TAX RETURN FILING INSTRUCTIONS

** FORM 990 PUBLIC DISCLOSURE COPY **

FOR THE YEAR ENDING

SEPTEMBER 30, 2016

Prepared for	ST. LUKE'S MCCALL, LTD. 190 E. BANNOCK BOISE, ID 83712
Prepared by	DELOITTE TAX LLP 550 S. TYRON ST, SUITE 2500 CHARLOTTE, NC 28202
Amount due or refund	NOT APPLICABLE
Make check payable to	NOT APPLICABLE
Mail tax return and check (if applicable) to	NOT APPLICABLE
Return must be mailed on or before	NOT APPLICABLE
Special Instructions	THIS RETURN HAS BEEN PREPARED FOR ELECTRONIC FILING. IF YOU WISH TO HAVE IT TRANSMITTED ELECTRONICALLY TO THE IRS, PLEASE SIGN, DATE, AND RETURN FORM 8453-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.

Form **8453-EO**

Department of the Treasury
Internal Revenue Service

Exempt Organization Declaration and Signature for Electronic Filing

For calendar year 2015, or tax year beginning OCT 1, 2015, and ending SEPT 30, 20 15

For use with Forms 990, 990-EZ, 990-PF, 1120-POL, and 8868

OMB No. 1545-1879

2015

Name of exempt organization	Employer identification number
St. Luke's McCall, Ltd.	27-3311774

Part I Type of Return and Return Information (Whole Dollars Only)

Check the box for the type of return being filed with Form 8453-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 of 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-). 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 ▶ ☑	b	**Total revenue,** if any (Form 990, Part VIII, column (A), line 12) . .	1b 37,082,392
2a	Form 990-EZ check here ▶ ☐	b	**Total revenue,** if any (Form 990-EZ, line 9)	2b
3a	Form 1120-POL check here ▶ ☐	b	**Total tax** (Form 1120-POL, line 22).	3b
4a	Form 990-PF check here ▶ ☐	b	**Tax based on investment income** (Form 990-PF, Part VI, line 5)	4b
5a	Form 8868 check here ▶ ☐	b	**Balance due** (Form 8868, Part I, line 3c or Part II, line 8c) . . .	5b

Part II Declaration of Officer

6 ☐ I authorize the U.S. Treasury and its designated Financial Agent to initiate an Automated Clearing House (ACH) 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.

☐ If a copy of this return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I certify that I executed the electronic disclosure consent contained within this return allowing disclosure by the IRS of this Form 990/990-EZ/990-PF (as specifically identified in Part I above) to the selected state agency(ies).

Under penalties of perjury, I declare that I am an officer of the above named organization and that I have examined a copy of the organization's 2015 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 acknowledgement 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.

Sign Here ▶ Peter DiDo 8-3-17 ▶ Vice President- Controller

Signature of officer | Date | Title

Part III Declaration of Electronic Return Originator (ERO) and Paid Preparer (see instructions)

I declare that I have reviewed the above organization's return and that the entries on Form 8453-EO are complete and correct to the best of my knowledge. If I am only a collector, I am not responsible for reviewing the return and only declare that this form accurately reflects the data on the return. The organization officer will have signed this form before I submit the return. I will give the officer a copy of all forms and information to be filed with the IRS, and have followed all other requirements in Pub. 4163, Modernized e-File (MeF) Information for Authorized IRS *e-file* Providers for Business Returns. If I am also the Paid Preparer, under penalties of perjury I declare that I have examined the above organization's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. This Paid Preparer declaration is based on all information of which I have any knowledge.

ERO's Use Only

ERO's signature ▶ Rebecca L. Lyons | Date 8/14/17 | Check if also paid preparer ☐ | Check if self-employed ☐ | ERO's SSN or PTIN P01487105

Firm's name (or yours if self-employed), address, and ZIP code ▶ Deloitte Tax LLP, 250 East Fifth Street, Suite 1900, Cincinnati, OH 45202 | EIN 86-1065772 | Phone no. 513-784-7100

Under penalties of perjury, I declare that I have examined the above return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer is based on all information of which the preparer has any knowledge.

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self- employed	PTIN
John W. Sadoff, Jr.	John W Sadoff Jr.	8/14/2017		P00540589
Firm's name ▶ Deloitte Tax LLP			Firm's EIN ▶	86-1065772
Firm's address ▶ 550 S. Tryon St, Suite 2500 Charlotte, NC 28202			Phone no.	704-887-1500

** PUBLIC DISCLOSURE COPY **

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

▶ **Do not enter social security numbers on this form as it may be made public.**

▶ **Information about Form 990 and its instructions is at *www.irs.gov/form990.***

OMB No. 1545-0047

2015

Open to Public Inspection

A For the 2015 calendar year, or tax year beginning OCT 1, 2015 **and ending** SEP 30, 2016

B Check if applicable:
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Final return/ terminated
- ☐ Amended return
- ☐ Application pending

C Name of organization
St. Luke's McCall, Ltd.

Doing business as

Number and street (or P.O. box if mail is not delivered to street address) 190 E. Bannock

Room/suite

City or town, state or province, country, and ZIP or foreign postal code Boise, ID 83712

D Employer identification number 27-3311774

E Telephone number 208-706-9585

G Gross receipts $ 38,072,005.

F Name and address of principal officer: Kathy Moore
same as C above

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

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

H(c) Group exemption number ▶

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

J Website: ▶ www.stlukesonline.org

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

L Year of formation: 2010

M State of legal domicile: ID

Part I Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities: Provide healthcare services to the community.	
	2	Check this box ▶ ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets.	
	3	Number of voting members of the governing body (Part VI, line 1a)	17
	4	Number of independent voting members of the governing body (Part VI, line 1b)	10
	5	Total number of individuals employed in calendar year 2015 (Part V, line 2a)	0
	6	Total number of volunteers (estimate if necessary)	221
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	0.
	b	Net unrelated business taxable income from Form 990-T, line 34	0.

			Prior Year	Current Year
Revenue	8	Contributions and grants (Part VIII, line 1h)	381,206.	578,721.
	9	Program service revenue (Part VIII, line 2g)	34,466,769.	36,335,095.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	105,719.	86,860.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	4,838.	81,716.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	34,958,532.	37,082,392.
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	13,188.	11,464.
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	18,487,594.	20,383,891.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 165,516.		
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	10,512,882.	12,741,855.
	18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	29,013,664.	33,137,210.
	19	Revenue less expenses. Subtract line 18 from line 12	5,944,868.	3,945,182.

			Beginning of Current Year	End of Year
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	27,776,657.	32,932,635.
	21	Total liabilities (Part X, line 26)	1,965,728.	3,123,068.
	22	Net assets or fund balances. Subtract line 21 from line 20	25,810,929.	29,809,567.

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

▶ Peter DiDio, Vice-President, Controller
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
John W. Sadoff, Jr.				P00540589

Firm's name ▶ Deloitte Tax LLP — Firm's EIN ▶ 86-1065772

Firm's address ▶ 550 S. Tyron St, Suite 2500
Charlotte, NC 28202

Phone no. 704-887-1500

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

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission:
Improve the health of people in the communities we serve by aligning physicians and other providers to deliver integrated, patient centered, quality care.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ..... Yes X No
If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ..... Yes X No
If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses $ 24,176,174. including grants of $ 11,464.) (Revenue $ 29,109,274.)
Medical and Surgical

Services at St. Luke's McCall include a 24-hour emergency department, outpatient surgery, orthopedic surgery, general surgery, diagnostics, maternity services, inpatient physical therapy, intensive care and medical/surgical units. During fiscal year 2016, St. Luke's McCall provided patient care for 658 admissions covering 1,642 patient days. They also provided patient care associated with 19,634 outpatient visits (includes 5,868 emergency room visits).

4b (Code:) (Expenses $ 6,001,273. including grants of $) (Revenue $ 7,225,821.)
Physician Services

St. Luke's McCall has two physician clinics:

(1) Payette Lakes Medical Clinic has eight family medicine physicians, one integrative medicine physician, and six wellness therapists who collectively completed 21,467 clinic visits in fiscal year 2016.

(2) McCall Medical Clinic has two internal medicine physicians, one internal medicine P.A., one general surgeon, and one orthopedic surgeon who collectively completed 8,028 clinic visits in fiscal

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 ▶ 30,177,447.

Part IV Checklist of Required Schedules

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

Part IV Checklist of Required Schedules *(continued)*

			Yes	No
20a	Did the organization operate one or more hospital facilities? *If "Yes," complete Schedule H*	20a	X	
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	X	
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? *If "Yes," complete Schedule I, Parts I and II*	21		X
22	Did the organization report more than $5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	22		X
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	23	X	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b through 24d and complete Schedule K. If "No", go to line 25a*	24a		X
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
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? *If "Yes," complete Schedule L, Part I*	25a		X
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	25b		X
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? *If "Yes," complete Schedule L, Part II*	26		X
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? *If "Yes," complete Schedule L, Part III*	27		X
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28a		X
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28b		X
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	28c		X
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	32		X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? *If "Yes," complete Schedule R, Part I*	33	X	
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1*	34	X	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a		X
b	If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	35b		
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	36		X
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	37		X
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? **Note.** All Form 990 filers are required to complete Schedule O	38	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

					Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a	0			
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		
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	0			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?			2b		
	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		

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

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

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	1a	17		
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.				
b	Enter the number of voting members included in line 1a, above, who are independent	1b	10		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2			X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?	3			X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4			X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5			X
6	Did the organization have members or stockholders?	6		X	
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a		X	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b		X	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:				
a	The governing body?	8a		X	
b	Each committee with authority to act on behalf of the governing body?	8b		X	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*	9			X

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

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

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 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.

[X] Own website [ ] Another's website [X] Upon request [ ] 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: ▶

Peter DiDio Vice-President,Controller - 208-706-9585

190 E. Bannock, Boise, ID 83712

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

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) Mr. Mike Mooney	2.00									
Chairman	4.00	X		X				0.	0.	0.
(2) Mr. Ron Sali	2.00									
Planning Committee Chair	4.00	X						0.	0.	0.
(3) Mr. A.J. Balukoff	2.00									
Finance Committee Chair	4.00	X						0.	0.	0.
(4) Mr. George Iliff	2.00									
QSSEC Committee Chair	4.00	X						0.	0.	0.
(5) Mr. Jim Everett	2.00									
Director	4.00	X						0.	0.	0.
(6) Ms. Kami Faylor	2.00									
Director	4.00	X						0.	0.	0.
(7) Bishop Brian Thom	2.00									
Director	4.00	X						0.	0.	0.
(8) Mr. Brad Wiskirchen	2.00									
Director	4.00	X						0.	0.	0.
(9) Mr. Dean Hovdey	2.00									
Director	4.00	X						0.	0.	0.
(10) Catherine Reynolds, M.D.	2.00									
Director	42.00	X						0.	0.	0.
(11) Ms. Joy Kealey	2.00									
Director	4.00	X						0.	0.	0.
(12) Ron Jutzy, M.D.	2.00									
Director	42.00	X						0.	553,605.	23,733.
(13) Thomas R. Huntington, M.D.	2.00									
Director	42.00	X						0.	2,750.	0.
(14) Ms. Kathy Moore	2.00									
Chief Executive Officer-St	44.00	X		X				0.	599,158.	30,594.
(15) Mr. Lloyd Knight	2.00									
Director	4.00	X						0.	0.	0.
(16) Bayo Crownson, M.D.	2.00									
Director	42.00	X						0.	267,311.	28,671.
(17) Mr. Mark Robinson	2.00									
Director	0.00	X						0.	0.	0.

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(18) Mr. Jeffrey S. Taylor	2.00									
SR VP/CFO/Treasurer	50.00			X				0.	563,576.	721,926.
(19) Ms. Christine Neuhoff	2.00									
VP/Legal Affairs/Secretary	50.00			X				0.	416,920.	32,567.
(20) Mr. Mike Fenello	32.00									
Site Administrator	8.00				X			0.	232,917.	21,172.
(21) Gregory W. Irvine, M.D.	40.00									
Physician	0.00					X		0.	563,241.	31,581.
(22) John A. Kremer, M.D.	40.00									
Physician	0.00					X		0.	326,635.	20,686.
(23) Todd J. Arndt, M.D.	40.00									
Physician	0.00					X		0.	327,566.	31,962.
(24) Adam Weller, M.D.	40.00									
Physician	0.00					X		0.	280,005.	23,333.
(25) Sarah A. Curtin, M.D.	40.00									
Physician	0.00					X		0.	278,442.	30,904.
1b Sub-total ▶								0.	4,412,126.	997,129.
c Total from continuation sheets to Part VII, Section A ▶								0.	0.	0.
d Total (add lines 1b and 1c) ▶								0.	4,412,126.	997,129.

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 of reportable compensation from the organization ▶ 0

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
Southern Idaho Radiology PA, 834 Falls Ave Ste 1020D, Twin Falls, ID 83301	Imaging services	330,000.

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 of compensation from the organization ▶ 1

Part VIII Statement of Revenue

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

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512 - 514
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations	1d				
	e	Government grants (contributions)	1e	463,729.			
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	114,992.			
	g	Noncash contributions included in lines 1a-1f: $					
	h	**Total.** Add lines 1a-1f		578,721.			
Program Service Revenue			**Business Code**				
	2a	Net Patient Revenue	900099	36,236,140.	36,236,140.		
	b						
	c						
	d						
	e						
	f	All other program service revenue	900099	98,955.	98,955.		
	g	**Total.** Add lines 2a-2f		36,335,095.			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		94,334.			94,334.
	4	Income from investment of tax-exempt bond proceeds					
	5	Royalties					
			(i) Real / (ii) Personal				
	6a	Gross rents	900.				
	b	Less: rental expenses	0.				
	c	Rental income or (loss)	900.				
	d	Net rental income or (loss)		900.			900.
			(i) Securities / (ii) Other				
	7a	Gross amount from sales of assets other than inventory	981,139. / 1,000.				
	b	Less: cost or other basis and sales expenses	985,919. / 3,694.				
	c	Gain or (loss)	-4,780. / -2,694.				
	d	Net gain or (loss)		-7,474.			-7,474.
	8a	Gross income from fundraising events (not including $ _____ of contributions reported on line 1c). See Part IV, line 18	a				
	b	Less: direct expenses	b				
	c	Net income or (loss) from fundraising events					
	9a	Gross income from gaming activities. See Part IV, line 19	a				
	b	Less: direct expenses	b				
	c	Net income or (loss) from gaming activities					
	10a	Gross sales of inventory, less returns and allowances	a				
	b	Less: cost of goods sold	b				
	c	Net income or (loss) from sales of inventory					
		Miscellaneous Revenue	**Business Code**				
	11a	Cafeteria/Catering/Ven	900099	80,816.			80,816.
	b						
	c						
	d	All other revenue					
	e	**Total.** Add lines 11a-11d		80,816.			
	12	**Total revenue.** See instructions.		37,082,392.	36,335,095.	0.	168,576.

