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CLIENT'S COPY

CLIENT COPY

November 8, 2019

BENNETT COUNTY HOSPITAL AND NURSING HOME
PO BOX 70 D
MARTIN, SD 57551

BENNETT COUNTY HOSPITAL AND NURSING HOME:

Enclosed is the organization's 2018 Exempt Organization return.

Specific filing instructions are as follows.

FORM 990 RETURN:

This return has been prepared for electronic filing. If you wish to have it transmitted electronically to the IRS, please sign, date, and return Form 8879-EO to our office. We will then submit the electronic return to the IRS. Do not mail a paper copy of the return to the IRS. Return Form 8879-EO to us by November 15, 2019.

A copy of the return is enclosed for your files. We suggest that you retain this copy indefinitely.

Sincerely,

DEIDRE BUDAHL, CPA

Form **8879-EO****IRS e-file Signature Authorization
for an Exempt Organization**

OMB No. 1545-1878

Department of the Treasury
Internal Revenue Service

For calendar year 2018, or fiscal year beginning _____, 2018, and ending _____, 20____

2018▶ **Do not send to the IRS. Keep for your records.**▶ **Go to www.irs.gov/Form8879EO for the latest information.**

Name of exempt organization

Employer identification number

BENNETT COUNTY HOSPITAL AND NURSING HOME**43-2040599**

Name and title of officer

ANDREW RIGGIN**CEO****Part I Type of Return and Return Information** (Whole Dollars Only)

Check the box for the return for which you are using this Form 8879-EO and enter the applicable amount, if any, from the return. If you check the box on line **1a**, **2a**, **3a**, **4a**, or **5a**, below, and the amount on that line for the return being filed with this form was blank, then leave line **1b**, **2b**, **3b**, **4b**, or **5b**, whichever is applicable, blank (do not enter -0-). But, if you entered -0- on the return, then enter -0- on the applicable line below. **Do not** complete more than one line in Part I.

1a Form 990 check here ▶ <input checked="" type="checkbox"/>	b Total revenue , if any (Form 990, Part VIII, column (A), line 12)	1b <u>11,095,009.</u>
2a Form 990-EZ check here ▶ <input type="checkbox"/>	b Total revenue , if any (Form 990-EZ, line 9)	2b _____
3a Form 1120-POL check here ▶ <input type="checkbox"/>	b Total tax (Form 1120-POL, line 22)	3b _____
4a Form 990-PF check here ▶ <input type="checkbox"/>	b Tax based on investment income (Form 990-PF, Part VI, line 5)	4b _____
5a Form 8868 check here ▶ <input type="checkbox"/>	b Balance Due (Form 8868, line 3c)	5b _____

Part II Declaration and Signature Authorization of Officer

Under penalties of perjury, I declare that I am an officer of the above organization and that I have examined a copy of the organization's 2018 electronic return and accompanying schedules and statements and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS (a) an acknowledgment of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the organization's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the organization's electronic return and, if applicable, the organization's consent to electronic funds withdrawal.

Officer's PIN: check one box only

☒ I authorize **CASEY PETERSON, LTD.** to enter my PIN **40599**
 ERO firm name Enter five numbers, but do not enter all zeros

as my signature on the organization's tax year 2018 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I also authorize the aforementioned ERO to enter my PIN on the return's disclosure consent screen.

☐ As an officer of the organization, I will enter my PIN as my signature on the organization's tax year 2018 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I will enter my PIN on the return's disclosure consent screen.

Officer's signature ▶ _____ Date ▶ _____

Part III Certification and Authentication

ERO's EFIN/PIN. Enter your six-digit electronic filing identification number (EFIN) followed by your five-digit self-selected PIN.

46004073830**Do not enter all zeros**

I certify that the above numeric entry is my PIN, which is my signature on the 2018 electronically filed return for the organization indicated above. I confirm that I am submitting this return in accordance with the requirements of **Pub. 4163**, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature ▶ _____ Date ▶ **11/08/19**

ERO Must Retain This Form - See Instructions
Do Not Submit This Form to the IRS Unless Requested To Do So

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.

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

OMB No. 1545-0047

2018Open to Public
Inspection**A For the 2018 calendar year, or tax year beginning and ending****B** Check if applicable:

- ☐ Address change
☐ Name change
☐ Initial return
☐ Final return/terminated
☐ Amended return
☐ Application pending

C Name of organization**BENNETT COUNTY HOSPITAL AND NURSING HOME**

Doing business as

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

PO BOX 70 D

Room/suite

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

MARTIN, SD 57551**F** Name and address of principal officer: **ANDREW RIGGIN****SAME AS C ABOVE****D** Employer identification number**43-2040599****E** Telephone number**(605) 685-6622****G** Gross receipts \$**11,095,009.****H(a)** Is this a group returnfor subordinates? ☐ Yes ☒ No**H(b)** Are all subordinates included? ☐ Yes ☐ No

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

H(c) Group exemption number ▶**I** Tax-exempt status: ☒ 501(c)(3) ☐ 501(c) () (insert no.) ☐ 4947(a)(1) or ☐ 527**J** Website: ▶ **WWW.BENNETTCOUNTYHOSPITAL.COM****K** Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶**L** Year of formation: **2004** **M** State of legal domicile: **SD****Part I Summary**

Activities & Governance	1	Briefly describe the organization's mission or most significant activities: PROVIDE HEALTHCARE AND NURSING HOME SERVICES
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.
	3	Number of voting members of the governing body (Part VI, line 1a) 5
	4	Number of independent voting members of the governing body (Part VI, line 1b) 5
	5	Total number of individuals employed in calendar year 2018 (Part V, line 2a) 176
	6	Total number of volunteers (estimate if necessary) 5
	7a	Total unrelated business revenue from Part VIII, column (C), line 12 0.
7b	Net unrelated business taxable income from Form 990-T, line 38 0.	
Revenue	8	Contributions and grants (Part VIII, line 1h) 13,033.
	9	Program service revenue (Part VIII, line 2g) 9,991,995.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d) 81,121.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) 12,870.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12) 10,099,019.
	Expenses	13
14		Benefits paid to or for members (Part IX, column (A), line 4) 0.
15		Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) 5,160,601.
16a		Professional fundraising fees (Part IX, column (A), line 11e) 0.
b		Total fundraising expenses (Part IX, column (D), line 25) ▶ 0.
17		Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e) 4,889,609.
18		Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25) 10,050,210.
19		Revenue less expenses. Subtract line 18 from line 12 48,809.
Net Assets or Fund Balances	20	Total assets (Part X, line 16) 5,065,910.
	21	Total liabilities (Part X, line 26) 968,820.
	22	Net assets or fund balances. Subtract line 21 from line 20 4,097,090.

Part II Signature Block

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

Sign Here	Signature of officer	Date			
	ANDREW RIGGIN, CEO Type or print name and title				
Paid Preparer Use Only	Print/Type preparer's name DEIDRE BUDAH, CPA	Preparer's signature	Date 11/08/19	Check if self-employed <input type="checkbox"/>	PTIN P01273830
	Firm's name ▶ CASEY PETERSON, LTD.	Firm's EIN ▶ 46-0403496	Phone no. (605) 348-1930		
	Firm's address ▶ 909 ST JOSEPH ST, STE 101 RAPID CITY, SD 57701				

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

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response or note to any line in this Part III ☐

- 1**
- Briefly describe the organization's mission:

CARING PEOPLE WORKING TOGETHER, AS A TEAM, TO PROVIDE QUALITY
HEALTHCARE AND EDUCATION FOR A HEALTHIER COMMUNITY.

- 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 \$
- 10,065,502.
- including grants of \$) (Revenue \$
- 10,756,998.
-)

BENNETT COUNTY HOSPITAL AND NURSING HOME IS A CRITICAL ACCESS HOSPITAL
LOCATED IN MARTIN, SD. THE ORGANIZATION IS THE ONLY HOSPITAL IN THE
COUNTY SERVING APPROXIMATELY 3,600 RESIDENTS. BENNETT COUNTY IS LOCATED
BETWEEN INDIAN RESERVATIONS IN A VERY RURAL AREA. BENNETT COUNTY
HOSPITAL AND NURSING HOME HAS 14 HOSPITAL BEDS, 3 ER BEDS, AND 48
NURSING BEDS. DURING 2018, THE HOSPITAL WING HAD 246 PATIENT BED DAYS
AND 894 SWING BED DAYS. THE NURSING HOME HAD 16,388 RESIDENT DAYS.

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

- 4c**
- (Code:) (Expenses \$ including grants of \$) (Revenue \$)

- 4d**
- Other program services (Describe in Schedule O.)

(Expenses \$ including grants of \$) (Revenue \$)

- 4e**
- Total program service expenses
- 10,065,502.**

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	1 X	
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ?	2 X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>	3	X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>	4	X
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>	5	X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>	6	X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>	7	X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>	8	X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>	9 X	
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>	10	X
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	11a X	
b Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>	11b	X
c Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>	11c	X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>	11d	X
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	11e	X
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>	11f X	
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>	12a X	
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i>	12b	X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>	13	X
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>	14b	X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i>	15	X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i>	16	X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i>	17	X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>	18	X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>	19	X
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>	20a X	
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b X	
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	21	X

Part IV Checklist of Required Schedules (continued)

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

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

	Yes	No
1a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a	45
b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	0
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	X

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

		Yes	No
2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a 176		
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b	X	
Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)			
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a		X
b If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O	3b		
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a		X
b If "Yes," enter the name of the foreign country: See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).			
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a		X
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		X
c If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c		
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a		X
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b		
7 Organizations that may receive deductible contributions under section 170(c).			
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a		X
b If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		X
d If "Yes," indicate the number of Forms 8282 filed during the year	7d		
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e		X
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		X
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g		
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h		
8 Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	8		
9 Sponsoring organizations maintaining donor advised funds.			
a Did the sponsoring organization make any taxable distributions under section 4966?	9a		
b Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?	9b		
10 Section 501(c)(7) organizations. Enter:			
a Initiation fees and capital contributions included on Part VIII, line 12	10a		
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b		
11 Section 501(c)(12) organizations. Enter:			
a Gross income from members or shareholders	11a		
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b		
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a		
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b		
13 Section 501(c)(29) qualified nonprofit health insurance issuers.			
a Is the organization licensed to issue qualified health plans in more than one state?	13a		
Note. See the instructions for additional information the organization must report on Schedule O.			
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b		
c Enter the amount of reserves on hand	13c		
14a Did the organization receive any payments for indoor tanning services during the tax year?	14a		X
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14b		
15 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?	15		X
If "Yes," see instructions and file Form 4720, Schedule N.			
16 Is the organization an educational institution subject to the section 4968 excise tax on net investment income?	16		X
If "Yes," complete Form 4720, Schedule O.			

