</u>	<u>45,980,104</u>	<u>45,505,788</u>	<u>105,142,797</u>	<u>104,156,645</u>
<b>Depreciation and Amortization</b>	<u>-</u>	<u>-</u>	<u>12,219,451</u>	<u>11,919,033</u>	<u>12,219,451</u>	<u>11,919,033</u>
<b>Interest</b>	<u>-</u>	<u>-</u>	<u>1,314,932</u>	<u>1,290,424</u>	<u>1,314,932</u>	<u>1,290,424</u>
	<u>\$ 163,196,380</u>	<u>\$ 161,654,118</u>	<u>\$ 110,820,190</u>	<u>\$ 106,464,216</u>	<u>\$ 274,016,570</u>	<u>\$ 268,118,334</u>

**The Rutland Hospital, Inc.**  
**d/b/a Rutland Regional Medical Center**  
**Other Revenue**  
**Years Ended September 30, 2019 and 2018**

	<u><b>2019</b></u>	<u><b>2018</b></u>
Cafeteria	\$ 1,066,551	\$ 1,051,257
Miscellaneous	4,023,073	3,951,952
Contract pharmacy revenue	10,836,451	7,892,681
Retail pharmacy revenue	1,925,565	1,345,908
Rental income	215,106	220,524
Gift shoppe	165,852	150,693
	<u><u>\$ 18,232,598</u></u>	<u><u>\$ 14,613,015</u></u>

**The Rutland Hospital, Inc.**  
**d/b/a Rutland Regional Medical Center**  
**Property and Equipment**  
**Year Ended September 30, 2019**

	<b>Balance October 1, 2018</b>	<b>Additions</b>	<b>Reclassification</b>	<b>Disposals</b>	<b>Balance September 30, 2019</b>
<b>Assets</b>					
Land	\$ 645,676	\$ -	\$ -	\$ -	\$ 645,676
Land improvements	3,075,496	465,021	168,400	-	3,708,917
Buildings	42,271,274	-	-	-	42,271,274
Building improvements	61,958,416	3,705,062	1,397,227	-	67,060,705
Fixed equipment	29,871,122	570,344	2,148	(27,551)	30,416,063
Major movable equipment	101,119,626	8,199,187	653,509	(3,820,205)	106,152,117
Construction in progress	3,660,435	6,027,585	(2,221,284)	-	7,466,736
	<u>\$ 242,602,045</u>	<u>\$ 18,967,199</u>	<u>\$ -</u>	<u>\$ (3,847,756)</u>	<u>257,721,488</u>
<b>Accumulated Depreciation</b>					
Land improvements	\$ 1,993,313	\$ 165,077	\$ -	\$ -	2,158,390
Buildings	26,935,109	1,036,895	-	-	27,972,004
Building improvements	32,290,236	3,565,404	-	-	35,855,640
Fixed equipment	16,357,516	1,300,322	-	(27,550)	17,630,288
Major movable equipment	83,579,776	6,133,168	-	(3,809,521)	85,903,423
	<u>\$ 161,155,950</u>	<u>\$ 12,200,866</u>	<u>\$ -</u>	<u>\$ (3,837,071)</u>	<u>169,519,745</u>
					<u>\$ 88,201,743</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
<b>Assets</b>					
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>
<b>Accumulated Depreciation</b>					
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>

Form **990-T****Exempt Organization Business Income Tax Return**  
**(and proxy tax under section 6033(e))**

OMB No. 1545-0687

**2018**Department of the Treasury  
Internal Revenue ServiceFor calendar year 2018 or other tax year beginning 10/01, 2018, and ending 09/30, 2019.▶ 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

<b>A</b> <input type="checkbox"/> Check box if address changed	<b>Print or Type</b>	Name of organization ( <input type="checkbox"/> Check box if name changed and see instructions.)	<b>D Employer identification number</b> (Employees' trust, see instructions.)
<b>B</b> Exempt under section		RUTLAND HOSPITAL INC	03-0183483
<input checked="" type="checkbox"/> 501( C )( 3 )		Number, street, and room or suite no. If a P.O. box, see instructions.	<b>E Unrelated business activity code</b> (See instructions.)
<input type="checkbox"/> 408(e) <input type="checkbox"/> 220(e)		160 ALLEN STREET	621500
<input type="checkbox"/> 408A <input type="checkbox"/> 530(a)	City or town, state or province, country, and ZIP or foreign postal code		
<input type="checkbox"/> 529(a)	RUTLAND, VT 05701		
<b>C</b> Book value of all assets at end of year	<b>F</b> Group exemption number (See instructions.) ▶		
292,231,354.	<b>G</b> 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** Enter the number of the organization's unrelated trades or businesses. ▶ 2 Describe the only (or first) unrelated trade or business here ▶ ATCH 1. If only one, complete Parts I-V. If more than one, describe the first in the blank space at the end of the previous sentence, complete Parts I and II, complete a Schedule M for each additional trade or business, then complete Parts III-V.