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	11,464.	11,464.		
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	311,041.		311,041.	
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	16,296,190.	14,769,367.	1,418,367.	108,456.
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	328,159.	297,823.	27,643.	2,693.
9 Other employee benefits	2,407,932.	2,397,515.	10,382.	35.
10 Payroll taxes	1,040,569.	911,113.	121,599.	7,857.
11 Fees for services (non-employees):				
a Management	763,545.	741,951.		21,594.
b Legal	47,200.		47,200.	
c Accounting				
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees	26,152.	26,152.		
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)	411,262.	405,612.	5,650.	
12 Advertising and promotion	24,144.	19,520.	499.	4,125.
13 Office expenses	312,976.	298,693.	12,415.	1,868.
14 Information technology	1,424,845.	1,424,845.		
15 Royalties				
16 Occupancy	408,085.	408,085.		
17 Travel	201,285.	140,893.	55,486.	4,906.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	1,450,860.	1,436,050.	14,810.	
23 Insurance	8,707.	8,409.	298.	
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a Supplies	3,901,130.	3,750,697.	141,509.	8,924.
b Provision for Bad Debt	2,125,292.	2,125,292.	0.	
c Repairs	851,112.	340,625.	510,487.	
d Contract Services	524,458.	524,401.	57.	
e All other expenses	260,802.	138,940.	116,804.	5,058.
25 **Total functional expenses.** Add lines 1 through 24e	33,137,210.	30,177,447.	2,794,247.	165,516.
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

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

			(A) Beginning of year		(B) End of year
Assets	1	Cash - non-interest-bearing	634,521.	1	
	2	Savings and temporary cash investments		2	
	3	Pledges and grants receivable, net		3	
	4	Accounts receivable, net	5,253,487.	4	5,770,725.
	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	826,152.	8	862,416.
	9	Prepaid expenses and deferred charges	47,361.	9	887,190.
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D — 10a: 16,576,232.			
	b	Less: accumulated depreciation — 10b: 6,245,856.	9,605,176.	10c	10,330,376.
	11	Investments - publicly traded securities	4,152,187.	11	4,264,420.
	12	Investments - other securities. See Part IV, line 11		12	
	13	Investments - program-related. See Part IV, line 11		13	
	14	Intangible assets	63,774.	14	43,091.
	15	Other assets. See Part IV, line 11	7,193,999.	15	10,774,417.
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)	27,776,657.	16	32,932,635.
Liabilities	17	Accounts payable and accrued expenses	1,234,858.	17	2,145,344.
	18	Grants payable		18	
	19	Deferred revenue		19	
	20	Tax-exempt bond liabilities		20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties		23	
	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	730,870.	25	977,724.
	26	**Total liabilities.** Add lines 17 through 25	1,965,728.	26	3,123,068.
Net Assets or Fund Balances		**Organizations that follow SFAS 117 (ASC 958), check here ▶ [X] and complete lines 27 through 29, and lines 33 and 34.**			
	27	Unrestricted net assets	25,810,929.	27	29,809,567.
	28	Temporarily restricted net assets		28	
	29	Permanently restricted net assets		29	
		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 30 through 34.			
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
	33	Total net assets or fund balances	25,810,929.	33	29,809,567.
	34	Total liabilities and net assets/fund balances	27,776,657.	34	32,932,635.

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	37,082,392.
2	Total expenses (must equal Part IX, column (A), line 25)	2	33,137,210.
3	Revenue less expenses. Subtract line 2 from line 1	3	3,945,182.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	25,810,929.
5	Net unrealized gains (losses) on investments	5	53,456.
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	29,809,567.

Part XII Financial Statements and Reporting

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

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

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

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

OMB No. 1545-0047

2015

Open to Public Inspection

Name of the organization	**Employer identification number**
St. Luke's McCall, Ltd.	27-3311774

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

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**

2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E (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 organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)

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

11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)**. See **section 509(a)(3).** Check the box in lines 11a through 11d that describes the type of supporting organization and complete lines 11e, 11f, and 11g.

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 1-9 above (see instructions))	(iv) Is the organization listed in your governing document? Yes	(iv) No	(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
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) 2011	(b) 2012	(c) 2013	(d) 2014	(e) 2015	(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) 2011	(b) 2012	(c) 2013	(d) 2014	(e) 2015	(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** ▶ ☐

Section C. Computation of Public Support Percentage

14 Public support percentage for 2015 (line 6, column (f) divided by line 11, column (f)) 14 %

15 Public support percentage from 2014 Schedule A, Part II, line 14 15 %

16a **33 1/3% support test - 2015.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

b **33 1/3% support test - 2014.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

17a **10% -facts-and-circumstances test - 2015.** 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 ▶ ☐

b **10% -facts-and-circumstances test - 2014.** 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 ▶ ☐

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

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

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2011	(b) 2012	(c) 2013	(d) 2014	(e) 2015	(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) 2011	(b) 2012	(c) 2013	(d) 2014	(e) 2015	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 **Total support.** (Add lines 9, 10c, 11, and 12.)						

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

Section C. Computation of Public Support Percentage

15 Public support percentage for 2015 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2014 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for **2015** (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from **2014** Schedule A, Part III, line 17	18	%

19a **33 1/3% support tests - 2015.** 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 - 2014.** 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 11 on Part I. If you checked 11a of Part I, complete Sections A and B. If you checked 11b of Part I, complete Sections A and C. If you checked 11c of Part I, complete Sections A, D, and E. If you checked 11d 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? *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.*	1		
2	Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? *If "Yes," explain in* ***Part VI*** *how the organization determined that the supported organization was described in section 509(a)(1) or (2).*	2		
3a	Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? *If "Yes," answer (b) and (c) below.*	3a		
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)? *If "Yes," describe in* ***Part VI*** *when and how the organization made the determination.*	3b		
c	Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? *If "Yes," explain in* ***Part VI*** *what controls the organization put in place to ensure such use.*	3c		
4a	Was any supported organization not organized in the United States ("foreign supported organization")? *If "Yes," and if you checked 11a or 11b in Part I, answer (b) and (c) below.*	4a		
b	Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? *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.*	4b		
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)? *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.*	4c		
5a	Did the organization add, substitute, or remove any supported organizations during the tax year? *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).*	5a		
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?	5b		
c	**Substitutions only.** Was the substitution the result of an event beyond the organization's control?	5c		
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? *If "Yes," provide detail in* ***Part VI.***	6		
7	Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? *If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).*	7		
8	Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? *If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).*	8		
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))? *If "Yes," provide detail in* ***Part VI.***	9a		
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? *If "Yes," provide detail in* ***Part VI.***	9b		
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? *If "Yes," provide detail in* ***Part VI.***	9c		
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)? *If "Yes," answer 10b below.*	10a		
b	Did the organization have any excess business holdings in the tax year? *(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)*	10b		

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 yea* ***(see instructions):***

a ☐ The organization satisfied the Activities Test. *Complete* ***line 2*** *below.*

b ☐ The organization is the parent of each of its supported organizations. *Complete* ***line 3*** *below.*

c ☐ The organization supported a governmental entity. *Describe in Part VI how you supported a government entity (see instructions).*

			Yes	No
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. **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 ☐ Check here if the current year is the organization's first as a non-functionally-integrated Type III supporting organization (see instructions).

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

Section D - Distributions		Current Year
1	Amounts paid to supported organizations to accomplish exempt purposes	
2	Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3	Administrative expenses paid to accomplish exempt purposes of supported organizations	
4	Amounts paid to acquire exempt-use assets	
5	Qualified set-aside amounts (prior IRS approval required)	
6	Other distributions (describe in **Part VI**). See instructions.	
7	**Total annual distributions.** Add lines 1 through 6.	
8	Distributions to attentive supported organizations to which the organization is responsive (provide details in **Part VI**). See instructions.	
9	Distributable amount for 2015 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-2015	(iii) Distributable Amount for 2015
1	Distributable amount for 2015 from Section C, line 6			
2	Underdistributions, if any, for years prior to 2015 (reasonable cause required-see instructions)			
3	Excess distributions carryover, if any, to 2015:			
a				
b				
c				
d	From 2013			
e	From 2014			
f	**Total** of lines 3a through e			
g	Applied to underdistributions of prior years			
h	Applied to 2015 distributable amount			
i	Carryover from 2010 not applied (see instructions)			
j	Remainder. Subtract lines 3g, 3h, and 3i from 3f.			
4	Distributions for 2015 from Section D, line 7: $			
a	Applied to underdistributions of prior years			
b	Applied to 2015 distributable amount			
c	Remainder. Subtract lines 4a and 4b from 4.			
5	Remaining underdistributions for years prior to 2015, if any. Subtract lines 3g and 4a from line 2 (if amount greater than zero, see instructions).			
6	Remaining underdistributions for 2015. Subtract lines 3h and 4b from line 1 (if amount greater than zero, see instructions).			
7	**Excess distributions carryover to 2016.** Add lines 3j and 4c.			
8	Breakdown of line 7:			
a				
b				
c	Excess from 2013			
d	Excess from 2014			
e	Excess from 2015			

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

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

OMB No. 1545-0047

2015

Name of the organization	Employer identification number
St. Luke's McCall, Ltd.	27-3311774

Organization type (check one):

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

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

General Rule

[X] For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling $5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

Special Rules

[ ] For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of **(1)** $5,000 or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.

[ ] For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than $1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I, 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. Do not 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 is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization	Employer identification number
St. Luke's McCall, Ltd.	27-3311774

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		$ 241,539.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
2		$ 161,992.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
3		$ 100,124.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
4		$ 60,198.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)

Name of organization	Employer identification number
St. Luke's McCall, Ltd.	27-3311774

Part II **Noncash Property** (see instructions). Use duplicate copies of Part II if additional space is needed.

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

(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
St. Luke's McCall, Ltd.	27-3311774

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

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

(e) Transfer of gift

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

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

(e) Transfer of gift

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

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

(e) Transfer of gift

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

SCHEDULE 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.
▶ Information about Schedule D (Form 990) and its instructions is at *www.irs.gov/form990.*

OMB No. 1545-0047

2015

Open to Public Inspection

Name of the organization
St. Luke's McCall, Ltd.

Employer identification number
27-3311774

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? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? ☐ Yes ☐ No

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

1 Purpose(s) of conservation easements held by the organization (check all that apply).
☐ Preservation of land for public use (e.g., recreation or education)
☐ Preservation of a historically important land area
☐ Protection of natural habitat
☐ Preservation of a certified historic structure
☐ Preservation of open space

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

			Held at the End of the Tax Year
a	Total number of conservation easements	2a	
b	Total acreage restricted by conservation easements	2b	
c	Number of conservation easements on a certified historic structure included in (a)	2c	
d	Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d	

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

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

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

6 Staff and volunteer hours devoted to monitoring, inspecting, 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
b ☐ Scholarly research
c ☐ Preservation for future generations
d ☐ Loan or exchange programs
e ☐ Other _____

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

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

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

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

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

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

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

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

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
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:

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

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

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" 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	428,354.	169,054.		597,408.
b Buildings	42,975.	8,040,545.	3,293,110.	4,790,410.
c Leasehold improvements				
d Equipment		6,213,716.	2,952,746.	3,260,970.
e Other		1,681,588.		1,681,588.
Total. Add lines 1a through 1e. *(Column (d) must equal Form 990, Part X, column (B), line 10c.)* ▶				10,330,376.

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) Due from Related Organizations	10,774,417.
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	10,774,417.

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) Medicare-Medicaid Prog	977,724.
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	977,724.

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

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

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

1	Total revenue, gains, and other support per audited financial statements			1	
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:				
a	Net unrealized gains (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			
e	Add lines **2a** through **2d**			2e	
3	Subtract line **2e** from line **1**			3	
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIII.)	4b			
c	Add lines **4a** and **4b**			4c	
5	Total revenue. Add lines **3** and **4c.** *(This must equal Form 990, Part I, line 12.)*			5	

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

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

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

Part XIII Supplemental Information.

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

Part X, Line 2:

Explanation:

Footnote Disclosure-Uncertain Tax Positions Under FIN #48

(Source: Consolidated Financial Statements-St. Luke's Health System)

Income Taxes: The Health System is a not-for-profit corporation and is recognized as tax-exempt pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. The Health System accounts for uncertain tax positions in accordance with ASC Topic 740. Income tax liabilities are recorded for the impact of positions taken on income tax returns, which management believes are not more likely than not to be sustained on tax audit. Management is not aware of any uncertain tax

Part XIII Supplemental Information *(continued)*

positions that should be recorded.

Unrelated Business Income: The Health System is subject to federal excise tax on its unrelated business taxable income (UBTI). As of September 30, 2016, the company had approximately $6,810 UBTI Net Operating Losses incurred from operating losses incurred from 1997 to 2016 which expire in years 2017 to 2037. The Health System does not believe that it is more likely than not they will utilize these losses prior to their expiration and as such has provided a full valuation allowance against these losses.

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.
▶ Information about Schedule H (Form 990) and its instructions is at *www.irs.gov/form990* .

OMB No. 1545-0047

2015

Open to Public Inspection

Name of the organization

St. Luke's McCall, Ltd.

Employer identification number

27-3311774

Part I Financial Assistance and Certain Other Community Benefits at Cost

		Yes	No
1a Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	1a	X	
b If "Yes," was it a written policy?	1b	X	
2 If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year. [X] Applied uniformly to all hospital facilities [ ] Applied uniformly to most hospital facilities [ ] Generally tailored to individual hospital facilities			
3 Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year.			
a Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing *free* care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care: [ ] 100% [ ] 150% [ ] 200% [X] Other 185 %	3a	X	
b Did the organization use FPG as a factor in determining eligibility for providing *discounted* care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care: [ ] 200% [ ] 250% [ ] 300% [ ] 350% [X] 400% [ ] Other _____ %	3b	X	
c If the organization used factors other than FPG in determining eligibility, describe in Part VI the 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"?	4	X	
5a Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a	X	
b If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	5b	X	
c If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?	5c		X
6a Did the organization prepare a community benefit report during the tax year?	6a		X
b If "Yes," did the organization make it available to the public?	6b		

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

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)			1,007,567.		1,007,567.	3.25%
b Medicaid (from Worksheet 3, column a)			2,086,244.	1,534,253.	551,991.	1.78%
c Costs of other means-tested government programs (from Worksheet 3, column b)			170,892.	120,921.	49,971.	.16%
d **Total** Financial Assistance and Means-Tested Government Programs			3,264,703.	1,655,174.	1,609,529.	5.19%
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			341,165.	128,947.	214,453.	.69%
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)			26,822.		26,822.	.09%
j **Total.** Other Benefits			367,987.	128,947.	241,275.	.78%
k **Total.** Add lines 7d and 7j			3,632,690.	1,784,121.	1,850,804.	5.97%

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

		(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1	Physical improvements and housing						
2	Economic development						
3	Community support						
4	Environmental improvements						
5	Leadership development and training for community members						
6	Coalition building						
7	Community health improvement advocacy						
8	Workforce development						
9	Other						
10	Total						

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

				Yes	No
1	Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15?		1	X	
2	Enter the amount of the organization's bad debt expense. Explain in Part VI the methodology used by the organization to estimate this amount	2	1,226,529.		
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy. Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit	3	0.		
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements.				