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

☒**Section A. Governing Body and Management**

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

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

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

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed **NONE**

18 Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
☒ 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 **THE ORGANIZATION - 605-685-6622**
102 MAJOR ALLEN, P O BOX 70D, MARTIN, SD 57551

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Part VIII Statement of RevenueCheck if Schedule O contains a response or note to any line in this Part VIII ☐

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512 - 514
Contributions, Gifts, Grants and Other Similar Amounts	1 a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c					
	d Related organizations	1d					
	e Government grants (contributions)	1e	5,097.				
	f All other contributions, gifts, grants, and similar amounts not included above	1f	260,825.				
	g Noncash contributions included in lines 1a-1f: \$						
	h Total. Add lines 1a-1f			265,922.			
Program Service Revenue	2 a PATIENT SERVICE REVENUE	Business Code	621400	10,747,581.	10,747,581.		
	b OTHER REVENUE		621400	5,037.	5,037.		
	c HEALTH FAIR REVENUE		621400	4,380.	4,380.		
	d CAFETERIA		621400	2,044.		2,044.	
	e						
	f All other program service revenue						
	g Total. Add lines 2a-2f			10,759,042.			
	Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)			6,366.		
4 Income from investment of tax-exempt bond proceeds							
5 Royalties							
6 a Gross rents		(i) Real	(ii) Personal				
b Less: rental expenses							
c Rental income or (loss)							
d Net rental income or (loss)							
7 a Gross amount from sales of assets other than inventory		(i) Securities	(ii) Other				
b Less: cost or other basis and sales expenses							
c Gain or (loss)							
d Net gain or (loss)							
8 a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18		a					
b Less: direct expenses		b					
c Net income or (loss) from fundraising events							
9 a Gross income from gaming activities. See Part IV, line 19		a					
b Less: direct expenses		b					
c Net income or (loss) from gaming activities							
10 a Gross sales of inventory, less returns and allowances	a						
b Less: cost of goods sold	b						
c Net income or (loss) from sales of inventory							
Miscellaneous Revenue			Business Code				
11 a MISCELLANEOUS		900099	63,679.			63,679.	
b							
c							
d All other revenue							
e Total. Add lines 11a-11d			63,679.				
12 Total revenue. See instructions			11,095,009.	10,756,998.	0.	72,089.	

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 ...				
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	200,909.		200,909.	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	4,776,441.	4,521,687.	254,754.	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	24,659.	22,469.	2,190.	
9 Other employee benefits	374,921.	362,958.	11,963.	
10 Payroll taxes	262,537.	237,090.	25,447.	
11 Fees for services (non-employees):				
a Management	28,800.		28,800.	
b Legal	12,790.		12,790.	
c Accounting	168,276.		168,276.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)	1,008,786.	990,689.	18,097.	
12 Advertising and promotion	112,963.	112,788.	175.	
13 Office expenses	160,930.	111,541.	49,389.	
14 Information technology	223,496.	223,496.		
15 Royalties				
16 Occupancy	203,143.	181,908.	21,235.	
17 Travel	82,729.	77,243.	5,486.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials ...				
19 Conferences, conventions, and meetings	79,417.	62,752.	16,665.	
20 Interest	14,275.	11,990.	2,285.	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	395,613.	374,265.	21,348.	
23 Insurance	56,609.	53,554.	3,055.	
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 BAD DEBTS	1,388,113.	1,388,113.		
b MEDICAL SUPPLIES	883,953.	883,953.		
c EQUIPMENT MAINTENANCE	334,737.	334,037.	700.	
d DIETARY SUPPLIES	114,969.	114,969.		
e All other expenses	6,682.		6,682.	
25 Total functional expenses. Add lines 1 through 24e	10,915,748.	10,065,502.	850,246.	0.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

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

Part X Balance SheetCheck if Schedule O contains a response or note to any line in this Part X ☐

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	714,384.	1	581,738.
	2 Savings and temporary cash investments	946,252.	2	982,751.
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	1,494,912.	4	1,809,231.
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instr). Complete Part II of Sch L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use	203,637.	8	163,607.
	9 Prepaid expenses and deferred charges	60,830.	9	69,108.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 5,150,960.		
	b Less: accumulated depreciation	10b 3,059,469.	10c	2,091,491.
	11 Investments - publicly traded securities		11	
	12 Investments - other securities. See Part IV, line 11		12	
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11		15	
16 Total assets. Add lines 1 through 15 (must equal line 34)	5,065,910.	16	5,697,926.	
Liabilities	17 Accounts payable and accrued expenses	634,074.	17	792,472.
	18 Grants payable		18	
	19 Deferred revenue	0.	19	90,636.
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D	17,266.	21	12,144.
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties	317,480.	23	526,323.
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D		25	
	26 Total liabilities. Add lines 17 through 25	968,820.	26	1,421,575.
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	3,751,349.	27	3,942,501.
	28 Temporarily restricted net assets	345,741.	28	333,850.
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances	4,097,090.	33	4,276,351.
	34 Total liabilities and net assets/fund balances	5,065,910.	34	5,697,926.

Part XI Reconciliation of Net AssetsCheck if Schedule O contains a response or note to any line in this Part XI ☐

1	Total revenue (must equal Part VIII, column (A), line 12)	1	11,095,009.
2	Total expenses (must equal Part IX, column (A), line 25)	2	10,915,748.
3	Revenue less expenses. Subtract line 2 from line 1	3	179,261.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	4,097,090.
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	0.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	4,276,351.

Part XII Financial Statements and ReportingCheck if Schedule O contains a response or note to any line in this Part XII ☒

	Yes	No
1 Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		X
b Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	X	
c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	X	
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		X
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits		

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 for instructions and the latest information.

OMB No. 1545-0047

2018

Open to Public
Inspection

Name of the organization

BENNETT COUNTY HOSPITAL AND NURSING HOME

Employer identification number

43-2040599

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

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

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

f Enter the number of supported organizations

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

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

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

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

Section A. Public Support

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

Section B. Total Support

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

Section C. Computation of Public Support Percentage

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

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

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

Section A. Public Support

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

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2014	(b) 2015	(c) 2016	(d) 2017	(e) 2018	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

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

Section D. Computation of Investment Income Percentage

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

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

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

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

Part IV Supporting Organizations

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

Section A. All Supporting Organizations

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

Part IV Supporting Organizations (continued)

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

Section B. Type I Supporting Organizations

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

Section C. Type II Supporting Organizations

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

Section D. All Type III Supporting Organizations

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

Section E. Type III Functionally Integrated Supporting Organizations

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

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

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

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

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

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

Schedule A (Form 990 or 990-EZ) 2018

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

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

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

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.)

CLIENT COPY

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

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

OMB No. 1545-0047

2018

Name of the organization

BENNETT COUNTY HOSPITAL AND NURSING HOME

Employer identification number

43-2040599

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 foundationCheck 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

Employer identification number

BENNETT COUNTY HOSPITAL AND NURSING HOME

43-2040599

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	HELMSLEY CHARITABLE TRUST 230 PARK AVENUE NEW YORK, NY 10169	\$ 260,825.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
2	STATE OF SOUTH DAKOTA 600 EAST CAPITOL PIERRE, SD 57501	\$ 5,097.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	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.)

Employer identification number

43-2040599

Part II

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

Name of organization

Employer identification number

BENNETT COUNTY HOSPITAL AND NURSING HOME**43-2040599****Part III**

Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of **\$1,000 or less** for the year. (Enter this info. once.) ► \$ _____

Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

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

OMB No. 1545-0047

2018

Open to Public Inspection

Name of the organization

BENNETT COUNTY HOSPITAL AND NURSING HOME

Employer identification number

43-2040599

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.

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

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

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

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

☐ Yes ☐ No

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

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

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

☐ Yes ☐ No

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

Part III

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

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

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

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

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

▶ \$

(ii) Assets included in Form 990, Part X

▶ \$

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

a Revenue included on Form 990, Part VIII, line 1

▶ \$

b Assets included in Form 990, Part X

▶ \$

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
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	1f

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

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

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

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

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a Board designated or quasi-endowment ☐ %
 b Permanent endowment ☐ %
 c Temporarily restricted endowment ☐ %

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

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

- (i) unrelated organizations
 (ii) related organizations

	Yes	No
3a(i)		
3a(ii)		
3b		

b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R? ☐

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

Part VI Land, Buildings, and Equipment.

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		44,000.		44,000.
b Buildings		1,815,505.	604,226.	1,211,279.
c Leasehold improvements				
d Equipment		3,276,784.	2,455,243.	821,541.
e Other		14,671.		14,671.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				2,091,491.

Part VII Investments - Other Securities.

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

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

Part VIII Investments - Program Related.

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

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

Part IX Other Assets.

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

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

Part X Other Liabilities.

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

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

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

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

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

1	Total revenue, gains, and other support per audited financial statements	1	9,706,894.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains (losses) on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII.)	2d	-1,388,115.
e	Add lines 2a through 2d	2e	-1,388,115.
3	Subtract line 2e from line 1	3	11,095,009.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII.)	4b	
c	Add lines 4a and 4b	4c	0.
5	Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12.)	5	11,095,009.

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

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

1	Total expenses and losses per audited financial statements	1	9,527,633.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIII.)	2d	
e	Add lines 2a through 2d	2e	0.
3	Subtract line 2e from line 1	3	9,527,633.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII.)	4b	1,388,115.
c	Add lines 4a and 4b	4c	1,388,115.
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.)	5	10,915,748.

Part XIII Supplemental Information.

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

PART IV, LINE 2B:

THE LIABILITY ACCOUNT REFLECTS AMOUNTS HELD BY THE HOSPITAL FOR NURSING HOME RESIDENTS TO USE FOR PERSONAL EXPENSES.

PART X, LINE 2:

AS OF DECEMBER 31, 2018, THE HOSPITAL HAD NO UNCERTAIN TAX POSITIONS THAT QUALIFY FOR EITHER RECOGNITION OR DISCLOSURE IN THE FINANCIAL STATEMENTS. THE HOSPITAL'S INCOME TAX FILINGS ARE SUBJECT TO AUDIT BY VARIOUS TAXING AUTHORITIES. THE HOSPITAL IS NO LONGER SUBJECT TO FEDERAL AND STATE INCOME TAX EXAMINATIONS BY TAXING AUTHORITIES FOR YEARS BEFORE 2015. MANAGEMENT CONTINUALLY EVALUATES EXPIRING STATUTES OF LIMITATION, AUDITS, PROPOSED SETTLEMENTS, CHANGES IN TAX LAW AND NEW AUTHORITATIVE RULINGS. THE

Part XIII Supplemental Information *(continued)*

HOSPITAL BELIEVES THEIR ESTIMATES ARE APPROPRIATE BASED ON CURRENT FACTS
AND CIRCUMSTANCES. INTEREST AND PENALTIES ASSESSED BY INCOME TAXING
AUTHORITIES, IF ANY, ARE INCLUDED IN INTEREST EXPENSE.

PART XI, LINE 2D - OTHER ADJUSTMENTS:

PROVISION FOR BAD DEBTS -1,388,113.

ROUNDING VARIANCE -2.

TOTAL TO SCHEDULE D, PART XI, LINE 2D -1,388,115.

PART XII, LINE 4B - OTHER ADJUSTMENTS:

PROVISION FOR BAD DEBTS 1,388,113.

ROUNDING VARIANCE 2.

TOTAL TO SCHEDULE D, PART XII, LINE 4B 1,388,115.