**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. ▶ ATCH 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	2,810,254.				
b	Less returns and allowances		c Balance ▶	1c	2,810,254.	
2	Cost of goods sold (Schedule A, line 7)			2		
3	Gross profit. Subtract line 2 from line 1c			3	2,810,254.	2,810,254.
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 a partnership or an S corporation (attach statement)			5		
6	Rent income (Schedule C)			6		
7	Unrelated debt-financed income (Schedule E)			7		
8	Interest, annuities, royalties, and rents from a controlled organization (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		
13	Total. Combine lines 3 through 12			13	2,810,254.	2,810,254.

**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) (see instructions)		18	
19	Taxes and licenses		19	30,725.
20	Charitable contributions (See instructions for limitation rules)	ATCH 3	20	37,401.
21	Depreciation (attach Form 4562)	21		
22	Less depreciation claimed on Schedule A and elsewhere on return	22a	22b	
23	Depletion		23	
24	Contributions to deferred compensation plans		24	
25	Employee benefit programs		25	
26	Excess exempt expenses (Schedule I)		26	
27	Excess readership costs (Schedule J)		27	
28	Other deductions (attach schedule)	ATCH 4	28	2,405,521.
29	Total deductions. Add lines 14 through 28		29	2,473,647.
30	Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13		30	336,607.
31	Deduction for net operating loss arising in tax years beginning on or after January 1, 2018 (see instructions)		31	
32	Unrelated business taxable income. Subtract line 31 from line 30		32	336,607.

For Paperwork Reduction Act Notice, see instructions.

Form **990-T** (2018)



**Part III Total Unrelated Business Taxable Income**

<b>33</b>	Total of unrelated business taxable income computed from all unrelated trades or businesses (see instructions).	<b>33</b>	385,606.
<b>34</b>	Amounts paid for disallowed fringes	<b>34</b>	
<b>35</b>	Deduction for net operating loss arising in tax years beginning before January 1, 2018 (see instructions).	<b>35</b>	
<b>36</b>	Total of unrelated business taxable income before specific deduction. Subtract line 35 from the sum of lines 33 and 34.	<b>36</b>	385,606.
<b>37</b>	Specific deduction (Generally \$1,000, but see line 37 instructions for exceptions)	<b>37</b>	1,000.
<b>38</b>	<b>Unrelated business taxable income.</b> Subtract line 37 from line 36. If line 37 is greater than line 36, enter the smaller of zero or line 36.	<b>38</b>	384,606.

**Part IV Tax Computation**

<b>39</b>	<b>Organizations Taxable as Corporations.</b> Multiply line 38 by 21% (0.21).	<b>39</b>	80,767.
<b>40</b>	<b>Trusts Taxable at Trust Rates.</b> See instructions for tax computation. Income tax on the amount on line 38 from: <input type="checkbox"/> Tax rate schedule or <input type="checkbox"/> Schedule D (Form 1041).	<b>40</b>	
<b>41</b>	<b>Proxy tax.</b> See instructions	<b>41</b>	
<b>42</b>	<b>Alternative minimum tax (trusts only).</b>	<b>42</b>	
<b>43</b>	<b>Tax on Noncompliant Facility Income.</b> See instructions	<b>43</b>	
<b>44</b>	<b>Total.</b> Add lines 41, 42, and 43 to line 39 or 40, whichever applies	<b>44</b>	80,767.