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	9,547,953.		
6	Enter Medicare allowable costs of care relating to payments on line 5	6	10,008,985.		
7	Subtract line 6 from line 5. This is the surplus (or shortfall)	7	-461,032.		
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: ☐ Cost accounting system ☐ Cost to charge ratio ☒ Other				

Section C. Collection Practices

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

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

(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %

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)	Licensed hospital	Gen. medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (describe)	Facility reporting group
1 St. Luke's McCall 1000 State Street McCall, ID 83638 www.stlukesonline.org State of Idaho License #11	X	X			X		X			

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices

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

Name of hospital facility or letter of facility reporting group St. Luke's McCall

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?	1		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	2		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	3	X	
	If "Yes," indicate what the CHNA report describes (check all that apply):			
a	[X] A definition of the community served by the hospital facility			
b	[X] Demographics of the community			
c	[X] Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d	[X] How data was obtained			
e	[X] The significant health needs of the community			
f	[X] Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g	[X] The process for identifying and prioritizing community health needs and services to meet the community health needs			
h	[X] The process for consulting with persons representing the community's interests			
i	[X] Information gaps that limit the hospital facility's ability to assess the community's health needs			
j	[ ] Other (describe in Section C)			
4	Indicate the tax year the hospital facility last conducted a CHNA: 20 15			
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	5	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	6a		X
b	Was the hospital facility's CHNA conducted with one or more organizations other than hospital facilities? If "Yes," list the other organizations in Section C	6b		X
7	Did the hospital facility make its CHNA report widely available to the public?	7	X	
	If "Yes," indicate how the CHNA report was made widely available (check all that apply):			
a	[X] Hospital facility's website (list url): www.stlukesonline.org/about-st-lukes/supporting-the-community			
b	[ ] Other website (list url):			
c	[X] Made a paper copy available for public inspection without charge at the hospital facility			
d	[ ] 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	8	X	
9	Indicate the tax year the hospital facility last adopted an implementation strategy: 20 15			
10	Is the hospital facility's most recently adopted implementation strategy posted on a website?	10		X
a	If "Yes," (list url):			
b	If "No," is the hospital facility's most recently adopted implementation strategy attached to this return?	10b	X	
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)?	12a		X
b	If "Yes" to line 12a, did the organization file Form 4720 to report the section 4959 excise tax?	12b		
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 St. Luke's McCall

			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	[X] Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of 185 % and FPG family income limit for eligibility for discounted care of 400 %			
b	[ ] Income level other than FPG (describe in Section C)			
c	[X] Asset level			
d	[X] Medical indigency			
e	[X] Insurance status			
f	[X] Underinsurance status			
g	[ ] Residency			
h	[ ] 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	[X] Described the information the hospital facility may require an individual to provide as part of his or her application			
b	[X] Described the supporting documentation the hospital facility may require an individual to submit as part of his or her application			
c	[X] Provided the contact information of hospital facility staff who can provide an individual with information about the FAP and FAP application process			
d	[ ] Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications			
e	[ ] Other (describe in Section C)			
16	Included measures to publicize the policy 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	[X] The FAP was widely available on a website (list url): See Part V, Page 7			
b	[X] The FAP application form was widely available on a website (list url): See Part V, Page 7			
c	[X] A plain language summary of the FAP was widely available on a website (list url): See Part V, Page 7			
d	[X] The FAP was available upon request and without charge (in public locations in the hospital facility and by mail)			
e	[X] The FAP application form was available upon request and without charge (in public locations in the hospital facility and by mail)			
f	[X] 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	[X] Notice of availability of the FAP was conspicuously displayed throughout the hospital facility			
h	[ ] Notified members of the community who are most likely to require financial assistance about availability of the FAP			
i	[X] Other (describe in Section C)			

Billing and Collections

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 non-payment?	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	[ ] Reporting to credit agency(ies)			
b	[ ] Selling an individual's debt to another party			
c	[ ] Actions that require a legal or judicial process			
d	[ ] Other similar actions (describe in Section C)			
e	[X] None of these actions or other similar actions were permitted			

Part V Facility Information *(continued)*

Name of hospital facility or letter of facility reporting group St. Luke's McCall

		Yes	No
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 ☐ Reporting to credit agency(ies)			
b ☐ Selling an individual's debt to another party			
c ☐ Actions that require a legal or judicial process			
d ☐ 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** ☒ Notified individuals of the financial assistance policy on admission
- **b** ☒ Notified individuals of the financial assistance policy prior to discharge
- **c** ☒ Notified individuals of the financial assistance policy in communications with the individuals regarding the individuals' bills
- **d** ☐ Documented its determination of whether individuals were eligible for financial assistance under the hospital facility's financial assistance policy
- **e** ☐ Other (describe in Section C)
- **f** ☐ 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 ☐ The hospital facility did not provide care for any emergency medical conditions			
b ☐ The hospital facility's policy was not in writing			
c ☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Section C)			
d ☐ Other (describe in Section C)			

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

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 its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged
- **b** ☒ The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged
- **c** ☐ The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged
- **d** ☐ Other (describe in Section C)

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?	23		X
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?	24		X
If "Yes," explain in Section C.			

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, 16i, 18d, 19d, 20e, 21c, 21d, 22d, 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.

St. Luke's McCall:

Part V, Section B, Line 5: A series of in-depth interviews with people representing the broad interests of our community were conducted in order to assist us in defining, prioritizing, and understanding our most important community health needs. Many representatives participating in our process are individuals who have devoted decades to helping others lead healthier, more independent lives. The representatives we interviewed have significant knowledge of our community. To ensure they came from distinct and varied backgrounds, we included multiple representatives from each of these categories:

Category I: Persons with special knowledge of public health. This includes persons from state, local, and/or regional governmental public health departments with knowledge, information, or expertise relevant to the health needs of our community.

Category II: : Individuals or organizations serving or representing the interests of the medically underserved, low-income, and minority populations in our community. Medically underserved populations include populations experiencing health disparities or at-risk populations not receiving adequate medical care as a result of being uninsured or underinsured or due to geographic, language, financial, or other barriers.

Category III: Additional people located in or serving our community including, but not limited to, health care advocates, nonprofit and

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, 16i, 18d, 19d, 20e, 21c, 21d, 22d, 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.

community-based organizations, health care providers, community health centers, local school districts, and private businesses.

Each potential need was scored by the community representative on a scale of 1 to 10. Higher scores represent potential needs the community representatives believed were were important to address with additional resources. Lower scores usually meant our leaders thought our community was healthy in that area already or had relatively good programs addressing the potential need. These scores were incorporated directly into our health need prioritization process. In addition, we invited the leaders to suggest programs, legislation, or other measures they believed to be effective in addressing the needs.

The following community leaders/representatives were contacted:

(1) Senior healthcare executives from the St. Luke's Health System who have been serving the Valley and Adams County areas for over thirty years.

(2) Medical directors for St. Luke's McCall Integrative Medicine Clinic, Center for Health Promotion Promotion, and McCall Rehabilitation and Care Center.

(3) Family medicine physician affiliated with St. Luke's McCall, with previous assignments with the CDC to study risk factors and prevention in vulnerable populations. This individual also serves on the board of directors for McCall's Community Care Clinic for low income patients, and is a member of the wellness community for the local school system.

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, 16i, 18d, 19d, 20e, 21c, 21d, 22d, 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.

(4) Internal medicine physician at St. Luke's McCall, as well as a City Council member and past medical director for Hospice and Home Health in McCall.

(5) Idaho Central District Health, District 4

(6) McCall Donnelly School District

(7) Adams County Health Center (FQHC)

(8) Cascade Medical Center

(9) The Community Care Clinic

(10) Southwest District Health, Idaho District 3

(11) Boise VA Medical Center

(12) Idaho Department of Labor-Unemployment Information

(13) Idaho Department of Health & Welfare

(14) Family medicine Residency of Idaho

(15) U.S. Department of Mental Health Services, Region X Substance Abuse and Mental Health Services Administration

(16) McCall Rehab and Care Center

(17) Valley County

(18) McCall-Donnelly School District

(19) City of McCall

(20) Hiking for Healthy Hooters Event

(21) Meadows Valley Ambulance

(22) Lamm and Company Certified Public Accountants

(23) New Meadows Food Bank

(24) McCall Senior Center and Payette Lakes Community Association - After School

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, 16i, 18d, 19d, 20e, 21c, 21d, 22d, 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.

St. Luke's McCall:

Part V, Section B, Line 11:

We organized all of our significant all of the community health needs into four groups:

Program Group 1: Improve the Prevention and Management of Obesity

-Develop a short and long term, region-wide plan to promote walkability and destination hiking.

-Promote a healthy food culture

-Develop the Best U program. A 16 week, twice weekly group exercise and health related educational presentations on nutrition, stress management, exercise, sleep and motivation.

-Education classes on various nutrition, weight management and exercise topics.

Program Group 2: Improve Mental Health and Reduce Substance Abuse

-Youth advocacy coalition: Prevention of youth drug abuse

-Providing alternative healthcare stress reduction and mindfulness modalities (yoga, meditation)

-Slate of single classes on various mental health topics

-Workforce wellness programs (walking, nutrition, mental resilience)

-Youth summits

-Committed high school program promoting kindness and drug avoidance

Program Group 3: Improve Access to Affordable Health Care and Affordable Health Insurance

-Unreimbursed care/Financial care

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, 16i, 18d, 19d, 20e, 21c, 21d, 22d, 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.

-Senior foot clincs

-Fostering a culture of health (economic, social, environmental, behavioral)

-Leading and administering valley county health improvement coalition

-Grant writing for health improvement programs

-Prevention and screenings for chronic conditions

-Childbirth Education

-Child care seat

-Nutrition and fitness programs for schools

-Free community health improvement services offered at clinic

Program Group 4: Prevention and Reduce Tobacco Use

-Planning best tobacco prevention inverventions for service area

-School base tobacco prevention educations

The St. Luke's McCall's 2016 CHNA was designed to better understand the most significant health challenges facing the individuals and families in our service area. To accomplish this goal, St. Luke's collaborated with representatives from our community to help identify and prioritize our most important health needs. Each identified health need was included in one of these four categories: 1) health behavior needs; 2) clinical care needs; 3) social and economic needs; and 4) physical environment needs.

These health needs were ranked using a numerical prioritization system. Points were allocated to each need based on scores provided by our community representatives as well as scores for related health factors. The more points the health need and factor received, the higher the

Part V Facility Information *(continued)*

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16i, 18d, 19d, 20e, 21c, 21d, 22d, 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.

priority and the higher the potential to positively impact community health. Health needs and factors with scores in the top 10th percentile were highlighted in dark orange and were considered to be our community's most significant health needs.

To complete the CHNA Implementation Plan, St. Luke's consulted and collaborated with community representatives, addressing the most significant health needs using the following decision criteria:

1. Health needs ranked in the top 10th percentile in the CHNA were considered to be our significant health needs. In order to focus limited resources on the health needs having the greatest potential to improve community health (the most significant needs), implementation plan programs were not developed for health needs scoring below the top 10th percentile.

2. Next St. Luke's examined whether it was more effective to directly address a high priority health need or whether another community organization was better positioned to address the need. To make this determination, we focused on whether the health need was in alignment with St. Luke's mission and strengths. Where a high priority need was substantially in alignment with both our mission and strengths, St. Luke's provided at least one program to address that need. Where a high priority need was not in alignment with our mission and strengths, St. Luke's tried to identify or partner with a community group or organization better able to serve the high priority need.

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, 16i, 18d, 19d, 20e, 21c, 21d, 22d, 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.

3. A single health improvement program can often support the success of multiple related health needs. For example, obesity programs also support and strengthen diabetes programs. Therefore, to better understand the total impact our programs are having on a health need, St. Luke's arranged the significant health needs into groups that will benefit by being addressed together.

St. Luke's McCall

Part V, line 16a, FAP website:

www.stlukesonline.org/resources/before-your-visit/financial-care

St. Luke's McCall

Part V, line 16b, FAP Application website:

www.stlukesonline.org/resources/before-your-visit/financial-care

St. Luke's McCall

Part V, line 16c, FAP Plain Language Summary website:

www.stlukesonline.org/resources/before-your-visit/financial-care

St. Luke's McCall:

Part V, Section B, Line 16i: A Financial Care application is provided to the patient which contains Patient Financial Advocate contact information.

Part V Facility Information *(continued)*

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

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

How many non-hospital health care facilities did the organization operate during the tax year? 7

Name and address	Type of Facility (describe)
1 St. Luke's McCall Medical Clinic 209 Forest Street McCall, ID 83638	Various Specialty Physician Clinics
2 Payette Lakes Family Medicine 211 Forest Street McCall, ID 83638	Family Medicine & Surgery-Physician Clinic
3 St. Luke's Integrative Medicine Clinic 203 Hewitt Street McCall, ID 83638	Integrative Medicine-Physician Clinic
4 Meadow Valley Family Medicine 320 Virginia Street New Meadows, ID 83638	Family Medicine-Physician Clinic
5 Salmon River Family Medicine 214 N. Main Street Riggins, ID 83549	Family Medicine-Physician Clinic
6 St. Luke's Behavioral Health 301 Deinhard LN McCall, ID 83638	Behavioral Health-Physician Clinic
7 St. Luke's Rehabilitation: McCall 1010 State St. McCall, ID 83638	Rehabilitation-Physician Clinic

Part VI Supplemental Information

Provide the following information.

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.

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

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

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

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

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

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

Part I, Line 3c:

(A) St. Luke's does provide charity care services to patients who meet one or both of the following guidelines based on income and expenses:

1. Income. Patients whose family income is equal to or less than 400% of the then current Federal Poverty Guideline are eligible for possible fee elimination or reduction on a sliding scale.

2. Expenses. Patients may be eligible for charity care if his or her allowable medical expenses have so depleted the family's income and resources that he or she is unable to pay for eligible services. The following two qualifications must apply:

a. Expenses- The patients allowable medical expenses must be greater than 30% of the family income. Allowable medical expenses are the total of the family medical bills that, if paid, would qualify as deductible medical expenses for Federal income tax purposes without regard to whether the

Part VI Supplemental Information *(Continuation)*

expenses exceed the IRS-required threshold for taking the deduction. Paid and unpaid bills may be included.

b. Resources- The patient's excess medical expenses must be greater than available assets. Excess medical expenses are the amount by which allowable medical expenses exceed 30% of the family income. Available assets do not include the primary residence, the first motor vehicle, and a resource exclusion of the first $4,000 of other assets for an individual, or $6,000 for a family of two, and $1,500 for each additional family member.

(B) Service Exclusions:

1. Services that are not medically necessary (e.g. cosmetic surgery) are not eligible for charity care.

2. Eligibility for charity care for a patient whose need for services arose from injuries sustained in a motor vehicle accident where the patient, driver, and/or owner of the motor vehicle had a motor vehicle liability policy, and only if a claim for payment has been properly submitted to the motor vehicle liability insurer, where applicable.

(C) Eligibility Approval Process:

1. St. Luke's screens patient for other sources of coverage and eligibility in government programs. St. Luke's documents the results of each screening. If St. Luke's determines that a patient is potentially eligible for Medicaid or another government program, then St. Luke's shall encourage the patient to apply for such a program and shall assist the patient in applying

Part VI Supplemental Information *(Continuation)*

for benefits under such a program.