**SCHEDULE H
(Form 990)**

Department of the Treasury
Internal Revenue Service

Hospitals

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

OMB No. 1545-0047

2018

**Open to Public
Inspection**

Name of the organization

BENNETT COUNTY HOSPITAL AND NURSING HOME

Employer identification number

43-2040599

Part I Financial Assistance and Certain Other Community Benefits at Cost

- 1a** Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a
- b** If "Yes," was it a written policy?
- 2** If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year.
☒ Applied uniformly to all hospital facilities ☐ Applied uniformly to most hospital facilities
☐ Generally tailored to individual hospital facilities
- 3** Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year.
- a** Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing *free* care?
If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care:
☒ 100% ☐ 150% ☐ 200% ☐ Other _____ %
- b** Did the organization use FPG as a factor in determining eligibility for providing *discounted* care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care:
☐ 200% ☐ 250% ☐ 300% ☐ 350% ☐ 400% ☒ Other 180 %
- c** If the organization used factors other than FPG in determining eligibility, describe in Part VI the criteria used for determining eligibility for free or discounted care. Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care.
- 4** Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?
- 5a** Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?
- b** If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?
- c** If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?
- 6a** Did the organization prepare a community benefit report during the tax year?
- b** If "Yes," did the organization make it available to the public?

	Yes	No
1a	<input checked="" type="checkbox"/>	
1b	<input checked="" type="checkbox"/>	
2		
3a	<input checked="" type="checkbox"/>	
3b	<input checked="" type="checkbox"/>	
4	<input checked="" type="checkbox"/>	
5a	<input checked="" type="checkbox"/>	
5b	<input checked="" type="checkbox"/>	
5c		<input checked="" type="checkbox"/>
6a		<input checked="" type="checkbox"/>
6b		

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

7 Financial Assistance and Certain Other Community Benefits at Cost

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
Financial Assistance and Means-Tested Government Programs						
a Financial Assistance at cost (from Worksheet 1)			79,289.		79,289.	.83%
b Medicaid (from Worksheet 3, column a)			2871153.	2496460.	374,693.	3.93%
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d Total. Financial Assistance and Means-Tested Government Programs			2950442.	2496460.	453,982.	4.76%
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)						
f Health professions education (from Worksheet 5)						
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)						
j Total. Other Benefits						
k Total. Add lines 7d and 7j			2950442.	2496460.	453,982.	4.76%

Part V	Facility Information
---------------	-----------------------------

Section A. Hospital Facilities

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

How many hospital facilities did the organization operate during the tax year? **1**

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

[illegible]

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 BENNETT COUNTY HOSPITAL

Line number of hospital facility, or line numbers of hospital

facilities in a facility reporting group (from Part V, Section A): 1

	Yes	No
Community Health Needs Assessment		
1 Was the hospital facility first licensed, registered, or similarly recognized by a state as a hospital facility in the current tax year or the immediately preceding tax year?		X
2 Was the hospital facility acquired or placed into service as a tax-exempt hospital in the current tax year or the immediately preceding tax year? If "Yes," provide details of the acquisition in Section C		X
3 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 12	X	
If "Yes," indicate what the CHNA report describes (check all that apply):		
a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
b <input checked="" type="checkbox"/> Demographics of the community		
c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d <input checked="" type="checkbox"/> How data was obtained		
e <input checked="" type="checkbox"/> The significant health needs of the community		
f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
i <input type="checkbox"/> The impact of any actions taken to address the significant health needs identified in the hospital facility's prior CHNA(s)		
j <input type="checkbox"/> Other (describe in Section C)		
4 Indicate the tax year the hospital facility last conducted a CHNA: 20 <u>18</u>		
5 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	X	
6a Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C		X
6b Was the hospital facility's CHNA conducted with one or more organizations other than hospital facilities? If "Yes," list the other organizations in Section C		X
7 Did the hospital facility make its CHNA report widely available to the public?	X	
If "Yes," indicate how the CHNA report was made widely available (check all that apply):		
a <input checked="" type="checkbox"/> Hospital facility's website (list url): <u>WWW.BENNETTCOUNTYHOSPITAL.COM</u>		
b <input type="checkbox"/> Other website (list url):		
c <input checked="" type="checkbox"/> Made a paper copy available for public inspection without charge at the hospital facility		
d <input type="checkbox"/> Other (describe in Section C)		
8 Did the hospital facility adopt an implementation strategy to meet the significant community health needs identified through its most recently conducted CHNA? If "No," skip to line 11	X	
9 Indicate the tax year the hospital facility last adopted an implementation strategy: 20 <u>16</u>		
10 Is the hospital facility's most recently adopted implementation strategy posted on a website?	X	
a If "Yes," (list url): <u>WWW.BENNETTCOUNTYHOSPITAL.COM</u>		
b If "No," is the hospital facility's most recently adopted implementation strategy attached to this return?		
11 Describe in Section C how the hospital facility is addressing the significant needs identified in its most recently conducted CHNA and any such needs that are not being addressed together with the reasons why such needs are not being addressed.		
12a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?		X
b If "Yes" to line 12a, did the organization file Form 4720 to report the section 4959 excise tax?		
c If "Yes" to line 12b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$		

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

	Yes	No
Did the hospital facility have in place during the tax year a written financial assistance policy that:		
13 Explained eligibility criteria for financial assistance, and whether such assistance included free or discounted care?	13 X	
If "Yes," indicate the eligibility criteria explained in the FAP:		
a <input checked="" type="checkbox"/> Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of <u>100</u> % and FPG family income limit for eligibility for discounted care of <u>180</u> %		
b <input checked="" type="checkbox"/> Income level other than FPG (describe in Section C)		
c <input checked="" type="checkbox"/> Asset level		
d <input checked="" type="checkbox"/> Medical indigency		
e <input checked="" type="checkbox"/> Insurance status		
f <input checked="" type="checkbox"/> Underinsurance status		
g <input type="checkbox"/> Residency		
h <input type="checkbox"/> Other (describe in Section C)		
14 Explained the basis for calculating amounts charged to patients?	14 X	
15 Explained the method for applying for financial assistance?	15 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 type="checkbox"/> Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications		
e <input type="checkbox"/> Other (describe in Section C)		
16 Was widely publicized within the community served by the hospital facility?	16 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>WWW.BENNETTCOUNTYHOSPITAL.COM</u>		
b <input type="checkbox"/> The FAP application form was widely available on a website (list url): _____		
c <input type="checkbox"/> A plain language summary of the FAP was widely available on a website (list url): _____		
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)		

Schedule H (Form 990) 2018

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

	Yes	No	
17 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained all of the actions the hospital facility or other authorized party may take upon nonpayment?	17	X	
18 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP:			
a <input type="checkbox"/> Reporting to credit agency(ies)			
b <input type="checkbox"/> Selling an individual's debt to another party			
c <input type="checkbox"/> Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP			
d <input type="checkbox"/> Actions that require a legal or judicial process			
e <input type="checkbox"/> Other similar actions (describe in Section C)			
f <input checked="" type="checkbox"/> None of these actions or other similar actions were permitted			
19 Did the hospital facility or other authorized party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP?	19		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)			
20 Indicate which efforts the hospital facility or other authorized party made before initiating any of the actions listed (whether or not checked) in line 19 (check all that apply):			
a <input 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 checked="" type="checkbox"/> Other (describe in Section C)			
f <input type="checkbox"/> None of these efforts were made			
Policy Relating to Emergency Medical Care			
21 Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that required the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?	21	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)			

Schedule H (Form 990) 2018

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 BENNETT COUNTY HOSPITAL**22** Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care.

- a** ☒ The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service during a prior 12-month period
- b** ☐ The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period
- c** ☐ The hospital facility used a look-back method based on claims allowed by Medicaid, either alone or in combination with Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period
- d** ☐ The hospital facility used a prospective Medicare or Medicaid method

23 During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care?

If "Yes," explain in Section C.

24 During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual?

If "Yes," explain in Section C.

	Yes	No
23		X
24		X

Schedule H (Form 990) 2018

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.

BENNETT COUNTY HOSPITAL:

PART V, SECTION B, LINE 5: THE HOSPITAL IS AN ACTIVE PARTICIPANT IN NATIONWIDE QUALITY IMPROVEMENT PROJECTS THROUGH SOUTH DAKOTA FOUNDATION FOR MEDICAL CARE THE QIO FOR MEDICARE AND MEDICAID PROGRAMS IN SOUTH DAKOTA. THE HOSPITAL ALSO USED INFORMATION FROM THE CENTERS FOR DISEASE CONTROL AND PREVENTION AND THE NATIONAL CENTER FOR CHRONIC DISEASE PREVENTION AND HEALTH PROMOTION. THESE SOURCES WERE COMPARED TO GOALS ESTABLISHED BY THE SURGEON GENERAL IN "HEALTHY PEOPLE 2010 (HP2010)" AND THE TARGET POPULATION OF BENNETT COUNTY HOSPITAL.

BENNETT COUNTY HOSPITAL:

PART V, SECTION B, LINE 11: SUSTAINABILITY OF BENNETT COUNTY HEALTH CARE (HOSPITAL AND NURSING HOME) WILL BE INFLUENCED BY THE FOLLOWING GOALS AND MEASURES IMPLEMENTED:

1. TO KEEP THE ORGANIZATION MOVING BY CASH FLOWING TO ENSURE ACCESS TO EMERGENCY, ACUTE, SKILLED SWING BED, HOME HEALTH AND LONG TERM CARE FOR THE COUNTY AND RESERVATION AREAS.
2. A CPA FIRM HAS BEEN INVOLVED TO ENSURE COST ACCOUNTING IS MAXIMIZED FOR ORGANIZATIONAL DIRECTION.
3. A CONSULTANT TO ASSIST WITH LONG TERM CARE BUDGETING, AND OPERATIONAL ASSISTANCE CONTINUES TO BE ENGAGED TO IMPROVE OPERATIONAL SUCCESS.
4. SUCCESSFUL OPENING AND OPERATION OF ON-SITE RURAL HEALTH CLINIC
5. THE ORGANIZATION HAS IMPLEMENTED AN ELECTRONIC HEALTH RECORD SYSTEM AND MUST CONTINUE TO MEET THE REQUIREMENTS AND DEADLINES PROPOSED BY THE CENTER FOR MEDICARE SERVICES TO MAXIMIZE QUALITY CARE AND FINANCIAL

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.

REIMBURSEMENT.

6. THE HOSPITAL IS ASSESSING THE NEED AND SUSTAINABILITY OF EMPLOYING A PHYSICIAN TO FUNCTION SPECIFICALLY ON THE BCHC TEAM.

7. THE FACILITY CONTINUES TO FACE WORK FORCE CHALLENGES.

8. THE HOSPITAL COMPLETED THE HEN PROJECT WITH THE QIO AND WILL PARTICIPATE IN THE NEW COLLABORATIVE HIIN.

THE TRANSPORTATION ISSUE HAS BEEN DISCUSSED WITH PRAIRIE HILLS TRANSIT IN SPEARFISH, SD AND THE PINE RIDGE INDIAN TRIBE WITH NO SUCCESSFUL OUTCOMES FROM COMMUNITY MEETINGS THAT HAVE BEEN HELD.