**Part V Tax and Payments**

<b>45a</b>	Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116).	<b>45a</b>	
<b>b</b>	Other credits (see instructions).	<b>45b</b>	
<b>c</b>	General business credit. Attach Form 3800 (see instructions)	<b>45c</b>	
<b>d</b>	Credit for prior year minimum tax (attach Form 8801 or 8827).	<b>45d</b>	
<b>e</b>	<b>Total credits.</b> Add lines 45a through 45d	<b>45e</b>	
<b>46</b>	Subtract line 45e from line 44.	<b>46</b>	80,767.
<b>47</b>	Other taxes. Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611 <input type="checkbox"/> Form 8697 <input type="checkbox"/> Form 8866 <input type="checkbox"/> Other (attach schedule).	<b>47</b>	
<b>48</b>	<b>Total tax.</b> Add lines 46 and 47 (see instructions)	<b>48</b>	80,767.
<b>49</b>	2018 net 965 tax liability paid from Form 965-A or Form 965-B, Part II, column (k), line 2.	<b>49</b>	
<b>50a</b>	Payments: A 2017 overpayment credited to 2018	<b>50a</b>	66,269.
<b>b</b>	2018 estimated tax payments	<b>50b</b>	16,500.
<b>c</b>	Tax deposited with Form 8868.	<b>50c</b>	
<b>d</b>	Foreign organizations: Tax paid or withheld at source (see instructions)	<b>50d</b>	
<b>e</b>	Backup withholding (see instructions)	<b>50e</b>	
<b>f</b>	Credit for small employer health insurance premiums (attach Form 8941)	<b>50f</b>	
<b>g</b>	Other credits, adjustments, and payments: <input type="checkbox"/> Form 2439 <input type="checkbox"/> Form 4136 <input type="checkbox"/> Other Total	<b>50g</b>	
<b>51</b>	<b>Total payments.</b> Add lines 50a through 50g	<b>51</b>	82,769.
<b>52</b>	Estimated tax penalty (see instructions). Check if Form 2220 is attached.	<b>52</b>	
<b>53</b>	<b>Tax due.</b> If line 51 is less than the total of lines 48, 49, and 52, enter amount owed	<b>53</b>	
<b>54</b>	<b>Overpayment.</b> If line 51 is larger than the total of lines 48, 49, and 52, enter amount overpaid	<b>54</b>	2,002.
<b>55</b>	Enter the amount of line 54 you want: <b>Credited to 2019 estimated tax</b> 2,002. <b>Refunded</b>	<b>55</b>	

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

<b>56</b>	At any time during the 2018 calendar year, did the organization have an interest in or a signature or other authority over a financial account (bank, securities, or other) in a foreign country? If "Yes," the organization may have to file FinCEN Form 114, Report of Foreign Bank and Financial Accounts. If "Yes," enter the name of the foreign country here	Yes	No
<b>57</b>	During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," see instructions for other forms the organization may have to file.		X
<b>58</b>	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.

**Sign Here**

Signature of officer

Date

Title

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

**Paid Preparer Use Only**

Print/Type preparer's name

BRIAN D TODD

Preparer's signature

Brian Todd

Date

07/21/2020

Check ☐ 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

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

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

**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)	<b>3(a)</b> Deductions directly connected with the income in columns 2(a) and 2(b) (attach schedule)
(1)		
(2)		
(3)		
(4)		
<b>Total</b>	<b>Total</b>	

**(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)

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

**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).
<b>Totals</b> .....				

**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.
<b>Totals</b> .....						

**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)						
<b>Totals</b> (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)						
<b>Totals from Part I.</b> . . . . . ▶						
	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.
<b>Totals, Part II (lines 1-5)</b> . . . . . ▶						

**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)		%	
<b>Total.</b> Enter here and on page 1, Part II, line 14 . . . . . ▶			

Form **990-T** (2018)

**SCHEDULE M  
(Form 990-T)**

**Unrelated Business Taxable Income for  
Unrelated Trade or Business**

OMB No. 1545-0687

**2018**

For calendar year 2018 or other tax year beginning 10/01, 2018, and ending 09/30, 2019.

Department of the Treasury  
Internal Revenue Service

▶ Go to [www.irs.gov/Form990T](http://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

Name of organization

RUTLAND HOSPITAL INC

Employer identification number

03-0183483

Unrelated business activity code (see instructions) ▶ 446110

Describe the unrelated trade or business ▶ PHARMACY SERVICES

<b>Part I Unrelated Trade or Business Income</b>				(A) Income	(B) Expenses	(C) Net
<b>1a</b>	Gross receipts or sales	<u>274,178.</u>				
<b>b</b>	Less returns and allowances		<b>c Balance ▶</b>	<b>1c</b>	<u>274,178.</u>	
<b>2</b>	Cost of goods sold (Schedule A, line 7)		<b>2</b>			
<b>3</b>	Gross profit. Subtract line 2 from line 1c		<b>3</b>	<u>274,178.</u>		<u>274,178.</u>
<b>4a</b>	Capital gain net income (attach Schedule D)		<b>4a</b>			
<b>b</b>	Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)		<b>4b</b>			
<b>c</b>	Capital loss deduction for trusts		<b>4c</b>			
<b>5</b>	Income (loss) from a partnership or an S corporation (attach statement)		<b>5</b>			
<b>6</b>	Rent income (Schedule C)		<b>6</b>			
<b>7</b>	Unrelated debt-financed income (Schedule E)		<b>7</b>			
<b>8</b>	Interest, annuities, royalties, and rents from a controlled organization (Schedule F)		<b>8</b>			
<b>9</b>	Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)		<b>9</b>			
<b>10</b>	Exploited exempt activity income (Schedule I)		<b>10</b>			
<b>11</b>	Advertising income (Schedule J)		<b>11</b>			
<b>12</b>	Other income (See instructions; attach schedule)		<b>12</b>			
<b>13</b>	<b>Total.</b> Combine lines 3 through 12		<b>13</b>	<u>274,178.</u>		<u>274,178.</u>