2. The patient must complete a Financial Assistance Application and provide required supporting documentation in order to be eligible.

3. St. Luke's verifies reported family and compares to the latest Poverty Guidelines published by the U.S. Department of Health and Human Services.

4. St. Luke's verifies reported assets.

5. St. Luke's provides a written notice of determination of eligibility to the patient or the responsible party within 10 business days of receiving a completed application and the required supporting documentation.

6. St. Luke's reserves the right to run a credit report on all patients applying for charity care services.

(D) Eligibility Period: The determination that an individual is approved for charity care will be effective for six months from the date the application is submitted, unless during that time the patient's family income or insurance status changes to such an extent that the patient becomes ineligible.

Part I, Line 6a:

St. Luke's McCall, Ltd. is not required under Idaho Law to file a community benefit report, since its total licensed beds are less than the minimum 150 bed requirement threshold. (McCall has 15 licensed beds.) Moreover, the activity of St. Luke's McCall, Ltd. is not included in the community benefit report within any of its related organizations within the St. Luke's Health System.

Part VI Supplemental Information *(Continuation)*

Part I, Line 7:

The cost to charge ratio was used to calculate charity care at cost.

Worksheet S-10 of the FY'16 Medicare Cost Report was the source of

information for unreimbursed Medicaid costs.

Part I, Ln 7 Col(f):

Bad Debt is defined as expenses resulting from services provided to a

patient and/or guarantor who, having the requisite financial resources to

pay for health care services, has demonstrated an unwillingness to do so.

Amount of bad debt expense included in Form 990, Part IX, line 25 is

$2,125,292.

Part III, Line 2:

The Cost to Charge ratio method was used to calculate bad debt expense at

cost.

Part III, Line 3:

St. Luke's McCall has a very robust financial assistance program,

therefore, no estimate is made for bad debt attributable to patients

eligible under the financial assistance policy.

Part III, Line 4:

Per the audited financial statements in footnote four. St. Luke's McCall,

Ltd. grants credit without collateral to its patients, most of whom are

Part VI Supplemental Information *(Continuation)*

local residents and many of whom are insured under third-party agreements.

The allowance for estimated uncollectible amounts is determined by

analyzing both historical information (write-offs by payor

classification), as well as current economic conditions.

Part III, Line 8:

Our community benefit report reports the under-reimbursed services

provided to patients by medicare. St. Lukes McCall Ltd. provides medical

care to all patients

eligble for Medicare regardless of the shortfall and thereby relieves

the Federal Government of the burden for paying the full cost of Medicare.

The source of the information is the Medicare Cost Report for fiscal year

2016. The amount is calculated by comparing the total Medicare apportioned

costs (allowable costs) to interim payments received during FY'15.

Part III, Line 9b:

All subsidiaries within the St. Luke's Health System have policies in

place to provide financial assistance to those who meet established

criteria and need assistance in paying for the amounts billed for their

provided health care services. In addition, the collection policies and

practices in place within the St. Luke's Health System provide guidance to

patients on how to apply for this assistance. Collection of amounts due

may be pursued in cases where the patient is unable to qualify for charity

care or financial assistance and the patient has the financial resources

to pay for the billed amounts.

Part VI Supplemental Information *(Continuation)*

Part VI, Line 2:

A Community Health Needs Assessment (CHNA) was conducted for fiscal year ending 9/30/2016. Information related to the 2016 CHNA is shown in the responses to questions 3 and 7 of "Part V, Section B, Facility Policies and Practices".

A complete copy of the CHNA assessments for all of the hospitals operating within the St. Luke's Health System can be found at the following website:

www.stlukesonline.org/about-st-lukes/supporting-the-community

Part VI, Line 3:

(A) St. Luke's McCall provides notice of the availability of financial assistance via:

1. Signage
2. Patient brochure
3. Billing Statement
4. Written collection action letter
5. Online at www.stlukesonline.org/billing

(B) All notices are translated into the following language: Spanish

(C) St. Luke's provides individual notice of the availability of

Part VI Supplemental Information *(Continuation)*

financial assistance to a patient expected to incur charges that may not be paid in full by third party coverage, along with an estimate of the patient's liability.

(D) For cases in which St. Luke's independently determines patient eligibility for financial assistance, St. Luke's provides written notice of determination that the patient is or is not eligible within 10 business days of receiving a completed application and the required supporting documentation.

Part VI, Line 4:

Adams and Valley Counties represent the geographic area used to define the community served by St. Luke's McCall. The area is a 65 mile radius around the city of McCall, and it includes six small rural communities (McCall, Cascade, Council, New Meadows, Donnelly, and Riggins) and surrounding residents. The year-round residents total approx. 14,000. Additionally, this being a tourist and second home area, on average, there are 6,000 visitors and part-time residents in the service area each day. The service area had one of the highest unemployment rates in Idaho during most of fiscal year 2012, and one of the highest uninsured rates in Idaho as well. (Adams and Valley counties are part of Idaho Health Districts 3 and 4.)

The criteria used in selecting this area as the community served is to include the entire population of the counties where at least 70% of inpatients reside. The residents of these counties comprise about 80% of inpatients with approximately 62% of inpatients living in Valley County and 18% in Adams County.

Part VI Supplemental Information *(Continuation)*

Both Idaho and our service territory are comprised of about a 95% white population while the nation as a whole is 78% white. The Hispanic population in Idaho represents 12% of the overall population and about 4% of our defined service area. Adams County is approximately 3% Hispanic, and Valley County is 4% Hispanic.

Idaho experienced a 25% increase in population from 2000 to 2013, ranking it as one of fastest growing states in the country. Adams and Valley Counties have followed that trend, experiencing a 21% increase in population within that timeframe. 23 St. Luke's McCall is working to manage the volume and scope of services in order to meet the needs of a growing population

Over the past ten years the 45 plus year old age group was the fastest growing segment of our community. Currently, about 19% of the people in our community are over the age of 65. According to the U.S. Census, about 14% of the people in the U.S. are over age 65

The official United States poverty rate increased from 12.5% in 2003 to 15.6% in 2013. Our service area poverty rate has also increased. The poverty rate in Valley County is currently well below the national average at 12% but above the national average in Adams County. The poverty rate in our community for children under the age of 18 is again below the national average for Valley County and above the national average for Adams County. Although both Adams and Valley county poverty rates have started to level out, they are still well above where they were prior to the recession in 2008.

Part VI Supplemental Information *(Continuation)*

Median income in the United States has risen by 20% since 2003. However, growth in income was slower in Idaho and in our service area during that period. Median income in Adams County is well below the national median and lower than Idaho's median income. Median income in Valley County is slightly lower than the national median income.

Part VI, Line 5:

The people who serve on the various boards for subsidiaries within the St. Lukes Health System are local citizens who have a vested interest in the health of their communities. These committed leaders volunteer on our boards because they are dedicated to ensuring that the people of southern Idaho and the surrounding area have access to the most advanced, most comprehensive health care possible. St. Luke's believes that locally owned and governed hospitals can take the best measure of community health care needs. We are grateful to our board leadership for giving generously of their time and talents and bringing to the table their unique perspectives and intimate knowledge of their communities. St. Luke's would not be the organization it is today without our volunteer board members. The vision of dedicated community leaders has guided St. Luke's for many decades, and will continue to guide us well into the future.

As a not-for-profit organization, 100% of St. Luke's revenue after expenses is reinvested in the organization to serve the community in the form of staff, buildings, or new technology.

Also, St. Luke's McCall, Ltd. (SLM) maintains an open medical staff. Any

Part VI Supplemental Information *(Continuation)*

physician can apply for practicing privilieges as long as they meet the standards for SLM.

Part VI, Line 6:

As the only Idaho-based not-for-profit health system, St. Luke's Health System is part of the communities we serve, with local physicians and boards who further our organization's mission "To improve the health of people in our region." Working together, we share resources, skills, and knowledge to provide the best possible care, no matter which of our hospitals provide that care. Each St. Luke's Health System hospital is nationally recognized for excellence in patient care, with prestigious awards and designations reflecting the exceptional care that is synonymous with the St. Luke's name.

St. Luke's Health System provides facilities and services across the region, covering a 150-mile radius that encompasses southern and central Idaho, northern Nevada, and eastern Oregon-bringing care close to home and family. The following entities are part of the St. Luke's Health System:

(1) St. Luke's Regional Medical Center, Ltd. with the following locations:

--St. Luke's Boise Hospital

--St. Luke's Meridian Hospital

--St. Luke's Childrens Hospital

--St. Luke's Boise/Meridian/Nampa/Caldwell/Fruitland Physician Clinics

--St. Luke's Nampa Emergency Department/Urgent Care

--St. Luke's Eagle Urgent Care

Part VI Supplemental Information *(Continuation)*

--St. Luke's Elmore Hospital with physician clinic

--St. Luke's Fruitland Emergency Department/Urgent Care

(2) St. Luke's Wood River Medical Center, Ltd. which consists of a critical access hospital located in Ketchum, Idaho as well as various physician clinics

(3) St. Luke's Magic Valley Regional Medical Center, Ltd. which consists of the following:

--St. Luke's Magic Valley Hospital-Twin Falls, Idaho

--Various St. Luke's Physician Clinics in Twin Falls

--Canyon View-(Behavioral Health)

--St. Luke's Jerome Hospital-Jerome, Idaho

--Various Physician clinics in Jerome

(4) St. Luke's McCall, Ltd. which consists of a critical access hospital located in McCall, Idaho as well as various physician clinics.

(5) Mountain States Tumor Institute (MSTI) is the region's largest provider of cancer services and a nationally recognized leader in cancer research. MSTI provides advanced care to thousands of cancer patients each year at clinics in Boise, Fruitland, Meridian, Nampa, and Twin Falls, Idaho. MSTI is home to Idaho's only cancer treatment center for children, only federally sponsored center for hemophilia, and only blood and marrow transplant program.

MSTI's services and therapies include breast care services, blood and

Part VI Supplemental Information *(Continuation)*

marrow transplant, chemotherapy, genetic counseling, hematology, hemophilia treatment, hospice, integrative medicine, marrow donor center, mobile mammography, mole mapping, nutritional counseling, PET/CT scanning, patient/family support, pediatric oncology, radiation therapy, rehabilitation, research and clinical trials, Schwartz Center Rounds for Caregivers, spiritual care, support groups/classes, tumor boards, and Wound Ostomy, and Continence Nursing.

MSTI is expanding as rapidly as today's cancer treatment. Patients can now visit a MSTI clinic or Breast Cancer detection center at 13 different locations in southwest Idaho and Eastern Oregon. Locations include Boise, Meridian, Nampa, Twin Falls, and Fruitland.

St. Luke's physician clinics and services are provided in partnership with area physicians and other health care professionals. These include: Cardiovascular; Child Abuse and Neglect Evaluation; Endocrinology;Ear, Nose,and Throat; Family Medicine; Gastroenterology; General Surgery; Hypertensive Disease; Internal Medicine; Maternal/Fetal Medicine; Medical Imaging; Metabolic and Bariatric Surgery; Nephrology; Neurology; Neurosurgery; Obstetrics/Gynecology; Occupational Medicine; Orthopedics; Outpatient Rehabilitation; Plastic Surgery; Psychiatry and Addiction; Pulmonary Medicine; Sleep Disorders; and Urology.

In addition, St. Luke's works with other regional facilities through management service contracts. These facilities include:

(1) Challis Area Health Center

(2) North Canyon Medical Center

Part VI Supplemental Information *(Continuation)*

(3) Salmon River Clinic

(4) Weiser Memorial Hospital

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.**

▶ **Information about Schedule J (Form 990) and its instructions is at *www.irs.gov/form990.***

OMB No. 1545-0047

2015

Open to Public Inspection

Name of the organization: St. Luke's McCall, Ltd.

Employer identification number: 27-3311774

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.			
	☐ First-class or charter travel	☐ Housing allowance or residence for personal use		
	☐ Travel for companions	☐ Payments for business use of personal residence		
	☐ Tax indemnification and gross-up payments	☐ Health or social club dues or initiation fees		
	☐ Discretionary spending account	☐ Personal services (e.g., maid, chauffeur, chef)		
b	If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	**1b**		
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked in line 1a?	**2**		
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.			
	☐ Compensation committee	☐ Written employment contract		
	☐ Independent compensation consultant	☐ Compensation survey or study		
	☐ Form 990 of other organizations	☐ 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?	**4a**		X
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	**4b**	X	
c	Participate in, or receive payment from, an equity-based compensation arrangement?	**4c**		X
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.			
	Only section 501(c)(3), 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?	**5a**		X
b	Any related organization?	**5b**		X
	If "Yes" to 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?	**6a**		X
b	Any related organization?	**6b**		X
	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 non-fixed payments not described on lines 5 and 6? If "Yes," describe in Part III	**7**		X
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	**8**		X
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	**9**		

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

For each individual whose compensation must be reported 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 are not listed on Form 990, Part VII.

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) Ron Jutzy, M.D.	(i)	0.	0.	0.	0.	0.	0.	0.
Director	(ii)	546,559.	0.	7,046.	8,230.	15,503.	577,338.	0.
(2) Ms. Kathy Moore	(i)	0.	0.	0.	0.	0.	0.	0.
Chief Executive Officer-St	(ii)	553,445.	0.	45,713.	12,065.	18,529.	629,752.	0.
(3) Bayo Crownson, M.D.	(i)	0.	0.	0.	0.	0.	0.	0.
Director	(ii)	252,535.	0.	14,776.	10,865.	17,806.	295,982.	0.
(4) Mr. Jeffrey S. Taylor	(i)	0.	0.	0.	0.	0.	0.	0.
SR VP/CFO/Treasurer	(ii)	517,797.	0.	45,779.	705,980.	15,946.	1,285,502.	0.
(5) Ms. Christine Neuhoff	(i)	0.	0.	0.	0.	0.	0.	0.
VP/Legal Affairs/Secretary	(ii)	397,661.	0.	19,259.	16,180.	16,387.	449,487.	0.
(6) Mr. Mike Fenello	(i)	0.	0.	0.	0.	0.	0.	0.
Site Administrator	(ii)	231,784.	0.	1,133.	3,623.	17,549.	254,089.	0.
(7) Gregory W. Irvine, M.D.	(i)	0.	0.	0.	0.	0.	0.	0.
Physician	(ii)	487,525.	30,000.	45,716.	12,065.	19,516.	594,822.	0.
(8) John A. Kremer, M.D.	(i)	0.	0.	0.	0.	0.	0.	0.
Physician	(ii)	264,132.	13,457.	49,046.	12,065.	8,621.	347,321.	0.
(9) Todd J. Arndt, M.D.	(i)	0.	0.	0.	0.	0.	0.	0.
Physician	(ii)	278,642.	12,042.	36,882.	16,148.	15,814.	359,528.	0.
(10) Adam Weller, M.D.	(i)	0.	0.	0.	0.	0.	0.	0.
Physician	(ii)	261,508.	0.	18,497.	8,123.	15,210.	303,338.	0.
(11) Sarah A. Curtin, M.D.	(i)	0.	0.	0.	0.	0.	0.	0.
Physician	(ii)	238,282.	21,547.	18,613.	15,638.	15,266.	309,346.	0.
	(i)							
	(ii)							
	(i)							
	(ii)							
	(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.