BENNETT COUNTY HOSPITAL:

PART V, SECTION B, LINE 20E: THE POLICY IS POSTED IN EMERGENCY ROOMS, WAITING ROOMS, AND IN THE ADMISSION OFFICE IN AN EFFORT TO COMMUNICATE WITH POLICY TO PATIENTS AT THE TIME OF SERVICE.

Part VI Supplemental Information

Provide the following information.

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

PART I, LINE 7:

COSTING METHOD IS RATIO OF PATIENT COST TO CHARGES AS DETERMINED WITH
WORKSHEET 2 IN THE INSTRUCTIONS FOR SCHEDULE H.

PART I, LINE 7, COLUMN (F):

THE BAD DEBT EXPENSE INCLUDED ON FORM 990, PART IX, LINE 25(A),
BUT SUBTRACTED FOR PURPOSES OF CALCULATING THE PERCENTAGE IN
THIS COLUMN IS \$ 1,388,113.

PART II, COMMUNITY BUILDING ACTIVITIES:

THE HOSPITAL CURRENTLY DOES NOT ENGAGE IN ANY COMMUNITY BUILDING
ACTIVITIES.

PART III, LINE 2:

BENNETT COUNTY HOSPITAL ANALYZES ITS PAST HISTORY AND IDENTIFIES TRENDS
FOR EACH OF ITS MAJOR PAYOR SOURCES OF REVENUE TO ESTIMATE THE APPROPRIATE
BAD DEBT EXPENSE.

Part VI Supplemental Information (Continuation)

PART III, LINE 4:

PATIENT AND RESIDENT RECEIVABLES ARE UNCOLLATERALIZED PATIENT, RESIDENT, AND THIRD-PARTY PAYOR OBLIGATIONS. PAYMENTS OF PATIENT AND RESIDENT RECEIVABLES ARE ALLOCATED TO THE SPECIFIC CLAIMS IDENTIFIED ON THE REMITTANCE ADVICE OR, IF UNSPECIFIED, ARE APPLIED TO THE EARLIEST UNPAID CLAIM.

PATIENT AND RESIDENT RECEIVABLES ARE REDUCED BY AN ALLOWANCE FOR DOUBTFUL ACCOUNTS. IN EVALUATING THE COLLECTIBILITY OF ACCOUNTS RECEIVABLE, THE HOSPITAL ANALYZES ITS PAST HISTORY AND IDENTIFIES TRENDS FOR EACH OF ITS MAJOR PAYOR SOURCES OF REVENUE TO ESTIMATE THE APPROPRIATE ALLOWANCE FOR DOUBTFUL ACCOUNTS AND PROVISION FOR BAD DEBTS. MANAGEMENT REGULARLY REVIEWS DATA ABOUT THESE MAJOR PAYOR SOURCES OF REVENUE IN EVALUATING THE SUFFICIENCY OF THE ALLOWANCE FOR DOUBTFUL ACCOUNTS.

PART III, LINE 8:

MEDICARE ALLOWABLE COSTS ARE DETERMINED DIRECTLY FROM MEDICARE COST REPORT USING METHODOLOGIES PRESCRIBED BY MEDICARE.

PART III, LINE 9B:

THE FINANCIAL ASSISTANCE POLICY IS PROVIDED TO PATIENTS PRIOR TO COLLECTION PRACTICES BEING PERFORMED.

PART VI, LINE 2:

AN OUTSIDE CONSULTANT CAME TO THE FACILITY AND PERFORMED AN ENVIRONMENTAL SCAN. THIS CONSISTED OF A MEETING WITH THE BENNETT COUNTY HOSPITAL EXECUTIVE TEAM AND MEMBERS OF OUR COMMUNITY. WE INVITED FIFTEEN BUSINESS OWNERS AND PROMINENT MEMBERS OF THE COMMUNITY TO A STRATEGIC PLANNING

Part VI Supplemental Information (Continuation)

MEETING. THIS LISTENING OPPORTUNITY ASSISTED IN MAKING RECOMMENDATIONS TO OUR BOARD OF DIRECTORS IN THE CONTINUED PLANNING AND DIRECTION TO DEVELOP SHORT AND LONG TERM VISION OF HEALTHCARE FOR THE REGION. IN ADDITION SURVEYS WERE SENT OUT TO VARIOUS MEMBERS OF THE COMMUNITY WITH A 50% RETURN RATE. IN THE SUMMER OF 2013, THE HOSPITAL HIRED A CONSULTANT TO HELP WITH STRATEGIC PLANNING. DURING THIS PLANNING SESSION WITH THE BOARD AND KEY MANAGEMENT, CONSIDERATION WAS GIVEN TO COMMUNITY NEEDS.

PART VI, LINE 3:

WE HAVE POSTED OUR CHARITY CARE POLICY ON OUR WEB SITE, WWW.BENNETTCOUNTYHOSPITAL.COM. OUR BILLING STAFF IN THE FACILITY INFORM PATIENTS OF OUR FINANCIAL ASSISTANCE PROGRAM WHEN PATIENTS ARE HAVING DIFFICULTIES IN PAYING FOR THEIR HEALTHCARE. IN ADDITION, WE HAVE POSTED THE POLICY IN NUMEROUS LOCATIONS WITHIN THE FACILITY.

PART VI, LINE 4:

MARTIN IS A COMMUNITY WITH A POPULATION OF APPROXIMATELY 1,100, WITHIN BENNETT COUNTY. THE LOCAL ECONOMY IS LARGELY AGRICULTURALLY BASED. OUR FACILITY IS THE SOLE HOSPITAL FOR BENNETT COUNTY, WHICH HAS A POPULATION OF APPROXIMATELY 3,600. BENNETT COUNTY IS SITUATED BETWEEN THE PINE RIDGE AND ROSEBUD INDIAN RESERVATION. BECAUSE OF THIS PROXIMITY, APPROXIMATELY 56% OF THE POPULATION IS NATIVE AMERICAN. ON AVERAGE, APPROXIMATELY 88% OF OUR FACILITY PATIENTS ARE NATIVE AMERICAN. ALTHOUGH PRIMARILY SERVED BY THE INDIAN HEALTH SERVICE (IHS), NATIVE AMERICANS WITHIN MARTIN UTILIZE OUR FACILITY. IN MANY SITUATIONS, OUR FACILITY DOES NOT GET REIMBURSED BY IHS FOR THE CARE PROVIDED TO THEIR BENEFICIARIES. THIS IS A TREMENDOUS FINANCIAL BURDEN IMPOSED UPON US, IN ADDITION TO SERVING OTHER COMMUNITY MEMBERS WHO MAY REQUIRE FINANCIAL ASSISTANCE. IN ADDITION, BENNETT COUNTY

Part VI Supplemental Information (Continuation)

AND IT'S NEIGHBORING COUNTY (TODD) ARE THE 25TH AND 5TH, RESPECTIVELY,
POOREST COUNTIES IN THE UNITED STATES. 34.9% OF THE BENNETT COUNTY
POPULATION HAS AN INCOME LEVEL BELOW 100% OF THE FEDERAL POVERTY LEVEL.

PART VI, LINE 5:

OUR BOARD OF DIRECTORS CONSISTS OF COMMUNITY MEMBERS WHO ARE ACCESSIBLE TO
COMMUNITY MEMBERS FOR INPUT INTO SERVICES PROVIDED. EACH YEAR, WE PROVIDE
A HEALTH FAIR FOR COMMUNITY MEMBERS. VARIOUS HEALTH INFORMATION TOPICS ARE
PROVIDED TO THE COMMUNITY.

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

SD

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

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

OMB No. 1545-0047

2018

Open to Public
Inspection

Name of the organization

BENNETT COUNTY HOSPITAL AND NURSING HOME

Employer identification number

43-2040599

Part I Questions Regarding Compensation

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

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

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

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

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

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

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

a Receive a severance payment or change-of-control payment?

b Participate in, or receive payment from, a supplemental nonqualified retirement plan?

c Participate in, or receive payment from, an equity-based compensation arrangement?

If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

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

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

a The organization?

b Any related organization?

If "Yes" on line 5a or 5b, describe in Part III.

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

a The organization?

b Any related organization?

If "Yes" on line 6a or 6b, describe in Part III.

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

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

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

Yes No

1b		
2		
4a		X
4b		X
4c		X
5a		X
5b		X
6a		X
6b		X
7		X
8		X
9		

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

Schedule J (Form 990) 2018

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

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

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) JASON BUSTIN	(i)	237,935.	0.	0.	0.	7,521.	245,456.	0.
PHYSICIAN'S ASSISTANT	(ii)	0.	0.	0.	0.	0.	0.	0.
(2) HANNAH BROWN	(i)	241,412.	0.	0.	0.	7,455.	248,867.	0.
PHYSICIAN'S ASSISTANT	(ii)	0.	0.	0.	0.	0.	0.	0.
(3) CATHY CHILDRESS	(i)	315,076.	0.	0.	0.	7,521.	322,597.	0.
PHYSICIAN'S ASSISTANT	(ii)	0.	0.	0.	0.	0.	0.	0.
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
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	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

CLIENT COPY

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

▶ Attach to Form 990 or 990-EZ.

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

OMB No. 1545-0047

2018

Open to Public
Inspection

Name of the organization

BENNETT COUNTY HOSPITAL AND NURSING HOME

Employer identification number

43-2040599

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

THE FORM 990 IS REVIEWED BY MANAGEMENT AS PREPARED BY A CPA. A COPY OF THE
FILED 990 IS PROVIDED TO THE BOARD.

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

THE ORGANIZATION REQUIRES OFFICERS AND BOARD MEMBERS TO DISCLOSE POTENTIAL
CONFLICTS OF INTEREST ANNUALLY. POTENTIAL CONFLICTS ARE MONITORED BY THE
BUSINESS OFFICE THROUGHOUT THE YEAR AND BROUGHT TO THE ATTENTION OF THE
BOARD AS NECESSARY.

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

COMPENSATION FOR THE ADMINISTRATOR IS DETERMINED BY THE BOARD OF DIRECTORS.
DATA FROM THE SOUTH DAKOTA ASSOCIATION OF HEALTHCARE ORGANIZATIONS IS USED
TO DETERMINE REASONABLE COMPENSATION FOR THE ADMINISTRATOR. ALL OTHER
EMPLOYEE COMPENSATION IS DETERMINED BY THE ADMINISTRATOR. COMPARABILITY
DATA FROM THE SOUTH DAKOTA ASSOCIATION OF HEALTHCARE ORGANIZATIONS IS USED.

FORM 990, PART VI, SECTION C, LINE 19:

THE HOSPITAL MAKES GOVERNING DOCUMENTS, THE CONFLICT OF INTEREST POLICY,
AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC UPON REQUEST.

FORM 990 PART XI LINE 2C

THE ORGANIZATION HAS NOT CHANGED THE PROCESS FOR THE SELECTION OF AN
INDEPENDENT AUDITOR OR OVERSIGHT OF THE INDEPENDENT AUDITOR BY THE
BOARD OF DIRECTORS.