**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.)

<b>14</b>	Compensation of officers, directors, and trustees (Schedule K)		<b>14</b>		
<b>15</b>	Salaries and wages		<b>15</b>		
<b>16</b>	Repairs and maintenance		<b>16</b>		
<b>17</b>	Bad debts		<b>17</b>		
<b>18</b>	Interest (attach schedule) (see instructions)		<b>18</b>		
<b>19</b>	Taxes and licenses		<b>19</b>		<u>4,484.</u>
<b>20</b>	Charitable contributions (See instructions for limitation rules)		<b>20</b>	<u>ATCH 5.</u>	<u>5,444.</u>
<b>21</b>	Depreciation (attach Form 4562)	<b>21</b>			
<b>22</b>	Less depreciation claimed on Schedule A and elsewhere on return	<b>22a</b>		<b>22b</b>	
<b>23</b>	Depletion		<b>23</b>		
<b>24</b>	Contributions to deferred compensation plans		<b>24</b>		
<b>25</b>	Employee benefit programs		<b>25</b>		
<b>26</b>	Excess exempt expenses (Schedule I)		<b>26</b>		
<b>27</b>	Excess readership costs (Schedule J)		<b>27</b>		
<b>28</b>	Other deductions (attach schedule)		<b>28</b>	<u>ATCH 6.</u>	<u>215,251.</u>
<b>29</b>	<b>Total deductions.</b> Add lines 14 through 28		<b>29</b>		<u>225,179.</u>
<b>30</b>	Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13		<b>30</b>		<u>48,999.</u>
<b>31</b>	Deduction for net operating loss arising in tax years beginning on or after January 1, 2018 (see instructions)		<b>31</b>		
<b>32</b>	Unrelated business taxable income. Subtract line 31 from line 30		<b>32</b>		<u>48,999.</u>

For Paperwork Reduction Act Notice, see instructions.

Schedule M (Form 990-T) 2018

ORGANIZATION'S FIRST UNRELATED TRADE OR BUSINESS ACTIVITY

LABORATORY DIAGNOSTIC AND SCREENING SERVICES

NAME AND FEIN OF PARENT CORPORATION

RUTLAND REGIONAL HEALTH SERVICES  
22-2534389

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

UNRELATED TRADE OR BUSINESS INCOME	2,810,254.
ADD: DOMESTIC PRODUCTION ACTIVITIES DEDUCTION (DPAD)	0.
LESS: DEDUCTIONS W/O CHARITABLE CONTRIBUTIONS & DPAD & NOL CARRYOVER	2,436,246.
	<u>0.</u>
	* 10%
CHARITABLE CONTRIBUTION LIMITATION (10%)	37,401.
CHARITABLE CONTRIBUTION	757,950.
<u>CHARITABLE CONTRIBUTION DEDUCTION (SMALLER OF THE ABOVE TWO)</u>	<u>37,401.</u>



ATTACHMENT 4

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

LAB EXPENSES	2,326,686.
LAB TESTING EXPENSES	78,835.

PART II - LINE 28 - OTHER DEDUCTIONS	<u>2,405,521.</u>
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SCHEDULE M LINE 20 - CHARITABLE CONTRIBUTIONS

UNRELATED TRADE OR BUSINESS INCOME	274,178.
ADD: DOMESTIC PRODUCTION ACTIVITIES DEDUCTION (DPAD)	0.
LESS: DEDUCTIONS W/O CHARITABLE CONTRIBUTIONS & DPAD & NOL CARRYOVER	219,735.
NOL CARRYOVER	0.
	<u>* 10%</u>
CHARITABLE CONTRIBUTION LIMITATION (10%)	5,444.
CHARITABLE CONTRIBUTION	5,452,116.
<u>CHARITABLE CONTRIBUTION DEDUCTION (SMALLER OF THE ABOVE TWO)</u>	<u>5,444.</u>

SCHEDULE M - PART II LINE 28 TOTAL OTHER DEDUCTIONS

PHARMACY EXPENSES

215,251.

PART II - LINE 28 - OTHER DEDUCTIONS

215,251.