Part I, Line 3:

Compensation for the organization's CEO is determined by St. Luke's Health System, Ltd.(System), sole member of St. Luke's McCall, Ltd. (SLM). The System board approves the compensation amount per the recommendation of its compensation committee, and the decision is then reviewed and ratified by the board of directors for SLM.

In determining compensation for the CEO, the System board utilizes the following criteria:

Compensation Committee

Independent compensation consultant

Compensation survey or study

Approval by the board or compensation committee

Part I, Line 4b:

During CY'15, Jeffrey S. Taylor was a participant in the supplemental non-qualified executive retirement plan. There were no additional benefits

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.

were accrued during CY'15 on behalf of the participant.

Part II-Column (c)

During CY'15 the following individual participated in the basic pension plan. Due to enhanced benefits adopted in 2015 and changes in actuarial assumptions this individual experienced a increase in the vested balance of the plan.

Jeffrey Taylor $681,570

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or 990-EZ or to provide any additional information.
▶ **Attach to Form 990 or 990-EZ.**
▶ **Information about Schedule O (Form 990 or 990-EZ) and its instructions is at** ***www.irs.gov/form990.***

OMB No. 1545-0047
2015
Open to Public Inspection

Name of the organization
St. Luke's McCall, Ltd.

Employer identification number
27-3311774

Form 990, Part III, Line 4b, Program Service Accomplishments:

year 2016.

Form 990, Part VI, Section A, line 6:

St. Luke's Health System, Ltd. is the sole member of St. Luke's McCall, Ltd.

Form 990, Part VI, Section A, line 7a:

St. Luke's McCall (Corporation) and St. Luke's Health System, Ltd. (Member) cooperatively select and employ the CEO of the Corporation. St. Luke's Health System, Ltd. is the sole member of the Corporation.

Form 990, Part VI, Section A, line 7b:

St. Luke's Health System, Ltd. (Member) maintains approval and implementation authority over St. Luke's Regional Medical Center, Ltd. (Corporation), which in turn is the governing board for St. Luke's McCall, Ltd. (SLM). Effective April 1, 2014, the Corporation became the fiduciary board over SLM. In addition, SLM maintains a community board to ensure the overall health needs of the community are addressed. The chairperson of this community board also serves on the SLRMC governing board.

Actions requiring approval authority may be initiated by either the

Name of the organization: St. Luke's McCall, Ltd.

Employer identification number: 27-3311774

Corporation or the Member, but must be approved by both the Corporation (by action of its Board of Directors) and the Member. Actions requiring approval authority by the Member include:

(a) Amendment to the Articles of Incorporation;

(b) Amendment to the Bylaws of the Corporation;

(c) Appointment of members of the Corporation's Board of Directors, other than ex officio directors;

(d) Removal of an individual from the Corporation's Board of Directors if and when removal is requested by the Corporation's Board of Directors, which request may only be made if the Director is failing to meet the reasonable expectations for service on the Corporation's Board of Directors that are established by SLRMC and are uniform for the Corporation and for all of the other hospitals for which the Member then serves as the sole corporate member;

(e) Approval of operating and capital budgets of the Corporation, and deviations to an approved budget over the amounts established from time to time by the Member; and

(f) Approval of the strategic/tactical plans and goals and objectives of the Corporation.

Implementation Authority means those actions which the Member may take without the approval or recommendation of the Corporation. This authority

Name of the organization: St. Luke's McCall, Ltd.
Employer identification number: 27-3311774

will not be utilized until there has been appropriate communication between the Member and the Corporation's Board of Directors and its Chief Executive Officer. Actions requiring implementation authority include:

(a) Changes to the Statements of mission, philosophy, and values of the Corporation;

(b) Removal of an individual from the Corporation's Board of Directors if and when the Member determines in good faith that the Director is failing to meet the Approved Board of Member Expectations. This authority to remove Directors shall not be used merely because there is a difference in business judgment between the Director and the Corporation or the Member, and shall never be used to remove one or more Directors from the Corporation's Board of Directors in order to change a decision made by the Corporation's Board of Directors;

(c) Employment and termination of the Chief Executive Officer of the Corporation;

(d) Appointment of the auditor for the Corporation and the coordination of the Corporation's annual audit;

(e) Sales, lease, exchange, mortgage, pledge, creation of a security interest in or other disposition of real or personal property of the Corporation if such property has a fair market value in excess of a limit set from time to time by the Member and that is not otherwise contained in an Approved Budget;

Name of the organization: St. Luke's McCall, Ltd.
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(f) Sale, merger, consolidation, change of membership, sale of all or substantially all of the assets of the corporation, or closure of any facility operated by the Corporation;

(g) The dissolution of the Corporation;

(h) Incurrence of debt by or for the Corporation in accordance with requirements established from time to time by the Member and that is not otherwise contained in an Approved Budget; and

(i) Authority to establish policies to promote and develop an integrated, cohesive health care delivery system across all corporations for which the Member serves as the corporate member.

Form 990, Part VI, Section B, line 11:

The Form 990(Form)is reviewed by an independent public accounting firm based on audited financial statements and with the assistance of the organization's finance and accounting staff. A complete copy of the Form 990 is made available to the Board of Directors prior to filing.

Form 990, Part VI, Section B, Line 12c:

The organization annually reviews the conflict of interest policy with each board member and also with new board members. Persons covered under the policy include officers, directors, senior executives, non-director members of Board committees, and others as identified by a senior executive. At all levels the board is responsible for assessing, reviewing, and resolving any

Name of the organization: St. Luke's McCall, Ltd.
Employer identification number: 27-3311774

conflicts of interest that have been disclosed by a covered person, or a conflict of interest disclosed by a covered person with respect to a covered person other than himself/herself. Where a conflict exists, the affected parties must recuse themselves from participating in any discussion related to the conflict.

Form 990, Part VI, Section B, Line 15:

Executive compensation is set by St. Luke's boards of directors and is reviewed annually. Compensation levels are based on an independent analysis of comparable pay packages offered at similar institutions across the country, with the goal of placing executives in the 50th percentile of those surveyed. These surveys are usually done every two years, with the most recent compensation survey completed during calendar year 2016.

St. Luke's Health System is committed to providing the highest quality medical care to all people regardless of their ability to pay. To keep that commitment, St. Luke's puts a great deal of time and effort into recruiting and retaining the top physicians in a variety of medical fields. Our relationships with physicians range from having privileges at the hospital to full employment.

For those physicians who choose to be employed, St. Luke's must offer competitive pay and benefits.

Physician compensation is based on a range of criteria and can be influenced by a number of variables including:

Name of the organization: St. Luke's McCall, Ltd.

Employer identification number: 27-3311774

-Community need for medical specialty

-Experience

-Productivity

-Geography

-National surveys adjusted for local conditions

-Willingness to serve regardless of patients' ability to pay

-Duration of relationship and contractual terms

-Performance on quality metrics

To ensure physician compensation and benefits remain within industry standards and legal requirements for not-for-profit institutions, St. Luke's has a Physician Arrangements policy that specifies circumstances requiring a third-party valuation and also periodically uses third-party consulting firms to review St. Luke's physician compensation arrangements.

Given the growing national shortage of physicians, recruiting, and retaining physicians is more critical than ever to guarantee that people seeking care at St. Luke's will continue to have access to the physicians and specialists they need regardless of their insurance status or insurance provider.

Form 990, Part VI, Section C, Line 19:

The organization's governing documents, conflict of interest policy, and financial statements are not available to the public. Form 990, which contains financial information, is available for public inspection.

Form 990 Part VII Section A

Name of the organization	Employer identification number
St. Luke's McCall, Ltd.	27-3311774

Allocation of Compensation and Hours:

The total hours worked and compensation reported for the following individuals represent services rendered to organizations within the St. Luke's Health System:

Kathy Moore:

St. Luke's Regional Medical Center, Ltd.

Mountain States Tumor Institure, Inc.

St. Luke's McCall, Ltd.

St. Luke's Clinic Coordinate Care, Ltd.

Jeff Taylor:

St. Luke's Health System, Ltd.

St. Luke's Regional Medical Center, Ltd.

Mountain States Tumor Institute, Inc.

St. Luke's McCall, Ltd.

St. Luke's Magic Valley Regional Medical Center, Ltd.

St. Luke's Wood River Medical Center, Ltd.

St. Luke's Clinic Coordinated Care, Ltd.

Christine Neuhoff:

St. Luke's Health System, Ltd.

St. Luke's Regional Medical Center, Ltd.

Mountain States Tumor Institute, Inc.

St. Luke's McCall, Ltd.

St. Luke's Magic Valley Regional Medical Center, Ltd.

St. Luke's Wood River Medical Center, Ltd.

St. Luke's Clinic Coordinated Care, Ltd.

Name of the organization: St. Luke's McCall, Ltd.

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Bayo Crownson, M.D.

St. Luke's Regional Medical Center, Ltd.

Mountain States Tumor Institute, Inc.

St. Luke's McCall, Ltd.

Ron Jutzy, M.D.

St. Luke's Regional Medical Center, Ltd.

Mountain States Tumor Institute, Inc.

St. Luke's McCall, Ltd.

Thomas Huntington, M.D.

St. Luke's Regional Medical Center, Ltd.

Mountain States Tumor Institute, Inc.

St. Luke's McCall, Ltd.

Catherine Reynolds, M.D.

St. Luke's Regional Medical Center, Ltd.

Mountain States Tumor Institute, Inc.

St. Luke's McCall, Ltd.

In addition, Catherine Reynolds, M.D. is a member of Syringa Family Medicine, P.A., (Syringa) a physician practice that has a professional service agreement with St. Luke's Regional Medical Center, Ltd. (SLRMC). Dr. Reynolds works at least 40 hours per week on behalf of this practice for SLRMC. During CY'15, SLRMC paid Syringa $201,731 for services rendered to St. Luke's patients.

Name of the organization: St. Luke's McCall, Ltd.

Employer identification number: 27-3311774

Also, it should be noted that the hours reported for the directors (employed by St. Luke's) officers, key employees, and highest-paid employees are based on a minimum 40 hour work week. However, due to the demands of their roles within the St. Luke's Health System, the hours worked by these individuals often exceed the minimum required 40 hours.

Form 990 Part V, Line 1&2

During tax reporting year 2016 accounts payable and payroll process were consolidated to the supporting organization level (St. Luke's Health System, Ltd). Therefore, corresponding reporting for 1099's and W-2's occurs at that level.

SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

▶ Attach to Form 990.

▶ Information about Schedule R (Form 990) and its instructions is at *www.irs.gov/form990.*

OMB No. 1545-0047

2015

Open to Public Inspection

Name of the organization: St. Luke's McCall, Ltd.

Employer identification number: 27-3311774

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

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
St. Luke's Clinic-McCall, LLC - 45-2715717 190 E. Bannock Boise, ID 83712	Physician Clinic Operations	Idaho	4,421,055.	-2,494,354.	St. Luke's McCall,Ltd.

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	(g) Section 512(b)(13) controlled entity? No
St. Luke's Regional Medical Center, Ltd. - 82-0161600, 190 E. Bannock St., Boise, ID 83712	Healthcare Services	Idaho	501(c)(3)	3	St. Luke's Health System, Ltd.		X
Mountain States Tumor Institute, Inc. - 82-0295026, 100 E. Idaho, Boise, ID 83712	Healthcare Services	Idaho	501(c)(3)	3	St. Luke's Regional Medical Center, Ltd		X
St. Luke's Wood River Medical Center, Ltd. - 84-1421665, 190 E. Bannock St., Boise, ID 83712	Healthcare Services	Idaho	501(c)(3)	3	St. Luke's Health System, Ltd.		X
St. Luke's Health System, Ltd. - 56-2570681 190 E. Bannock St. Boise, ID 83712	Supporting Organization	Idaho	501(c)(3)	11-3	N/A		X

Part II **Continuation of Identification of Related Tax-Exempt Organizations**

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization? Yes	(g) Section 512(b)(13) controlled organization? No
St. Luke's Magic Valley Regional Medical Center, Ltd. - 56-2570686, 801 Pole Line Rd., Twin Falls, ID 83301	Healthcare Services	Idaho	501(c)(3)	3	St. Luke's Health System, Ltd.		X
St. Luke's Clinic Coordinated Care, Ltd. - 45-5195864, 190 E. Bannock, Boise, ID 83712	Accountable Care Organization	Idaho	501(c)(3)	9	St. Luke's Health System, Ltd.		X
St. Luke's Health Foundation, Ltd. - 81-0600973, 190 E. Bannock, Boise, ID 83712	Fundraising	Idaho	501(c)(3)	7	St. Luke's Health System, Ltd.		X

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

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

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

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

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

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

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

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

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

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

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

Part VII Supplemental Information

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

St. Luke's Health System, Ltd. and Subsidiaries

Consolidated Financial Statements as of and for the Years Ended September 30, 2016 and 2015, and Consolidating Supplemental Schedules as of and for the Year Ended September 30, 2016, and Independent Auditors' Report

ST. LUKE'S HEALTH SYSTEM, LTD. AND SUBSIDIARIES

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Deloitte.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
St. Luke's Health System, Ltd.
Boise, Idaho

We have audited the accompanying consolidated financial statements of St. Luke's Health System, Ltd. and its subsidiaries (the "Health System"), which comprise the consolidated balance sheets as of September 30, 2016 and 2015, and the related consolidated statements of operations and changes in net assets, and of cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Health System's preparation and fair presentation of the consolidated 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 Health System'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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of St. Luke's Health System, Ltd. and its subsidiaries as of September 30, 2016 and 2015, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Disclaimer of Opinion on Charity Care Schedule

The charity care schedule summarized in Note 1, which is the responsibility of the Health System's management, is not a required part of the basic financial statements, and we did not audit or apply limited procedures to such information and we do not express any assurances on such information.

Report on Supplementary Schedules

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary schedules listed in the table of contents on page 41–42 are presented for the purpose of additional analysis and are not a required part of the consolidated financial statements. These schedules are the responsibility of the Health System's management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such schedules have been subjected to the auditing procedures applied in our audits of the financial statements and certain additional procedures, including comparing and reconciling such schedules 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, such schedules are fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Deloitte & Touche LLP

December 16, 2016

ST. LUKE'S HEALTH SYSTEM, LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
AS OF SEPTEMBER 30, 2016 AND 2015
(In thousands)

	2016	2015
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 76,162	$ 234,903
Receivables—net	311,130	271,665
Inventories	29,151	30,677
Prepaid expenses	24,757	15,580
Assets held for sale	5,320	4,703
Current portion of assets whose use is limited	56,292	47,908
Total current assets	502,812	605,436
ASSETS WHOSE USE IS LIMITED:		
Board designated funds	475,321	336,586
Restricted funds	138,211	179,256
Permanent endowment funds	12,220	12,129
Donor restricted plant replacement and expansion funds and other specific purpose funds	31,591	27,705
Total assets whose use is limited	657,343	555,676
PROPERTY, PLANT, AND EQUIPMENT—Net	1,143,352	996,255
GOODWILL	37,393	37,393
OTHER ASSETS:		
Land and buildings held for investment or future expansion—at cost	46,254	45,921
Other	8,560	15,346
Deferred financing cost—net	8,087	8,523
Total other assets	62,901	69,790
NONCURRENT ASSETS HELD FOR SALE	-	2,302
TOTAL	$ 2,403,801	$ 2,266,852

See notes to consolidated financial statements.