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

OMB No. 1545-1709

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

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

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

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

Type or print	Enter filer's identifying number	
	Name of exempt organization or other filer, see instructions. BENNETT COUNTY HOSPITAL AND NURSING HOME	Employer identification number (EIN) or 43-2040599
Number, street, and room or suite no. If a P.O. box, see instructions. C/O CP - 909 ST JOSEPH ST STE 101	Social security number (SSN)	
City, town or post office, state, and ZIP code. For a foreign address, see instructions. RAPID CITY, SD 57701		

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

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

THE ORGANIZATION

- The books are in the care of ► **102 MAJOR ALLEN, P O BOX 70D - MARTIN, SD 57551**
Telephone No. ► **605-685-6622** Fax No. ► _____
- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box ☐. If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension is for.

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

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

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

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

Electronic Filing PDF Attachment

BENNETT COUNTY HOSPITAL AND NURSING HOME
Martin, South Dakota

FINANCIAL STATEMENTS
and
INDEPENDENT AUDITORS' REPORT

For the Years Ended December 31, 2018 and 2017

BENNETT COUNTY HOSPITAL AND NURSING HOME
Martin, South Dakota

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Independent Auditors' Report

To the Board of Directors
Bennett County Hospital and Nursing Home
Martin, South Dakota

We have audited the accompanying financial statements of Bennett County Hospital and Nursing Home (a nonprofit organization), which comprise the balance sheets as of December 31, 2018 and 2017, and the related statements of operations, functional expenses 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.

Auditors' 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 of 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.

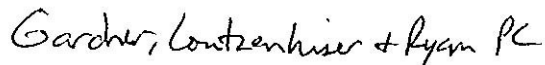
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bennett County Hospital and Nursing Home as of December 31, 2018 and 2017, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying financial information on pages 23-25 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Chadron, Nebraska
August 22, 2019

BENNETT COUNTY HOSPITAL AND NURSING HOME**Martin, South Dakota****BALANCE SHEETS****December 31, 2018 and 2017**

	<u>2018</u>	<u>2017</u>
Assets		
Current assets		
Cash and cash equivalents	\$ 823,175	\$ 949,437
Patient and resident accounts receivable, net of allowances for uncollectible accounts of \$1,088,884 and \$700,490	1,430,691	1,254,317
Supplies	163,608	203,637
Prepaid expenses	69,108	60,830
Estimated third-party payor settlements	<u>378,540</u>	<u>240,595</u>
Total current assets	\$ 2,865,122	\$ 2,708,816
Assets whose use is limited	741,313	711,199
Property and equipment, net	<u>2,091,491</u>	<u>1,645,895</u>
Total assets	<u><u>\$ 5,697,926</u></u>	<u><u>\$ 5,065,910</u></u>
Liabilities and net assets		
Current liabilities		
Current maturities of long-term debt	\$ 238,191	\$ 127,301
Accounts payable	437,238	322,056
Accrued salaries and wages	347,377	303,551
Accrued payroll taxes and other	7,858	8,467
Deferred revenue	90,636	-
Amounts held for others	<u>12,144</u>	<u>17,266</u>
Total current liabilities	\$ 1,133,444	\$ 778,641
Long-term debt, net of current maturities	<u>288,131</u>	<u>190,179</u>
Total liabilities	<u><u>\$ 1,421,575</u></u>	<u><u>\$ 968,820</u></u>
Net assets		
Without donor restrictions	\$ 3,942,501	\$ 3,751,349
With donor restrictions	<u>333,850</u>	<u>345,741</u>
Total net assets	<u><u>\$ 4,276,351</u></u>	<u><u>\$ 4,097,090</u></u>
Total liabilities and net assets	<u><u>\$ 5,697,926</u></u>	<u><u>\$ 5,065,910</u></u>

See accompanying independent auditors' report
and notes to the financial statements.

BENNETT COUNTY HOSPITAL AND NURSING HOME**Martin, South Dakota****STATEMENTS OF OPERATIONS****For the Year Ended December 31, 2018**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Unrestricted revenues, gains and other support			
Net patient and resident service revenue	\$ 10,772,903	\$ -	\$ 10,772,903
Less provision for bad debts	<u>(1,415,373)</u>	<u>-</u>	<u>(1,415,373)</u>
Net patient and resident service revenue, less provision for bad debts	\$ 9,357,530	\$ -	\$ 9,357,530
Other revenue	<u>77,076</u>	<u>-</u>	<u>77,076</u>
Total unrestricted revenues, gains and other support	\$ <u>9,434,606</u>	\$ <u>-</u>	\$ <u>9,434,606</u>
Expenses			
Program expenses			
Hospital	\$ 4,833,283	\$ -	\$ 4,833,283
Rural health clinic	869,222	-	869,222
Nursing home	2,277,840	-	2,277,840
General and administrative	<u>1,547,288</u>	<u>-</u>	<u>1,547,288</u>
Total expenses	\$ <u>9,527,633</u>	\$ <u>-</u>	\$ <u>9,527,633</u>
Operating income (loss)	\$ <u>(93,027)</u>	\$ <u>-</u>	\$ <u>(93,027)</u>
Non-operating revenues (expenses)			
Grants and contributions	\$ 259,653	\$ 6,269	\$ 265,922
Interest income	<u>5,783</u>	<u>583</u>	<u>6,366</u>
Total non-operating revenues (expenses)	\$ <u>265,436</u>	\$ <u>6,852</u>	\$ <u>272,288</u>
Excess (deficiency) of revenues over expenses	\$ 172,409	\$ 6,852	\$ 179,261
Net assets released from restrictions	<u>18,743</u>	<u>(18,743)</u>	<u>-</u>
Change in net assets	\$ 191,152	\$ (11,891)	\$ 179,261
Net assets, beginning of year	<u>3,751,349</u>	<u>345,741</u>	<u>4,097,090</u>
Net assets, end of year	\$ <u><u>3,942,501</u></u>	\$ <u><u>333,850</u></u>	\$ <u><u>4,276,351</u></u>

See accompanying independent auditors' report
and notes to the financial statements.

BENNETT COUNTY HOSPITAL AND NURSING HOME**Martin, South Dakota****STATEMENTS OF OPERATIONS (CONTINUED)****For the Year Ended December 31, 2017**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Unrestricted revenues, gains and other support			
Net patient and resident service revenue	\$ 9,759,883	\$ -	\$ 9,759,883
Less provision for bad debts	<u>(1,633,312)</u>	<u>-</u>	<u>(1,633,312)</u>
Net patient and resident service revenue, less provision for bad debts	\$ 8,126,571	\$ -	\$ 8,126,571
Other revenue	<u>269,456</u>	<u>-</u>	<u>269,456</u>
Total unrestricted revenues, gains and other support	\$ <u>8,396,027</u>	\$ <u>-</u>	\$ <u>8,396,027</u>
Expenses			
Program expenses			
Hospital	\$ 4,280,450	\$ -	\$ 4,280,450
Rural health clinic	457,337	-	457,337
Nursing home	2,298,626	-	2,298,626
General and administrative	<u>1,404,962</u>	<u>-</u>	<u>1,404,962</u>
Total expenses	\$ <u>8,441,375</u>	\$ <u>-</u>	\$ <u>8,441,375</u>
Operating income (loss)	\$ <u>(45,348)</u>	\$ <u>-</u>	\$ <u>(45,348)</u>
Non-operating revenues (expenses)			
Grants and contributions	\$ 5,000	\$ 8,033	\$ 13,033
Interest income	4,456	394	4,850
Gain (loss) on disposal of assets	<u>76,272</u>	<u>-</u>	<u>76,272</u>
Total non-operating revenues (expenses)	\$ <u>85,728</u>	\$ <u>8,427</u>	\$ <u>94,155</u>
Excess (deficiency) of revenues over expenses	\$ 40,380	\$ 8,427	\$ 48,807
Net assets released from restrictions	<u>13,349</u>	<u>(13,349)</u>	<u>-</u>
Change in net assets	\$ 53,729	\$ (4,922)	\$ 48,807
Net assets, beginning of year	<u>3,697,620</u>	<u>350,663</u>	<u>4,048,283</u>
Net assets, end of year	\$ <u><u>3,751,349</u></u>	\$ <u><u>345,741</u></u>	\$ <u><u>4,097,090</u></u>

See accompanying independent auditors' report
and notes to the financial statements.

BENNETT COUNTY HOSPITAL AND NURSING HOME
Martin, South Dakota

STATEMENTS OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2018

	Program Services			Total Program Services	General & Administrative	Total Expenses
	Hospital	Rural Health Clinic	Nursing Home			
Expenses						
Salaries and wages	\$ 3,029,075	\$ 404,283	\$ 1,017,238	\$ 4,450,596	\$ 511,713	\$ 4,962,309
Benefits and taxes	195,825	45,485	74,534	315,844	361,312	677,156
Purchased services	775,442	126,239	54,218	955,899	276,291	1,232,190
Supplies	855,037	22,426	92,100	969,563	25,095	994,658
Equipment and vehicles	368,475	25,829	32,229	426,533	213,745	640,278
Facilities and utilities	96,783	25,453	74,498	196,734	3,508	200,242
Travel and training	114,167	1,996	7,389	123,552	24,200	147,752
Insurance	-	-	-	-	77,844	77,844
Other	145,628	4,520	15,504	165,652	19,735	185,387
Hospital overhead	(1,040,956)	171,300	869,656	-	-	-
Depreciation and amortization	279,603	41,691	40,474	361,768	33,845	395,613
Interest	14,204	-	-	14,204	-	14,204
Total expenses	\$ <u>4,833,283</u>	\$ <u>869,222</u>	\$ <u>2,277,840</u>	\$ <u>7,980,345</u>	\$ <u>1,547,288</u>	\$ <u>9,527,633</u>

See accompanying independent auditors' report
and notes to the financial statements.

BENNETT COUNTY HOSPITAL AND NURSING HOME

Martin, South Dakota

STATEMENTS OF FUNCTIONAL EXPENSES (CONTINUED)

For the Year Ended December 31, 2017

	Program Services			Total Program Services	General & Administrative	Total Expenses
	Hospital	Rural Health Clinic	Nursing Home			
Expenses						
Salaries and wages	\$ 2,795,040	\$ 217,040	\$ 1,024,140	\$ 4,036,220	\$ 497,436	\$ 4,533,656
Benefits and taxes	185,223	31,969	74,108	291,300	335,646	626,946
Purchased services	793,850	18,394	22,195	834,439	223,222	1,057,661
Supplies	662,065	13,624	110,647	786,336	22,001	808,337
Equipment and vehicles	371,178	4,129	39,938	415,245	171,506	586,751
Facilities and utilities	83,415	17,691	72,808	173,914	6,196	180,110
Travel and training	89,391	3,412	11,860	104,663	27,342	132,005
Insurance	-	-	-	-	63,898	63,898
Other	68,193	2,896	23,243	94,332	19,392	113,724
Hospital overhead	(989,298)	106,491	882,807	-	-	-
Depreciation and amortization	208,601	41,691	36,880	287,172	38,323	325,495
Interest	12,792	-	-	12,792	-	12,792
Total expenses	\$ <u>4,280,450</u>	\$ <u>457,337</u>	\$ <u>2,298,626</u>	\$ <u>7,036,413</u>	\$ <u>1,404,962</u>	\$ <u>8,441,375</u>

See accompanying independent auditors' report
and notes to the financial statements.

BENNETT COUNTY HOSPITAL AND NURSING HOME**Martin, South Dakota****STATEMENTS OF CASH FLOWS****For the Years Ended December 31, 2018 and 2017**

	<u>2018</u>	<u>2017</u>
Cash flows from operating activities:		
Change in net assets	\$ 179,261	\$ 48,807
Adjustments to reconcile change in net assets to cash provided (used) by operating activities:		
Depreciation	395,613	325,495
Gain on sale of assets	-	(76,272)
(Increase) decrease in current assets:		
Patient and resident accounts receivable	(176,374)	(94,748)
Supplies	40,029	(15,536)
Prepaid expenses	(8,278)	451
Estimated third-party payor settlements	(137,945)	(161,805)
Increase (decrease) in current liabilities:		
Accounts payable	115,182	99,072
Accrued expenses	43,217	(21,941)
Deferred revenue	90,636	(230,982)
Amounts held for others	<u>(5,122)</u>	<u>(3,895)</u>
Net cash flows provided by (used) in operating activities	\$ <u>536,219</u>	\$ <u>(131,354)</u>
Cash flows from investing activities:		
Proceeds from the sale of assets	\$ -	\$ 78,905
Purchase of property and equipment	(841,209)	(416,021)
(Increase) decrease in assets whose use is limited	<u>(30,114)</u>	<u>246,312</u>
Net cash flows provided by (used) in investing activities	\$ <u>(871,323)</u>	\$ <u>(90,804)</u>
Cash flows from financing activities:		
Proceeds from financing	\$ 549,636	\$ 29,000
Payments on long-term debt	<u>(340,794)</u>	<u>(131,855)</u>
Net cash flows provided by (used) in financing activities	\$ <u>208,842</u>	\$ <u>(102,855)</u>
Net increase (decrease) in cash and cash equivalents	\$ (126,262)	\$ (325,013)
Cash and cash equivalents, beginning of year	<u>949,437</u>	<u>1,274,450</u>
Cash and cash equivalents, end of year	\$ <u><u>823,175</u></u>	\$ <u><u>949,437</u></u>
Supplemental disclosure of cash flow information:		
Interest paid	\$ <u><u>14,204</u></u>	\$ <u><u>12,792</u></u>

See accompanying independent auditors' report
and notes to the financial statements.

BENNETT COUNTY HOSPITAL AND NURSING HOME
Martin, South Dakota

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2018 and 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies of the Bennett County Hospital and Nursing Home (Hospital). These policies are in accordance with accounting principles generally accepted in the United States of America.

Reporting Entity - Bennett County Hospital and Nursing Home (the Hospital) operates a 14-bed hospital and a 48-bed nursing home. The Hospital began operating a Rural Health Clinic in 2016. The Hospital is organized as a South Dakota nonprofit corporation as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal income taxes on related income pursuant to Section 501(a) of the Code.

Program Services – The Organization is a licensed 14-bed hospital, consisting of 7 semi-private rooms, that houses a three-bed emergency department, rural health clinic, inpatient pharmacy, home health agency, therapies, ambulance services and an attached 48-bed nursing home.

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 - Cash and cash equivalents include highly liquid investments with an original maturity of three months or less, excluding assets whose use is limited. The Hospital's cash accounts are maintained in commercial banks located in South Dakota. The balances in these accounts may, at times, exceed federally insured limits. The Hospital has not experienced any losses in these accounts and does not expect any losses in the future.

Patient and Resident Accounts Receivable and Allowance for Doubtful Accounts - Patient receivables are uncollateralized customer and third-party payor obligations. The Hospital does not charge interest on past due accounts. Payments on patient receivables are allocated to the specific claims identified on the remittance advice or, if unspecified, are applied to the earliest unpaid claim.

Patient and resident receivables are reduced by an allowance for doubtful accounts. In evaluating the collectability of accounts receivable, the Hospital analyzes its past history and identifies trends for each of its major payor sources of revenue to estimate the appropriate allowance for doubtful accounts and provision for bad debts. Management regularly reviews data about these major payor sources of revenue in evaluating the sufficiency of the allowance for doubtful accounts.

For receivables associated with services provided to patients who have third-party coverage, the Hospital analyzes contractually due amounts and provides an allowance for doubtful accounts and a provision for bad debts, if necessary (for example, for expected uncollectible deductibles and copayments on accounts for which the third-party payor has not yet paid, or for payors 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), the Hospital records a significant provision for bad debts in the period of service on the basis of its past experience, which indicates that many patients are unable or unwilling to pay the portion of their bill for which they are financially responsible. The difference between the standard rates (or the discounted rates if negotiated) and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for doubtful accounts.

See accompanying independent auditors' report.

BENNETT COUNTY HOSPITAL AND NURSING HOME
Martin, South Dakota

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2018 and 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Patient and Resident Accounts Receivable and Allowance for Doubtful Accounts (Continued) - The allowance for doubtful accounts for self-pay patients increased as compared to the prior year resulting in the related allowance for doubtful accounts increasing from \$700,490 at December 31, 2017 to \$1,088,884 at December 31, 2018. The Hospital does not maintain a material allowance for doubtful accounts from third-party payors, nor did it have significant write-offs from third-party payors.

Supplies - Supplies are valued at lower of cost or market using the first-in, first-out method.

Assets Whose Use is Limited - Assets limited as to use include 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. In addition, assets limited as to use include assets related to restricted contributions from donors. Net assets associated with these donor restricted net assets are presented as net assets with donor restrictions. Assets limited as to use also include assets held in a strictly custodial capacity by the Hospital. These assets are equally offset by a liability in the Balance Sheets entitled amounts held for others.

Property and Equipment - Property and equipment acquisitions in excess of \$5,000 are capitalized and recorded at cost. Depreciation is provided over the estimated useful life of each depreciable asset and is computed using the straight-line method. The estimated useful lives of property and equipment are as follows:

Land and Improvements	3-15 years
Buildings and Improvements	5-40 years
Equipment	5-20 years

Gifts of long-lived assets such as land, buildings or equipment are reported as additions to net assets, and are excluded from excess of expenses over revenues. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as net assets with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when donated or acquired long-lived assets are placed in service.

Net Assets with donor restrictions - Net assets with donor restrictions are those whose use by the Hospital has been limited by donors to a specific time period or purpose or have been restricted by donors to be maintained by the Hospital in perpetuity.

Excess (Deficiency) of Revenues over Expenses - The Statements of Operations include excess (deficiency) 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 all sources of restricted revenue, unrealized gains and losses on investments other than trading securities, permanent transfers of assets 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 purposes of acquiring such assets and were required to be maintained for a specific period of time).

See accompanying independent auditors' report.

BENNETT COUNTY HOSPITAL AND NURSING HOME
Martin, South Dakota

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2018 and 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Charity Care - The Hospital provides care to patients who meet certain criteria under its charity care policy at amounts less than established rates or without charge. Because the Hospital does not pursue collection of amounts determined to qualify as charity care, such amounts are not reported as revenue. The Hospital maintains records to identify and monitor the level of charity care provided. The direct and indirect costs related to this care totaled \$84,673 and \$1,892 for the years ended December 31, 2018 and 2017 respectively. The Hospital computes its estimated charity care costs by applying its overall cost to charge ratio (total operating costs divided by gross patient service revenue) to the gross charges forgone under its charity care policy.

Functional Expenses – Expenses are charged directly to hospital, nursing home, rural health clinic, or general and administrative in general categories based on specific identification. Indirect expenses have been allocated based on management estimates, salary expenditures or building square footage.

Advertising - The Hospital expenses advertising costs as incurred. Advertising expense for the years ended December 31, 2018 and 2017 were \$11,585 and \$6,824, respectively.

Estimated Malpractice Costs - The provision for estimated medical malpractice claims, if any, includes estimates of the ultimate costs for both reported claims and claims incurred but not reported.

Donor-restricted Gifts - Unconditional promises to give cash and other assets to the Hospital are reported at fair value at the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received. The gifts are reported as net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the Statements of Operations as net assets released from restrictions.

Income Taxes - The Hospital accounts for uncertainty in income taxes using the provisions of Financial Accounting Standards Board (FASB) ASC 740, Income Taxes. Using that guidance, tax positions initially need to be recognized in the financial statements when it is more-likely-than-not the position will be sustained upon examination by the taxing authorities.

The Hospital is a not-for-profit corporation and has been recognized as tax exempt pursuant to Section 501(c)(3) of the Internal Revenue Code and is not a private foundation. The Hospital is not liable for income taxes if it operates within the confines of its exempt status, though the Hospital may be responsible for taxes on unrelated business activities. In the event of an examination of the income tax returns, the tax liability of the Hospital could be changed if an adjustment in the tax exempt purpose or income from unrelated business activities is ultimately determined by the taxing authorities.

See accompanying independent auditors' report.

BENNETT COUNTY HOSPITAL AND NURSING HOME
Martin, South Dakota

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2018 and 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes (Continued)

As of December 31, 2018, the Hospital had no uncertain tax positions that qualify for either recognition or disclosure in the financial statements. The Hospital's income tax filings are subject to audit by various taxing authorities. The Hospital is no longer subject to federal and state income tax examinations by taxing authorities for years before 2015. Management continually evaluates expiring statutes of limitation, audits, proposed settlements, changes in tax law and new authoritative rulings. The Hospital believes their estimates are appropriate based on current facts and circumstances. Interest and penalties assessed by income taxing authorities, if any, are included in interest expense.

New Accounting Pronouncement – On August 18, 2016, FASB issued ASU 2016-14, Not-for-Profit Entities (Topic 958) – *Presentation of Financial Statements of Not-for-Profit Entities*. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. The Hospital has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to all periods presented.

NOTE 2 – LIQUIDITY AND AVAILABILITY

	<u>2018</u>	<u>2017</u>
Financial assets available for use:		
Cash and cash equivalents	\$ 823,175	\$ 949,437
Patient and resident accounts receivable, net of allowance for uncollectible accounts	<u>1,430,691</u>	<u>1,254,317</u>
Total financial assets available for use	<u>\$ 2,253,866</u>	<u>\$ 2,203,754</u>
Less current liabilities:		
Accounts payable	\$ 437,238	\$ 322,056
Accrued salaries and wages	347,377	303,551
Accrued payroll taxes and other	7,858	8,467
Other liabilities	<u>47,478</u>	<u>24,045</u>
Total current liabilities	<u>\$ 839,951</u>	<u>\$ 658,119</u>
Total available assets	<u><u>\$ 1,413,915</u></u>	<u><u>\$ 1,545,635</u></u>

The Hospital's assets available for use consist of cash in bank and receivables expected to be collected currently. The current liabilities that are expected to be paid within 60 days of year end consist of accounts payable, accrued payroll and related taxes, and a small portion of debt.

See accompanying independent auditors' report.