LIABILITIES AND NET ASSETS	2016	2015
CURRENT LIABILITIES:		
Accounts payable and accrued liabilities	$ 136,292	$ 126,013
Accrued salaries and related liabilities	50,859	39,949
Employee benefit liabilities	114,245	101,298
Estimated payable to Medicare and Medicaid programs	70,142	91,095
Liabilities held for sale	5,335	2,147
Current portion of long-term debt and capital leases	26,412	20,432
Total current liabilities	403,285	380,934
NONCURRENT LIABILITIES:		
Long-term debt and capital leases	896,181	848,413
Liability for pension benefits	91,394	71,888
Other liabilities	1,720	2,416
Total noncurrent liabilities	989,295	922,717
NET ASSETS:		
Unrestricted:		
The Health System	967,932	924,004
Noncontrolling interests	(205)	1,251
Total unrestricted net assets	967,727	925,255
Temporarily restricted	31,274	25,817
Permanently restricted	12,220	12,129
Total net assets	1,011,221	963,201
TOTAL	$ 2,403,801	$ 2,266,852

ST. LUKE'S HEALTH SYSTEM, LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED SEPTEMBER 30, 2016 AND 2015
(In thousands)

	2016	2015
UNRESTRICTED REVENUES, GAINS, AND OTHER SUPPORT:		
Patient service revenue (net of contractual allowances and discounts)	$1,996,412	$1,838,569
Less provision for bad debts	(98,909)	(82,782)
Net patient service revenue (net of bad debts)	1,897,503	1,755,787
Other revenue (including rental income)	40,625	47,427
Net assets released from restrictions—operating	(1,201)	(2,139)
Income on equity interest in joint ventures—net	288	295
Total unrestricted revenues, gains, and other support	1,937,215	1,801,370
EXPENSES:		
Salaries and benefits	1,073,602	964,966
Supplies and drugs	332,649	301,910
Depreciation and amortization	107,682	101,686
Contract services	180,220	174,699
Purchased services	121,579	118,865
Interest expense	31,238	32,803
Other expenses	47,235	43,111
Total expenses	1,894,205	1,738,040
INCOME FROM OPERATIONS	43,010	63,330
INVESTMENT INCOME	9,086	6,164
REVENUE IN EXCESS OF EXPENSES FROM CONTINUING OPERATIONS	52,096	69,494
ADJUSTMENT FOR INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS	260	(403)
REVENUE IN EXCESS OF EXPENSES FROM CONTINUING OPERATIONS, NET OF NONCONTROLLING INTEREST	52,356	69,091
LOSS FROM DISCONTINUED OPERATIONS	(7,205)	(3,633)
REVENUE IN EXCESS OF EXPENSES ATTRIBUTABLE TO THE HEALTH SYSTEM	$ 45,151	$ 65,458

See notes to consolidated financial statements.

	2016	2015
UNRESTRICTED NET ASSETS:		
Revenue in excess of expenses	$ 52,096	$ 69,494
Change in noncontrolling interests	(1,196)	(1,510)
Change in net unrealized gain (loss) on investments	15,528	(6,079)
Net assets released from restrictions—capital acquisitions	3,850	807
Change in funded status of pension plan	(20,601)	(29,610)
Increase in unrestricted net assets before discontinued operations	49,677	33,102
Loss from discontinued operations	(7,205)	(3,633)
Increase in unrestricted net assets	42,472	29,469
TEMPORARILY RESTRICTED NET ASSETS:		
Contributions	9,466	5,166
Investment income	576	875
Change in net unrealized loss (gain) on investments	195	(1,095)
Net assets released from restrictions	(4,780)	(2,946)
Increase in temporarily restricted net assets	5,457	2,000
PERMANENTLY RESTRICTED NET ASSETS:		
Contributions	362	961
Net assets released from restrictions	(271)	-
Increase in permanently restricted net assets	91	961
INCREASE IN NET ASSETS	48,020	32,430
NET ASSETS—Beginning of year	963,201	930,771
NET ASSETS—End of year	$1,011,221	$963,201

ST. LUKE'S HEALTH SYSTEM, LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
AS OF SEPTEMBER 30, 2016 AND 2015
(In thousands)

	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
OF CONTINUING OPERATIONS:		
Increase in net assets	$ 55,225	$ 36,063
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation and amortization	107,682	101,686
Net realized loss on investments	624	2,213
Unrealized (loss) gain on investments	(15,723)	7,174
Amortization of deferred financing fees	649	648
Restricted contributions received	(9,828)	(6,127)
Loss on disposition of equipment and other assets	1,981	318
Loss on equity interest in joint ventures	-	(295)
Change in funded status of pension plans	20,601	29,610
Changes in assets and liabilities:		
Net change in receivables	(37,743)	(30,236)
Net change in inventories	1,525	(3,066)
Net change in prepaid expenses and other current assets	(8,460)	(4,619)
Net change in other assets	(6,549)	(7,418)
Net change in accounts payable and accrued liabilities	5,816	24,280
Net change in accrued salaries and related liabilities	11,170	7,930
Net change in employee benefit liabilities	12,947	14,090
Net change in payable to Medicare and Medicaid programs	(22,678)	(6,223)
Net change in other liabilities	(1,628)	(4,133)
Net cash provided by operating activities of continuing operations	115,611	161,895

See notes to consolidated financial statements.

	2016	2015
CASH FLOWS FROM INVESTING ACTIVITIES		
OF CONTINUING OPERATIONS:		
Acquisitions of property, plant, and equipment and land	$ (230,775)	$ (123,045)
Proceeds from disposition of equipment and other assets	1,170	576
Purchase of investments (includes purchases with restricted funds)	(1,599,116)	(1,588,853)
Change in restricted funds	80,424	3,695
Proceeds from sales of investments	1,432,347	1,520,148
Cash received from acquisition transactions	-	242
Net cash used in investing activities of continuing operations	(315,950)	(187,237)
CASH FLOWS FROM FINANCING ACTIVITIES		
OF CONTINUING OPERATIONS:		
Repayment of long-term debt	(12,930)	(11,220)
Advances on lines of credit	61,326	54,074
Repayments on lines of credit	(62,027)	(52,719)
Proceeds from contributions for temporarily restricted net assets	9,466	5,166
Proceeds from contributions for endowment funds	362	961
Proceeds from long term debt issuance	50,000	-
Cost of fees from debt issuance	(213)	-
Payments on notes payable	(2,527)	(2,337)
Net cash provided by financing activities of continuing operations	43,457	(6,075)
CASH FLOWS FROM DISCONTINUED OPERATIONS:		
Operating activities of discontinued operations	(1,183)	808
Investing activities of discontinued operations	(676)	(535)
Net cash (used in) provided by discontinued operations	(1,859)	273
NET DECREASE IN CASH	(158,741)	(31,144)
CASH—Beginning of year	234,903	266,047
CASH—End of year	$ 76,162	$ 234,903
SUPPLEMENTAL CASH FLOW INFORMATION:		
Non-cash increase in capital lease obligations	$ 19,907	$ 51,734
Purchases of property, plant and equipment in accounts payable and accrued liabilities	11,796	5,992

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization—St. Luke's Health System, Ltd. and subsidiaries (the "Health System") is an Idaho-based not-for-profit organization providing a comprehensive integrated network of health services, including inpatient and outpatient services, physician services, and rehabilitation services to the communities it serves. The Health System's general offices are located in Boise, Idaho. The Health System is governed by volunteer boards made up of local citizens.

The Health System's primary hospitals and service areas are located within the State of Idaho in Boise, Meridian, Nampa, Twin Falls, Mountain Home, McCall, Jerome, and Ketchum and have other facilities and operations throughout Southern Idaho and Eastern Oregon.

Basis of Presentation—The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America. Intercompany transactions have been eliminated.

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, assumptions and judgements that affect the amounts reported in the consolidated financial statements. The Health System considers critical accounting estimates to be those that require more significant judgements and estimates in the preparation of its consolidated financial statements, including the following: contractual allowances on receivables, provisions for bad debt, and charity care; useful lives of depreciable assets; liabilities associated with employee benefit programs; self-insured professional liability risks not covered by insurance; and potential settlements with the Medicare and Medicaid programs. In addition, valuation reserve estimates are made regarding the collectability of outstanding patient and other receivables.

Changes in estimates are included in results of operations in the period when such amounts are determined and actual amounts could differ from such estimates.

Statements of Operations—Transactions deemed by management to be ongoing, major, or central to the provision of health care services are reported as unrestricted revenues, gains and other support and expenses.

Discontinued Operations—The Health System reports financial results for discontinued operations separately from continuing operations to distinguish the financial impact of disposal transactions from ongoing operations. During the year ended September 30, 2016 the Health System began the process of divesting a certain medical practice. Accordingly, the assets and liabilities, operating results and operating and investing cash flows for the medical practice are presented as discontinued operations separate from the Health System's continuing operations and the results for all periods presented in these consolidated financial statements and the notes to the consolidated financial statements, unless otherwise noted. Refer to Note 2 for further information regarding the Health System's discontinued operations.

Temporarily and Permanently Restricted Net Assets—Temporarily restricted net assets are those whose use by the Health System is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Health System pursuant to those stipulations. Permanently restricted net assets are assets whose use by the Health System is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed.

Donor Restricted Gifts—Unconditional promises to give cash, pledges receivable and other assets are recorded 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 either temporarily or permanently restricted support 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, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of operations and changes in net assets as net assets released from restrictions. Total pledges receivable, net of allowances, as of September 30 are as follows:

	2016	2015
Less than one year	$2,526	$2,723
One to five years	863	817
More than five years	35	264
	3,424	3,804
Less allowance for estimated uncollectible accounts	115	201
Total pledges receivable	$3,309	$3,603

Cash and Cash Equivalents—Cash and cash equivalents represents cash on hand and cash in banks, excluding amounts whose use is limited and consists primarily of cash and highly liquid investments with original maturities of three months or less. As of September 30, 2016 and 2015, the Health System had book overdrafts of $11,785 and $12,726, respectively, at multiple institutions that is included in accounts payable and accrued liabilities.

Inventories—Inventories consist primarily of medical and surgical supplies and are stated at the lower of cost (on a moving-average basis) or market.

Assets Whose Use is Limited—Assets whose use is limited include assets set aside by the Board of Directors for future capital purposes over which the Board retains control and may, at its discretion, subsequently be used for debt retirement or other purposes. It also includes assets held by trustee under indenture agreements, assets restricted by donors for specific purposes and permanent endowment funds.

The Health System's long-term and short term investment portfolios are managed according to investment policies adopted by the Health System and based on overall investment objectives. Board designated funds are investments established by the Board for strategic future capital or operating expenditures intended to expand or preserve services provided to the communities it serves. All investments are recorded using settlement date accounting. Investment income and gains (losses) on investments whose

use has not been restricted by the donor, including unrestricted income from endowment funds, are reported as part of investment income. Investment income and gains (losses) on investments whose income has been restricted by the donor are recorded as increases (decreases) to temporarily or permanently restricted net assets.

The Health System's investments primarily include mutual funds and debt securities that are carried at fair value. The Health System evaluates whether securities are other-than-temporarily impaired (OTTI) based on criteria that include the extent to which cost exceeds market value, the intent to sell, the duration of the market decline, the credit rating of the issuer or security, the failure of the issuer to make scheduled principal or interest payments and the financial health and prospects of the issuer or security. Any declines in the value of investment securities determined to be OTTI are recognized in earnings and reported as OTTI losses. The Health System determined that no securities were OTTI as of September 30, 2016 and 2015.

Property, Plant, and Equipment—Property, plant, and equipment, including internal use software, are recorded at cost with the exception of donated assets, which are recorded at fair value at the date of donation. Property and equipment donated for Health System operations are recorded as additions to property, plant, and equipment when the assets are placed in service. Depreciation is computed using the straight-line method over the estimated useful lives of the depreciable assets with depreciation taken in both the year placed in service and the year of disposition.

The estimated useful lives of each asset ranges are as follows:

Buildings	15–40 years
Fixed and major movable equipment	2–20 years
Leasehold improvements	5–15 years
Information technology	3–7 years

Expenditures for maintenance and repairs are charged to expense as incurred and expenditures for renewals and betterments are capitalized. Upon sale or retirement of depreciable assets, the related cost and accumulated depreciation are removed from the records and any gain or loss is reflected in the statement of operations. Periodically, the Health System evaluates the carrying value of property, plant, and equipment for impairment based on undiscounted operating cash flows whenever events or changes occur which might impact recovery of recorded assets.

Goodwill—Goodwill represents the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognized. Goodwill is not amortized but is subject to annual impairment testing at the reporting unit level. A reporting unit is defined as a component of an organization that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed for decision making purposes and for which discrete financial information is available.

The quantitative impairment testing for goodwill includes a two-step process consisting of identifying a potential impairment loss by comparing the fair value of the reporting unit to its carrying amount, including goodwill and then measuring the impairment loss by comparing the implied fair value of the goodwill for a reporting unit to its carrying value. The fair value is estimated based upon internal evaluations of the related long-lived assets for each reporting unit and can include comparable market prices, quantitative analyses of revenues and estimated future net cash flows. If the fair value of the reporting unit assets is less than their carrying value including goodwill, an impairment loss is recognized.

Our annual impairment test was performed as of June 30, 2016. In addition, impairment reviews are performed whenever circumstances indicate a possible impairment may exist.

Meaningful Use—Electronic Health Records (EHR) incentive earnings are recognized in other revenue following the grant accounting model. This model recognizes income ratably over the applicable reporting period as management becomes reasonably assured of meeting the required criteria. Amounts recognized represent management's best estimates for payments ultimately expected to be received. The demonstration of meaningful use is based on meeting a series of objectives and varies among hospitals and physician practices, between the Medicare and Medicaid programs and within the Medicaid program from state to state. Additionally, meeting the series of objectives in order to demonstrate meaningful use becomes progressively more stringent as its implementation is phased in through stages as outlined by the Centers for Medicare and Medicaid Services.

For the years ended September 30, 2016 and 2015, the Health System recognized meaningful use incentive revenue of $1,806 and $4,447, respectively, related to the Medicare and Medicaid programs.

Land and Buildings Held for Future Investment or Future Expansion—Land and buildings held for investment or future expansion represents land and buildings purchased or donated to the Health System for future operations and are not included in the Health System operations.

Costs of Borrowing—Interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets. Financing costs are deferred and amortized over the life of the debt.

Net Patient Service Revenue—Net patient service revenue before provision for bad debts is reported at the estimated net realizable amounts from patients, 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 Health System provides services to all patients regardless of their ability to pay in accordance with its charity care policy. The estimated cost of providing these services was $34,891 and $29,811 in 2016 and 2015, respectively, calculated by multiplying the ratio of cost to gross charges for the Health System by the gross compensated charges associated with providing care to charity patients.