BENNETT COUNTY HOSPITAL AND NURSING HOME
Martin, South Dakota

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2018 and 2017

NOTE 3 - NET PATIENT AND RESIDENT SERVICE REVENUE

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

Medicare - The Hospital is reimbursed for most inpatient and outpatient services at cost with final settlement determined after submission of annual cost reports by the Hospital, which are subject to audits thereof by the Medicare fiscal intermediary. Certain services are subject to cost limits or fee schedules. The Hospital's classification of patients under the Medicare program and the appropriateness of their admission are subject to an independent review by a peer review organization under contract with the Hospital.

Medicaid - The Hospital is designated as an Access Critical facility under South Dakota Medicaid regulations. Accordingly, the Hospital is reimbursed for most inpatient and outpatient services at cost with final settlement determined after submission of annual cost reports by the Hospital, which are subject to audits thereof by the South Dakota Department of Social Services. Interim payment methodologies may vary depending on the services being provided, but final reimbursement is based on the costs of the services provided. In addition, due to the Hospitals' Access Critical designation the South Dakota Department of Social Services is not allowed to recover overpayments based on interim rates, but is required to reimburse the Hospital for underpayments associated with providing services under the Medicaid program.

Blue Cross - Services rendered to Blue Cross subscribers are paid under a prospectively determined percentage of charges methodology.

The Nursing Home is reimbursed for resident services at established billing rates which are determined on a cost-related basis subject to certain limitations as prescribed by South Dakota Department of Social Services regulations. These rates are subject to retroactive adjustment by field audit.

See accompanying independent auditors' report.

BENNETT COUNTY HOSPITAL AND NURSING HOME

Martin, South Dakota

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2018 and 2017

NOTE 3 - NET PATIENT AND RESIDENT SERVICE REVENUE (CONTINUED)

The Hospital recognizes patient service revenue associated with services provided to patients who have third-party payor coverage on the basis of contractual rates for the services rendered. For uninsured patients that do not qualify for charity care, the Hospital recognizes revenue on the basis of its standard rates for services provided (or on the basis of discounted rates, if negotiated or provided by policy). On the basis of historical experience, a significant portion of the Hospital's uninsured patients will be unable or unwilling to pay for the services provided. Thus, the Hospital records a significant provision for bad debts related to uninsured patients in the period the services are provided. Patient service revenue, net of contractual allowances and discounts (but before the provision for bad debts), recognized from these major payor sources for the years ended December 31, 2018 and 2017 is as follows:

	<u>2018</u>	<u>2017</u>
Net patient and resident service revenue		
Gross patient and resident service revenue		
Medicare	\$ 6,375,379	\$ 5,121,143
Medicaid	5,149,997	5,376,864
Third-party	3,479,900	2,888,609
Self-pay	510,878	431,566
Charity care deductions	<u>(130,322)</u>	<u>(2,877)</u>
Gross patient service and resident service revenue (after charity care)	<u>\$ 15,385,832</u>	<u>\$ 13,815,305</u>
Contractual adjustments		
Medicare	\$ (1,707,797)	\$ (1,621,301)
Medicaid	(2,225,166)	(2,007,113)
Third-party	<u>(679,966)</u>	<u>(427,008)</u>
Total contract adjustments	<u>\$ (4,612,929)</u>	<u>\$ (4,055,422)</u>
Net patient and resident service revenue	\$ 10,772,903	\$ 9,759,883
Provision for bad debts	<u>(1,415,373)</u>	<u>(1,633,312)</u>
Net patient and resident service revenue, less provision for bad debts	<u>\$ 9,357,530</u>	<u>\$ 8,126,571</u>

See accompanying independent auditors' report.

BENNETT COUNTY HOSPITAL AND NURSING HOME
Martin, South Dakota

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2018 and 2017

NOTE 4 - ASSETS WHOSE USE IS LIMITED

The composition of assets limited as to use at December 31, 2018 and 2017, are set forth in the following table. Investments are stated at fair value.

	<u>2018</u>	<u>2017</u>
By board and donors for specific purposes		
Cash and cash equivalents	\$ 133,204	\$ 75,111
By bank for debt service		
Flex certificate of deposit	91,652	90,522
Funded depreciation		
Cash and cash equivalents	504,313	528,300
Employee activity fund		
Cash and cash equivalents	1,712	1,241
Nursing home trust funds		
Cash and cash equivalents	<u>10,432</u>	<u>16,025</u>
	<u><u>\$ 741,313</u></u>	<u><u>\$ 711,199</u></u>

Investment income on assets limited as to use was \$6,366 and \$4,850, respectively, for the years ended December 31, 2018 and 2017.

NOTE 5 - PROPERTY AND EQUIPMENT

A summary of property and equipment for the years ended December 31, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Construction in process	\$ 14,671	\$ 35,173
Land and improvements	44,000	-
Buildings and improvements	1,815,505	1,578,373
Equipment	<u>3,276,784</u>	<u>2,978,661</u>
Total property and equipment - cost	\$ 5,150,960	\$ 4,592,207
Less accumulated depreciation	<u>(3,059,469)</u>	<u>(2,946,312)</u>
Property and equipment, net	<u><u>\$ 2,091,491</u></u>	<u><u>\$ 1,645,895</u></u>

See accompanying independent auditors' report.

BENNETT COUNTY HOSPITAL AND NURSING HOME

Martin, South Dakota

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2018 and 2017

NOTE 5 - PROPERTY AND EQUIPMENT (CONTINUED)

Construction in progress at December 31, 2018 represents design fees for a future Hospital project. The project is still in the design phase and no commitments have been entered into with an architect or contractor. The construction in progress at December 31, 2017 represented a door replacement project, a pharmacy remodel project and design fees for a future Hospital project. With the exception of the design fees, the projects were completed and placed into service during the fiscal year 2018.

NOTE 6 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions were available for the following purposes, as of December 31, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Building and grounds - clinic agreement	\$ 271,198	\$ 270,629
Other hospital and nursing home restricted funds	53,873	66,346
Staff training	8,779	8,766
	<u>\$ 333,850</u>	<u>\$ 345,741</u>

NOTE 7 - FUNCTIONALIZED EXPENSES

The financial statements report contains certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include depreciation, which is allocated on a square footage basis. Expenses such as salaries and wages, benefits and taxes, purchased services, supplies, equipment and vehicles, facilities and utilities, travel and training, and other, are not allocated as they are directly identified to that program or supporting function.

See accompanying independent auditors' report.

BENNETT COUNTY HOSPITAL AND NURSING HOME
Martin, South Dakota

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2018 and 2017

NOTE 8 - LONG-TERM DEBT

Long-term debt and capital lease obligations at December 31, 2018 and 2017, consisted of the following:

	<u>2018</u>	<u>2017</u>
CT Scan lease obligation, 1.57%, interest payable monthly; principal payable monthly through December 2018, secured by equipment	\$ -	\$ 53,390
Lab Analyzer lease obligation, 2.75%, interest payable monthly; principal payable monthly through March 2023, secured by equipment	34,152	41,625
Ambulance loan obligation, 2.5%, interest payable monthly; principal payable monthly through July 2020, secured by vehicle. Loan was refinanced in January 2018. 3%, interest payable monthly; principal payable monthly through January 2021, secured by vehicles	180,156	109,741
Ultrasound lease obligation, 6.74%, interest payable monthly; principal payable monthly through December 2021, secured by equipment	65,573	84,654
Capital lease obligation, imputed interest of 1.57%, monthly payments through October 2022, secured by equipment	22,436	28,070
Lab equipment lease obligation, 3.5%, interest payable monthly; principal payable monthly through March 2023, secured by equipment	20,662	-
Pharmacy equipment lease obligation, 0%, monthly payments through October 2023, secured by equipment	42,307	-
Software purchase, 0%, monthly payments through June 2019	53,000	-
Lifepack equipment lease obligation, 4%, interest payable annually; principal payable annually through August 2020, secured by equipment	38,036	-
CT Scan lease obligation, 4.75%, interest payable monthly; principal payable monthly through December 2020, secured by equipment	<u>70,000</u>	<u>-</u>
Total obligations	\$ 526,322	\$ 317,480
Less: current maturities	<u>238,191</u>	<u>127,301</u>
Total long-term maturities	<u>\$ 288,131</u>	<u>\$ 190,179</u>

See accompanying independent auditors' report.

BENNETT COUNTY HOSPITAL AND NURSING HOME
Martin, South Dakota

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2018 and 2017

NOTE 8 - LONG-TERM DEBT (CONTINUED)

Scheduled maturities of long-term debt and capital lease obligations as of December 31, 2018 were as follows:

2019	\$ 238,191
2020	191,921
2021	58,304
2022	27,187
2023	10,719
Thereafter	<u>-</u>
Total	<u>\$ 526,322</u>

A summary of interest costs incurred during the years ended December 31, 2018 and 2017, is as follows:

	<u>2018</u>	<u>2017</u>
Interest expensed		
Interest expense - CT	\$ 420	\$ 1,327
Interest expense - Ultrasound	5,121	6,757
Interest expense - Pharmacy	3,676	-
Interest expense - Ambulance	2,773	-
Interest expense - other	<u>2,214</u>	<u>4,708</u>
Total interest expense	<u>\$ 14,204</u>	<u>\$ 12,792</u>

NOTE 9 - LEASES

Operating Lease Commitments

During the years ended December 31, 2018 and 2017, the Hospital leased equipment under various operating lease agreements. Total lease expense for each of the years ended December 31, 2018 and 2017, for all operating leases was \$17,060 and \$53,211, respectively.

See accompanying independent auditors' report.

BENNETT COUNTY HOSPITAL AND NURSING HOME
Martin, South Dakota

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2018 and 2017

NOTE 10 - CONTINGENCIES

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

The Hospital is party to two wrongful termination claims that are in appeal. The chance of an unfavorable outcome to the Hospital and amount of damages, if any, cannot be determined at this time. As discussed in Note 11, the Hospital maintains insurance coverage for these types of claims.

NOTE 11 - RISK MANAGEMENT

The Hospital is exposed to various risks of loss from torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters; and employee health, dental, and accident benefits. Commercial insurance coverage is purchased for claims arising from such matters. Settled claims have not exceeded this commercial coverage in any of the three preceding years.

NOTE 12 - ELECTRONIC HEALTH RECORD INCENTIVE

The American Recovery and Reinvestment Act of 2009 (ARRA) amended the Social Security Act to establish incentive payments under Medicare and Medicaid programs for certain hospitals and professionals that meaningful use certified Electronic Health Records (EHR) technology.

To qualify for EHR incentive payments, hospitals and physicians must meet designated EHR meaningful use criteria. In addition, hospitals must attest that they have used certified EHR technology, satisfy the meaningful use objectives, and specify the EHR reporting period. This attestation is subject to audit by the federal government or its designee. The Medicare EHR incentive payment to hospitals for each payment year is calculated as a product of (1) allowable costs as defined by the Centers for Medicare & Medicaid Services (CMS) and (2) the Medicare Share. Once the initial attestation of meaningful use is completed, critical access hospitals receive the entire Medicare EHR incentive payment for submitted allowable costs of the respective periods in a lump sum, subject to a final adjustment on the cost report. The Medicaid EHR incentive payment is based on State specific formulas. For South Dakota critical access hospitals the Medicaid EHR incentive is the product of (1) the sum of \$2,000,000 multiplied by transitional factors over a four year period and (2) the Medicaid Share.

See accompanying independent auditors' report.

BENNETT COUNTY HOSPITAL AND NURSING HOME
Martin, South Dakota

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2018 and 2017

NOTE 12 - ELECTRONIC HEALTH RECORD INCENTIVE (CONTINUED)

The Hospital recognizes EHR incentive payments as revenue when there is reasonable assurance that the Hospital will comply with the conditions attached to the incentive payments. The entire Medicare EHR incentive payment is received in a lump sum for critical access hospitals and the South Dakota Medicaid incentive payment will be received over a three year period with 40% being received in year 1 and 2 and the remaining 20% being received in year 3. However, the Hospital must annually attest to increasingly stringent meaningful use criteria to prevent paybacks of the incentive payments. Accordingly, the EHR incentive payments are first recognized as deferred revenue with the ratable recognition of revenue over a specified time period. The amount of EHR incentive payments recognized are based on management's best estimate based on meeting meaningful use requirements and those amounts are subject to change with such changes impacting the period in which they occur. The Hospital received \$707,400 in Medicaid EHR incentive payments during 2013 and another \$707,400 in 2014. These payments were originally deferred until the Hospital attested to meeting meaningful use in 2014. The Hospital did not receive Medicare EHR incentive payment during 2015, but received the remaining receivable balance of \$234,778 in 2016. The Hospital received the final Medicaid receivable balance of \$353,700 also in 2016. The Hospital began amortizing the deferred revenue for both Medicare and Medicaid over a period of three years in April 2014 when initial meaningful use was met with final amortization completed in March 2017.

NOTE 13 - TRANSACTIONS WITH RELATED PARTIES

During the years ended December 31, 2018 and 2017, the Hospital paid \$20,775 and \$26,547, respectively, to related parties for the purchase of maintenance and miscellaneous supplies.

NOTE 14 - CONCENTRATIONS OF CREDIT RISK

The Hospital grants credit without collateral to its patients and residents, most of who are insured under third-party payor agreements. The mix of receivables from third-party payors, patients and residents as of December 31, 2018 and 2017, was as follows:

	<u>2018</u>	<u>2017</u>
Medicare	17%	22%
Medicaid	8%	15%
Other	75%	63%
	<u>100%</u>	<u>100%</u>

The Hospital maintains its cash deposits in bank accounts and certificates of deposit, which, at times, may exceed federally insured limits. The Hospital maintains its cash with a high quality financial institution which the Hospital believes limits these risks.

See accompanying independent auditors' report.

BENNETT COUNTY HOSPITAL AND NURSING HOME
Martin, South Dakota

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2018 and 2017

NOTE 15 – RETIREMENT PLAN

Employees of the Organization may participate in an Internal Revenue Code section 403(b) retirement savings plan, established during 2017. The plan is funded solely by employee contributions to the plan, pursuant to a salary reduction agreement.

NOTE 16 – EMERGING ACCOUNTING STANDARDS

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which removes inconsistencies and weaknesses in revenue requirements, provides a more robust framework for addressing revenue issues, improves comparability of revenue recognition practices across entities, provides more useful information to users of financial statements through improved disclosure requirements, and simplifies the preparation of financial statements by reducing the number of requirements to which an entity must refer. The ASU outlines five steps to achieve proper revenue recognition: identify the contract with the customer, identify the performance obligations in the contract, determine the transaction price, allocate the transaction price to the performance obligations in the contract, and recognize revenue when (or as) the entity satisfies the performance obligation. This standard is effective for annual reporting periods beginning after December 15, 2018. The Organization is evaluating the impact implementation will have on the financial statements.

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)* which supersedes FASB ASC Topic 840, *Leases (Topic 840)* and provides principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. The new standard requires lessees to apply a dual approach, classifying leases as either finance or operating leases based on the principle of whether or not the lease is effectively a financed purchase by the lessee. This classification will determine whether lease expense is recognized based on an effective interest method or on a straight-line basis over the term of the lease, respectively. A lessee is also required to record a right-of-use asset and a lease liability for all leases with a term of greater than twelve months regardless of classification. If the available accounting election is made, leases with a term of twelve months or less can be accounted for similar to existing guidance for operating leases. The standard is effective for fiscal years beginning after December 15, 2019, with early adoption permitted. The Organization is evaluating the impact this standard will have on the financial statements.

NOTE 17 - SUBSEQUENT EVENTS

Subsequent events were evaluated through August 22, 2019, the date the financial statements were available to be issued.

See accompanying independent auditors' report.

BENNETT COUNTY HOSPITAL AND NURSING HOME
Martin, South Dakota

SUPPLEMENTAL INFORMATION

For the Years Ended December 31, 2018 and 2017

BENNETT COUNTY HOSPITAL AND NURSING HOME
Martin, South Dakota

SCHEDULES OF NET PATIENT AND RESIDENT SERVICE REVENUE

For the Years Ended December 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Patient and resident service revenue		
Nursing home	\$ 2,899,627	\$ 2,897,936
Emergency service	3,221,565	3,022,466
Central services and supply	58,380	29,820
Pharmacy	1,100,444	911,556
Routine	2,374,235	2,357,712
Laboratory	1,471,348	1,245,845
Ambulance	624,985	617,621
Radiology	277,593	249,477
Home health	153,044	172,931
Occupational therapy	135,689	39,793
Operating room	111,011	79,428
Swing bed	3,795	5,438
EKG	95,058	70,413
Physical therapy	503,511	404,782
Respiratory therapy	231,747	48,290
Rural health clinic	931,670	560,692
Cardiology	6,552	9,678
Cardiac rehab	-	-
CT	1,315,900	1,094,304
Charity care	<u>(130,322)</u>	<u>(2,877)</u>
Total patient and resident service revenue	\$ 15,385,832	\$ 13,815,305
Contractual and other adjustments	(4,612,929)	(4,055,422)
Provision for bad debts	<u>(1,415,373)</u>	<u>(1,633,312)</u>
Net patient and resident service revenue	<u>\$ 9,357,530</u>	<u>\$ 8,126,571</u>

See accompanying independent auditors' report.

BENNETT COUNTY HOSPITAL AND NURSING HOME
Martin, South Dakota

STATEMENT OF OPERATIONS BY DEPARTMENT

For the Year Ended December 31, 2018

	<u>Hospital</u>	<u>Rural Health Clinic</u>	<u>Nursing Home</u>
Unrestricted revenues, gains and other support			
Net patient and resident service revenue	\$ 7,542,271	\$ 827,735	\$ 2,402,897
Less provision for bad debts	<u>(1,407,112)</u>	<u>(8,261)</u>	<u>-</u>
Net patient and resident service revenue, less provision for bad debts	\$ 6,135,159	\$ 819,474	\$ 2,402,897
Other revenue	<u>77,076</u>	<u>-</u>	<u>-</u>
Total unrestricted revenues, gains and other support	\$ <u>6,212,235</u>	\$ <u>819,474</u>	\$ <u>2,402,897</u>
Expenses			
Salaries and wages	\$ 3,434,021	\$ 511,050	\$ 1,017,238
Benefits and taxes	557,137	45,485	74,534
Purchased services	1,051,733	126,239	54,218
Supplies	876,118	26,440	92,100
Equipment and vehicles	582,220	25,829	32,229
Facilities and utilities	101,255	24,489	74,498
Travel and training	138,367	1,996	7,389
Insurance	77,844	-	-
Other	165,363	4,520	15,504
Hospital overhead	(1,040,956)	171,300	869,656
Depreciation and amortization	313,448	41,691	40,474
Interest	<u>14,204</u>	<u>-</u>	<u>-</u>
Total expenses	\$ <u>6,270,754</u>	\$ <u>979,039</u>	\$ <u>2,277,840</u>
Operating income (loss)	\$ <u>(58,519)</u>	\$ <u>(159,565)</u>	\$ <u>125,057</u>
Non-operating revenues (expenses)			
Grants and contributions	\$ 259,653	\$ -	\$ -
Interest income	<u>5,783</u>	<u>-</u>	<u>-</u>
Total non-operating revenues (expenses)	\$ <u>265,436</u>	\$ <u>-</u>	\$ <u>-</u>
Excess (deficiency) of revenues over expenses	\$ 206,917	\$ (159,565)	\$ 125,057
Net asset released from restrictions	<u>18,743</u>	<u>-</u>	<u>-</u>
Change in net assets without donor restrictions	\$ <u><u>225,660</u></u>	\$ <u><u>(159,565)</u></u>	\$ <u><u>125,057</u></u>

See accompanying independent auditors' report.

BENNETT COUNTY HOSPITAL AND NURSING HOME**Martin, South Dakota****STATEMENT OF OPERATIONS BY DEPARTMENT****For the Year Ended December 31, 2017**

	<u>Hospital</u>	<u>Rural Health Clinic</u>	<u>Nursing Home</u>
Unrestricted revenues, gains and other support			
Net patient and resident service revenue	\$ 7,021,344	\$ 442,072	\$ 2,296,466
Less provision for bad debts	<u>(1,603,825)</u>	<u>(29,486)</u>	<u>-</u>
Net patient and resident service revenue, less provision for bad debts	\$ 5,417,519	\$ 412,586	\$ 2,296,466
Other revenue	<u>269,456</u>	<u>-</u>	<u>-</u>
Total unrestricted revenues, gains and other support	\$ <u>5,686,975</u>	\$ <u>412,586</u>	\$ <u>2,296,466</u>
Expenses			
Salaries and wages	\$ 3,200,013	\$ 309,503	\$ 1,024,140
Benefits and taxes	520,869	31,969	74,108
Purchased services	1,017,072	18,394	22,195
Supplies	680,983	16,707	110,647
Equipment and vehicles	542,684	4,129	39,938
Facilities and utilities	89,611	17,691	72,808
Travel and training	116,733	3,412	11,860
Insurance	63,898	-	-
Other	87,585	2,896	23,243
Hospital overhead	(989,298)	106,491	882,807
Depreciation and amortization	246,924	41,691	36,880
Interest	<u>12,792</u>	<u>-</u>	<u>-</u>
Total expenses	\$ <u>5,589,866</u>	\$ <u>552,883</u>	\$ <u>2,298,626</u>
Operating income (loss)	\$ <u>97,109</u>	\$ <u>(140,297)</u>	\$ <u>(2,160)</u>
Non-operating revenues (expenses)			
Grants and contributions	\$ 5,000	\$ -	\$ -
Interest income	4,456	-	-
Gain on disposal of assets	<u>76,272</u>	<u>-</u>	<u>-</u>
Total non-operating revenues (expenses)	\$ <u>85,728</u>	\$ <u>-</u>	\$ <u>-</u>
Excess (deficiency) of revenues over expenses	\$ 182,837	\$ (140,297)	\$ (2,160)
Net asset released from restrictions	<u>13,349</u>	<u>-</u>	<u>-</u>
Change in net assets without donor restrictions	\$ <u><u>196,186</u></u>	\$ <u><u>(140,297)</u></u>	\$ <u><u>(2,160)</u></u>

See accompanying independent auditors' report.