In addition to charity care services, the Health System provides services to patients who are deemed indigent under state Medicaid and county indigency program guidelines. In most cases, the cost of services provided to these patients exceeds the amounts received as compensation from the respective programs. In addition, in response to broader community needs, the Health System also provides many programs such as health screening, patient and health education programs, clinical and biomedical services to outlying hospitals, and serves as a clinical teaching site for higher education programs of health professionals. The following unaudited schedule summarizes the charges forgone in accordance with the Health System's charity care policy, the unpaid costs associated with services provided under Medicare, Medicaid, and county indigency programs, and the benefit of services provided to support broader community needs:

	Unaudited	
	2016	**2015**
Estimated unpaid costs of services provided under Medicare, Medicaid, and county indigency programs	$315,243	$278,557
Estimated benefit of services to support broader community needs	41,180	32,678

Income Taxes—The Health System is a not-for-profit corporation and is recognized as tax-exempt pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. The Health System accounts for uncertain tax positions in accordance with ASC Topic 740. Income tax liabilities are recorded for the impact of positions taken on income tax returns, which management believes are not more likely than not to be sustained on tax audit. Management is not aware of any uncertain tax positions that should be recorded.

Unrelated Business Income—The Health System is subject to federal excise tax on its unrelated business taxable income (UBTI). As of September 30, 2016, the Health System had approximately $6,810 of UBTI Net Operating Losses from operating losses incurred from 1997 to 2016, which expire in years 2017 to 2037. The Health System does not believe that it is more likely than not they will utilize these losses prior to their expiration and as such has provided a full valuation allowance against these losses.

Adopted Accounting Pronouncements—On October 1, 2015, the Health System adopted Accounting Standards Update ("ASU") No. 2014-08, "*Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity*." This guidance amends the definition of a discontinued operation and requires additional disclosures about discontinued operations as well as disposal transactions that do not meet the discontinued operations criteria on a prospective basis. This guidance was incorporated into our analysis of discontinued operations in the current year.

Forthcoming Accounting Pronouncements—In May 2016, the Financial Accounting Standards Board ("FASB") issued ASU No. 2016-12, "*Revenue From Contracts with Customers: Narrow-Scope Improvements and Practical Expedients*," which amends certain aspects of the FASB'S revenue standard ASU 2014-09, "*Revenue From Contracts with Customers*." In March 2016, the FASB issued ASU No. 2016-08, "*Revenue From Contracts with Customers: Principal Versus Agent Considerations (Reporting Revenue Gross Versus Net)*." This guidance amends the principal versus agent implementation guidance and illustrations in the FASB's revenue standard, ASU No. 2014-09. In July 2015, the FASB issued ASU No. 2015-14, "*Revenue From Contracts with Customers (Topic 606): Deferral of the Effective Date*," which defers the effective date of the FASB's revenue standard,

ASU 2014-09, by one year for all entities and permits early adoption on a limited basis. In May 2014, the FASB issued ASU No. 2014-09. This guidance outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. After the deferral of the effective date, this guidance is effective for the Health System beginning October 1, 2018. The Health System is still evaluating the impact this guidance may have on its consolidated financial statements.

In April 2015, the FASB issued ASU 2015-03, "*Simplifying the Presentation of Debt Issuance Costs*", which requires entities to present debt issuance costs related to a recognized debt liability as a direct deduction from the carrying amount of that debt liability. The provisions of ASU 2015-03 are applicable to the Health System for the fiscal year beginning October 1, 2016. The adoption of this guidance will result in $8,087 of deferred financing costs on the consolidated balance sheets being reclassified to offset long-term debt.

In May 2015, the FASB issued ASU No. 2015-07, "*Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities that Calculate Net Asset Value per Share (or Its Equivalent)*". This ASU removes the requirement to categorize the investments for which fair value is measured using net asset value per share within the fair value hierarchy. The provisions of ASU 2015-07 are effective for reporting periods beginning after December 15, 2015 and are to be applied retrospectively; early adoption is permitted. The Health System is currently evaluating the effect that this ASU will have on its consolidated financial statements.

In January 2016, the FASB issued ASU No. 2016-01, "*Recognition and Measurement of Financial Assets and Financial Liabilities.*" This guidance revises accounting related to (1) the classification and measurement of investments in equity securities and (2) the presentation and certain fair value changes for financial liabilities measured at fair value. It also amends certain disclosure requirements associated with the fair value of financial instruments. This guidance is effective for the Health System beginning October 1, 2019. The Health System is still evaluating the impact this guidance may have on its consolidated financial statements.

In February 2016, the FASB issued ASU No. 2016-02, "*Leases.*" This guidance introduces a lessee model that brings substantially all leases on the consolidated balance sheet. This guidance is effective for the Health System beginning October 1, 2019. Retrospective application is required. The Health System is still evaluating the impact this guidance may have on its consolidated financial statements.

In March 2016, the FASB issued ASU No. 2016-07, "*Investments—Equity Method and Joint Ventures: Simplifying the Transition to the Equity Method of Accounting*." This guidance eliminates the requirement to retrospectively apply the equity method to an investment that subsequently qualifies for such accounting as a result of an increase in the level of ownership interest or degree of influence. This guidance is effective for the Health System beginning October 1, 2018. The Health System does not expect this guidance to have a material impact on the financial statements.

In August 2016, the FASB issued ASU No. 2016-14, "*Presentation of Financial Statements of Not-For-Profit Entities*." This guidance simplifies and improves how not-for profit entities classify net assets as well as the information presented in the financial statements and notes about liquidity, financial performance and cash flows. This guidance is effective for the Health System beginning October 1, 2018. The Health System is still evaluating the impact this guidance may have on its consolidated financial statements.

In August 2016, the Financial Accounting Standards Board ("FASB") issued ASU No. 2016-15, "*Classification of Certain Cash Receipts and Cash Payments*." This guidance adds or clarifies guidance on the classification of certain cash receipts and payments in the consolidated statements of cash flows. This guidance is effective for the Health System beginning October 1, 2019. The Health System is still evaluating the impact this guidance may have on its consolidated financial statements.

2. BUSINESS TRANSACTIONS AND DISCONTINUED OPERATIONS

Discontinued Operations—On November 12, 2012, private plaintiffs filed a complaint against the Health System in Idaho Federal District Court (the "Court") asserting that a planned business transaction between the Health System and an independent medical practice violated state and federal antitrust law. The suit sought money damages, attorney fees, and a preliminary and permanent injunction against the transaction. The court denied the request for a preliminary injunction, allowing the transaction to close in December of 2012, but set a trial on plaintiffs' request for an order unwinding the transaction. On March 26, 2013, the Federal Trade Commission and the State of Idaho filed a complaint for a permanent injunction requiring the Health System to unwind the transaction and for attorney fees incurred by the Office of the Idaho Attorney General.

On February 28, 2014, the Court Entered a Judgment Permanently Enjoining the Transaction and Ordering the Health System to Unwind the Transaction.

on December 10, 2015, the Court Entered an Order Setting out the Process to Divest the Medical Practice from the Health System and Appointing a Monitor and a Trustee to Oversee the Process. Based on the Nature of the Ruling Associated with this Medical Practice, and Due to the Fact That the Divestiture of the Medical Practice Is Expected to Occur Within the next Twelve Months, the Health System Has Determined to Treat the Operations Related to the Medical Practice as Discontinued Operations in the Financial Statements.

the Major Components of Discontinued Operations Presented in the Consolidated Statement of Operations and Changes in Net Assets Include the following:

	2016	2015
Net patient service revenue (net of contractual allowances and discounts)	$24,302	$28,152
Less provision for bad debts	104	1,221
Net patient service revenue	24,198	26,931
Other revenue	74	221
Total unrestricted revenues, gains, and other support	24,272	27,152
Operating expenses	31,477	30,785
Net loss from discontinued operations	$ (7,205)	$ (3,633)

Assets and liabilities held for sale presented in the consolidated balance sheets as of September 30 are as follows:

	2016	2015
ASSETS:		
Cash and cash equivalents	$1,097	$1,814
Receivables—net	1,641	2,685
Inventories	116	162
Prepaid expenses	175	42
Property, plant and equipment—net	2,291	-
Current assets of discontinued operations	5,320	4,703
Property, plant and equipment—net	-	2,302
Non-current assets of discontinued operations	$ -	$2,302
LIABILITIES:		
Accounts payable and accrued liabilities	$5,335	$2,147
Current liabilities of discontinued operations	$5,335	$2,147

Acquisitions—Effective October 1, 2014, the Health System entered into a definitive agreement with Idaho Elks Rehabilitation Hospital (Elks). The dual purpose of the agreement was to dissolve the existing joint ventures (JV's) that St. Luke's and Elks had in place prior to the agreement, and in turn for the Health System to purchase the assets associated with those JV's, along with other assets owned directly by Elks, at their appraised fair market value. Consideration given by the Health System for the transaction totaled $7,629, net of cash received, and consisted of an elimination of net receivables due to the Health System from Elks prior to the transaction, along with the Health System giving up their portion of ownership in the joint ventures that were dissolved to Elks. As a result of the transaction, the Health System expanded its rehabilitation services including operation of an inpatient rehabilitation hospital located in Boise, Idaho.

The determination of the estimated fair market value of the assets obtained and liabilities assumed required management to make certain estimates and assumptions. The transaction with Elks resulted in the assets obtained and liabilities assumed being recorded on their estimated fair values on the transaction date. The transaction with Elks resulted in $104 gain, which was recorded in the consolidated statement of operations and changes in net assets representing the excess of the fair value of assets obtained over liabilities assumed and financial consideration given.

The results of operations are included in the Health System's consolidated financial statements beginning October 1, 2014. The following table presents the allocation of consideration given for the assets obtained and liabilities assumed:

	2015
Cash	$ 242
Inventory	421
Prepaid expenses	128
Covenants not to compete	319
Property	7,459
Total assets obtained	8,569
Employee benefit liability assumed	(594)
Total liabilities assumed	(594)
Total assets and liabilities assumed	7,975
Total consideration given	7,871
Excess of assets obtained over liabilities assumed in transaction	$ 104

3. NET PATIENT SERVICE REVENUE

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

Medicare—Inpatient acute and certain outpatient care services rendered to Medicare program beneficiaries are paid at prospectively determined rates based upon the service provided. These rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors. Inpatient nonacute services, certain other outpatient services, and defined capital and medical education costs related to Medicare beneficiaries are paid based on a cost reimbursement methodology.

The Health System is reimbursed for cost reimbursable items at a tentative rate with final settlement determined after submission of annual cost reports by the Health System and audits thereof by the Medicare fiscal intermediary. The Health System's classification of patients under the Medicare program and the appropriateness of their admission are subject to a review by a peer review organization under contract with the fiscal intermediary.

Medicaid—Inpatient and outpatient services rendered to Medicaid program beneficiaries are reimbursed under a cost reimbursement methodology. The Health System is reimbursed at a tentative rate with final settlement determined after submission of annual cost reports by the Health System and audits thereof by the Medicaid fiscal intermediary.

Changes in estimates are included in results of operations in the period when such amounts are determined. The Health System has an opportunity to amend previously settled cost reports. With regard to the amended cost reports, the Health System accrues settlements when amounts are probable and estimable.

Changes in prior year estimates for Medicare and Medicaid decreased net patient service revenue by $1,841 for fiscal year ended September 30, 2016 and decreased net patient service revenue by $10,405 for fiscal year ended September 30, 2015.

Other—The Health System has also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment to the Health System under these agreements includes prospectively determined rates per patient day, per discharge and discounts from established charges.

The System records a provision for bad debts related to uninsured accounts to record the net self-pay accounts receivable at the estimated amounts the System expects to collect.

Patient service revenue (including patient co-pays and deductibles), net of contractual allowances and discounts (but before provision for uncollectible accounts) by primary payor source, for the year ended September 30 are as follows:

	2016	2015
Commercial payors, patients, and other	$1,182,181	$1,080,857
Medicare program	618,214	590,547
Medicaid program	196,017	167,165
	1,996,412	1,838,569
Less total provision for uncollectible accounts	98,909	82,782
	$1,897,503	$1,755,787

4. ACCOUNTS RECEIVABLE AND CONCENTRATION OF CREDIT RISK

The Health System grants credit without collateral to its patients, most of whom are local residents and many of whom are insured under third-party payor agreements. Accounts receivable, reflected net of any contractual arrangements, as of September 30 are as follows:

	2016	2015
Commercial payors, patients, and other	$287,762	$249,501
Medicare program	55,286	57,662
Medicaid program	21,752	18,764
Non-patient	18,283	12,982
	383,083	338,909
Less total allowance	71,953	67,244
	$311,130	$271,665

The allowance for estimated uncollectible accounts is determined by analyzing both historical information (write-offs by payor classification), as well as current economic conditions.

5. PROPERTY, PLANT, AND EQUIPMENT

Property, plant, and equipment as of September 30 are as follows:

	2016	2015
Land	$ 53,296	$ 49,770
Buildings, land improvements, and fixed equipment	1,042,455	966,929
Major movable equipment and information technology	627,791	545,807
	1,723,542	1,562,506
Less accumulated depreciation:		
Buildings, land improvements, and fixed equipment	360,441	322,212
Major movable equipment and information technology	408,032	350,752
	768,473	672,964
	955,069	889,542
Construction in process	188,283	106,713
	$1,143,352	$ 996,255

Depreciation expense was $105,676 and $95,825 for the years ended September 30, 2016 and 2015, respectively.

6. ASSETS WHOSE USE IS LIMITED

Assets whose use is limited that will be used for obligations classified as current liabilities and the current portion of pledges receivable are reported in current assets. Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value, based on quoted market prices of identical or similar assets. The majority of the Health System's investments are managed by independent investment managers. The following table sets forth the composition of assets whose use is limited as of September 30:

	2016	2015
Board designated funds:		
Cash and cash equivalents	$ 5,721	$ 4,376
Mutual funds	151,133	85,472
Corporate bonds, notes, mortgages and asset-backed securities	272,761	217,126
Government and agency securities	140,962	112,482
Interest receivable	1,539	1,269
Due to donor restricted and permanent endowment funds	(40,503)	(36,231)
	531,613	384,494
Less amounts classified as current assets	(56,292)	(47,908)
	$475,321	$336,586
Restricted funds:		
Cash and cash equivalents	$ 38,169	$ 10,729
Certificates of deposit, commercial paper and other equities	43,443	45,127
Corporate bonds, notes, mortgages and asset-backed securities	16,149	61,943
Government and agency securities	40,450	61,457
	$138,211	$179,256
Permanent endowment funds—due from board designated funds	$ 12,220	$ 12,129
Donor restricted plant replacement and expansion funds and other specific purpose funds:		
Due from board designated funds	$ 28,282	$ 24,102
Pledges receivable	3,309	3,603
	$ 31,591	$ 27,705

Investment income for assets limited as to use, cash equivalents, and other investments for the years ended September 30 are comprised of the following:

	2016	2015
Investment income:		
Interest income	$ 9,710	$ 8,377
Realized loss on sales of securities	(624)	(2,213)
	$ 9,086	$ 6,164
Change in net unrealized gain (loss) on investments	$15,528	$(6,079)

In connection with the issuance of the certain bond obligations, the Health System is required to maintain a debt reserve fund. The debt reserve fund is to be used for the payment of principal and interest at maturity. The amount held in the debt reserve fund as of September 30, 2016, related to the Series 2008A Bonds, is $16,897 (which includes $3,215 to be paid over the next 12 months). This amount is included in restricted funds. Amounts held in custody, to be paid over the next 12 months, for the Series 2005 and 2012CD Bonds is $1,945 and $180, respectively. These amounts are also included in restricted funds.

Proceeds received from the Series 2014A Bonds are restricted to qualified expenditures related to a facility project of the Health System and are held by the Series 2014A Bond Trustee in a Construction Fund. Initial deposits into the Construction Fund were $174,947 and the remaining balance as of September 30, 2016 was $88,997.

Proceeds from the Bank of America Public Capital Corp financing are restricted to qualified expenditures related to an Electronic Medical Records System (EPIC) and are held in escrow by Zions Bank, NA. Initial deposits into escrow were $50,000 and the remaining balance as of September 30, 2016 was $24,006.

7. TEMPORARILY AND PERMANENTLY RESTRICTED NET ASSETS

Restricted net assets as of September 30 consist of donor restricted contributions and grants, which are to be used as follows:

	2016	2015
Equipment and expansion	$16,179	$15,376
Research and education	4,020	2,847
Charity and other	11,075	7,594
Total temporarily restricted net assets	31,274	25,817
Permanently restricted net assets	12,220	12,129
Total restricted net assets	$43,494	$37,946

The composition of endowment net assets by type of fund as of September 30 is as follows:

	September 30, 2016		
	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment net assets	$ -	$12,220	$12,220
Board-designated endowment net assets	2,538	-	2,538
Total endowment net assets	$2,538	$12,220	$14,758

	September 30, 2015		
	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment net assets	$ -	$12,129	$12,129
Board-designated endowment net assets	510	-	510
Total endowment net assets	$ 510	$12,129	$12,639

Changes in endowment net assets during 2016 and 2015 are as follows:

	September 30, 2016		
	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets—beginning of period	$ 510	$12,129	$12,639
Investment returns	1,023	-	1,023
Unrealized gains	209	-	209
Contributions	13	362	375
Appropriation of endowment net assets for expenditure	-	(16)	(16)
Transfers to remove or add to board-designated endowment funds	783	(255)	528
Endowment net asset—end of period	$2,538	$12,220	$14,758

	September 30, 2015		
	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets—beginning of period	$1,104	$11,168	$12,272
Contributions	2	342	344
Transfers to remove or add to board-designated endowment funds	(596)	619	23
Endowment net assets—end of period	$ 510	$12,129	$12,639

8. DEBT

Long-term debt as of September 30 consists of the following:

	2016	2015
Obligations to Idaho Health Facilities Authority—Series 2014A Fixed Rate Bonds	$165,965	$166,135
Obligations to Idaho Health Facilities Authority—Series 2014A Fixed Rate Bond Premium	9,864	10,225
Obligations to Idaho Health Facilities Authority—Series 2012A Fixed Rate Bonds	75,000	75,000
Obligations to Idaho Health Facilities Authority—Series 2012A Fixed Rate Bond Premium	703	749
Obligations to Idaho Health Facilities Authority—Series 2012B Variable Rate Direct Purchase	64,535	67,595
Obligations to Idaho Health Facilities Authority—Series 2012CD Variable Rate Revenue Bonds	150,000	150,000
Obligations to Idaho Health Facilities Authority—Series 2008A Fixed Rate Bonds	120,845	122,360
Obligations to Idaho Health Facilities Authority—Series 2008A Fixed Rate Bond Discount	(2,912)	(3,016)
Obligations to Idaho Health Facilities Authority—Series 2005 Fixed Rate Bonds	100,085	103,105
Obligations to Idaho Health Facilities Authority—Series 2000 Fixed Rate Bonds	69,000	72,500
Obligations to Idaho Health Facilities Authority—Series 2000 and Series 2005 Fixed Rate Bond Premium	4,068	4,286
Banc of America Public Capital Corp Equipment Financing	48,854	-
Capital leases	75,567	57,464
Notes payable	35,544	36,266
Line of credit	5,475	6,176
Total debt	922,593	868,845
Less current portion	26,412	20,432
Total long-term debt	$896,181	$848,413

As of September 30, 2016, the maturity schedule of long-term debt is as follows:

Years Ending September 30	Long-Term Debt	Capital Lease	Total
2017	$ 23,155	$ 6,221	$ 29,376
2018	18,275	6,302	24,577
2019	18,912	6,085	24,997
2020	19,574	5,841	25,415
2021	20,284	5,946	26,230
Thereafter	746,826	79,630	826,456
	$847,026	110,025	957,051
Less amount representing interest		(34,458)	(34,458)
		$ 75,567	$922,593

Obligations to Idaho Health Facility Authority

Series 2000—Represents Fixed Rate Revenue Bonds, payable in annual payments ranging from $2,800 to $29,700, beginning July 2011 through July 2030. The Series 2000 bonds bear interest at a fixed rate ranging from 2.00% to 5.00% per annum calculated on the basis of a 360 day year comprised on 12 30-day months and are payable on July 1 and January 1 of each year. The average interest rate (which includes amortization of costs of issuance) during 2016 was 4.89%.

The Series 2000 bonds maturing on or after July 1, 2021, are subject to redemption prior to maturity at the option of the Health System.

The Series 2000 Bonds are secured with a mortgage on the Health System's hospital located in Boise, Idaho.

Series 2005—Represents Fixed Rate Revenue Bonds, payable in annual payments ranging from $2,690 to $51,710, beginning July 2011 through July 2035. The Series 2005 bonds bear interest at a fixed rate ranging from 2.00% to 5.00% per annum calculated on the basis of a 360 day year comprised on 12 30-day months and are payable on July 1 and January 1 of each year. The average interest rate (which includes amortization of costs of issuance) during 2016 was 4.70%.

The Series 2005 bonds maturing on or after July 1, 2021, are subject to redemption prior to maturity at the option of the Health System. In addition, Series 2005 bonds maturing on or after July 1, 2025, are subject to redemption prior to maturity at the option of the Health System on or after July 1, 2015.

The Series 2005 Bonds are secured with a mortgage on the Health System's hospital located in Boise, Idaho.

Series 2008A—Represents Fixed Rate Revenue Bonds, payable in annual payments ranging from $1,130 to $21,655 beginning November 2009 through 2037. The Series 2008A bonds bear interest at a fixed rate ranging from 4.00% to 6.75% per annum calculated on the basis of a 360 day year comprised of 12 30-day months and are payable on May 1 and November 1 of each year. The average interest rate (which includes amortization of costs of issuance) during 2016 was 6.81%.

The Series 2008A bonds maturing on or after November 1, 2019, are subject to redemption prior to maturity at the option of the Health System, on or after November 1, 2018.

Series 2012A—Represents Fixed Rate Revenue Bonds payable in annual payments ranging from $23,780 to $26,220, beginning March 2045 through March 2047. The Series 2012A Bonds bear interest at a fixed rate ranging from 4.50% to 5.00% per annum calculated based on a 360 day calendar year comprised of 12 30-day months and are payable on March 1 and September 1 of each year. The average interest rate (which includes amortization of costs of issuance) during 2016 was 4.84%.

The Series 2012A bonds are subject to redemption prior to maturity at the option of the Health System, on or after March 1, 2022.

Series 2012B—Represents Variable Rate Direct Purchases with Union Bank, N.A. in a privately placed transaction. The principal of the Series 2012B Bonds is payable in annual installments ranging from $1,700 to $5,160 between March 2013 and March 2032. The interest on the Series 2012B Bonds is currently payable monthly, as the Series 2012B Bonds are currently held in the Index Rate Mode (and the Health System has currently elected to use the one-month LIBOR Index Interest Period in connection with such Index Rate Mode). At the conclusion of the initial Index Rate Mode (i.e. July 30, 2019), and at the option of the Health System, the Series 2012B Bonds may be converted to the Daily Mode, the Weekly Mode, the Adjustable Long Mode, the Commercial Paper Mode, another Index Rate Mode, or the Fixed Mode upon compliance with certain conditions set forth in the bond documents. The interest payment dates, interest calculation methods, and terms, if any, upon which each Series 2012B Bond may or must be tendered for purchase in each Mode, are more fully set forth in the bond documents. The average interest rate (which includes amortization of costs of issuance) during 2016 was 1.48%.

The Series 2012B Bonds are subject to redemption prior to maturity at the option of the Health System in accordance with the terms set forth in the bond documents. During the initial Index Rate Mode, the Series 2012B Bonds are subject to optional redemption by the Health System on any business day upon payment of all fees required by the Index Rate Agreement.

Series 2012C—Represents Variable Rate Direct Purchases with Wells Fargo, N.A. in a privately placed transaction. The Series 2012C Bonds principal is payable in annual payments ranging from $11,820 to $13,195, beginning November 2038 through November 2043. The Series 2012C Bonds interest is payable monthly, as the Series 2012C Bonds are currently held in the Index Rate Mode (with interest being calculated using the SIFMA Index Rate). At the conclusion of the initial Index Rate Mode (i.e. October 1, 2018), and at the option of the Health System, the Series 2012C Bonds may be converted to the Daily Mode, the Weekly Mode, the Adjustable Long Mode, the Commercial Paper Mode, another Index Rate Mode, or the Fixed Mode upon compliance with certain conditions set forth in the bond documents. The interest payments, interest calculations methods, and terms, if any, upon which each Series 2012C Bond may or must be tendered for purchase in each Mode are more fully set forth in the bond documents. The average interest rate (which includes amortization of costs of issuance) during 2016 was .92%.

The Series 2012C Bonds are subject to redemption prior to maturity at the option of the Health System in accordance with the terms set forth in the bond documents. During the initial Index Rate Mode, the Series 2012C Bonds are subject to optional redemption on any business day upon payment of the principle amount thereof, accrued interest thereon, and all fees required by the Index Rate Agreement.

Series 2012D—Represents Variable Rate Direct Purchases with Wells Fargo Municipal Capital Strategies, LLC in a privately placed transaction. The Series 2012D Bonds principal is payable in annual payments ranging from $11,810 to $13,220, beginning November 2038 through November 2043. The Series 2012D Bonds interest is payable monthly, as the Series 2012D Bonds are currently held in the Index Rate Mode (with interest being calculated using the LIBOR Index Rate). At the conclusion of the initial Index Rate Mode (i.e. October 24, 2017), and at the option of the Health System, the Series 2012D Bonds may be converted to the Daily Mode, the Weekly Mode, the Adjustable Long Mode, the Commercial Paper Mode, another Index Rate Mode, or the Fixed Mode upon compliance with certain conditions set forth in the bond documents. The interest payments, interest calculations methods, and terms, if any, upon which each Series 2012D Bond may or must be tendered for purchase in each Mode are more fully set forth in the bond documents. The average interest rate (which includes amortization of costs of issuance) during 2016 was 1.25%.

The Series 2012D Bonds are subject to redemption prior to maturity at the option of the Health System in accordance with the terms set forth in the bond documents. During the initial Index Rate Mode, the Series 2012D Bonds are subject to optional redemption on any business day upon payment of the principle amount thereof, accrued interest thereon, and all fees required by the Index Rate Agreement.

Series 2014A—Represents Fixed Rate Revenue Bonds, payable in annual installments ranging from $170 to $16,080 beginning March 2016 through March 2044. The Series 2014A bonds bear interest at a fixed rate ranging from 2.00% to 5.00% per annum calculated on the basis of a 360 day year comprised of 12 30-day months and are payable on March 1 and September 1 of each year. The average interest rate (which includes amortization of costs of issuance) during 2016 was 4.66%.

The Series 2014A bonds maturing on or after March 1, 2034 are subject to redemption prior to maturity at the option of the Health System.

The Series 2000, Series 2005, Series 2008A, Series 2012A, Series 2012B, Series 2012CD and Series 2014A bonds provide, among other things, restrictions on annual debt additions that the Health System may incur. The agreements also require that sufficient fees and rates be charged so as to provide net income available for debt service, as defined, in an amount not less than 125% of the annual principal and interest due on the Bonds. For the years ended September 30, 2016 and 2015, net income available for debt service, as defined, exceeded the minimum coverage required.

Banc of America Public Capital Corp—Represents ten-year debt financing, payable in quarterly installments, which include principal and interest of $1,360 beginning August 2016 through May 2026. The Banc of America Public Capital Corp debt is secured by the Health System's EHR system and bears interest at a fixed rate of 1.756% per annum payable quarterly on February 18th, May 18th, August 18th, and November 18th.

Notes Payable—These notes are secured by medical office buildings and guaranteed by a third party. Principal and interest are payable on a monthly basis. Per the agreements, the notes mature in 2023. Interest is fixed at 4.25%.

Line of Credit—In September 2011, the Health System entered into an unsecured credit agreement with Key Bank, N.A. The agreement allows for borrowings up to $60,000 and has a maturity date of September 15, 2018. In the event that principal amounts are outstanding, interest is incurred at a rate that is variable at the Prime Rate. The line of

credit, among other things, contains an annual commitment fee of $30 as well as a non-usage fee on the actual daily unborrowed portion of the principal amount available at the rate of one-fifth of 1% per annum. As of September 30, 2016, there was no outstanding balance on the line of credit.

In January 2010, the Health System entered into an unsecured credit agreement with Wells Fargo Bank, N.A. The agreement allows for borrowings up to $8,000 and has a maturity date of August 1, 2017. The line of credit is to be utilized for working capital payments related to a cash payment program the Health System operates in connection with payments to vendors. In the event that principal is outstanding in excess of 30 days, interest is variable at daily three month LIBOR plus 1.75%. The outstanding balance as of September 30, 2016 and 2015 was $5,474 and $6,176, respectively. Principal amounts are advanced as vendor payments are made, and are required to be repaid on a monthly basis. As principal is paid in full on a monthly basis, no interest costs have been incurred.

Interest Costs—During the years ended September 30, 2016 and 2015 the Health System incurred total interest costs of $34,924 and $34,717, respectively. During 2016 and 2015, $3,685 and $1,914, respectively, has been capitalized and is reflected as a component of property, plant, and equipment. During the years ended September 30, 2016 and 2015, the Health System made cash payments for interest of $34,760 and $34,928, respectively, and cash payments for bond fees of $400 and $379, respectively.

9. NONCONTROLLING INTEREST

The following table shows the allocation of controlling and noncontrolling interest within net assets as of September 30:

	Total Net Assets	Controlling Interest	Noncontrolling Interest
Net assets—September 30, 2014	$ 930,771	$ 928,413	$ 2,358
Unrestricted net assets:			
Revenue in excess of expenses	69,494	69,091	403
Change in noncontrolling interests	(1,510)	-	(1,510)
Change in net unrealized loss on investments	(6,079)	(6,079)	-
Net assets released from restrictions—capital acquisitions	807	807	-
Change in funded status of pension plans	(29,610)	(29,610)	-
Increase in unrestricted net assets from continuing operations	33,102	34,209	(1,107)
Loss from discontinued operations	(3,633)	(3,633)	-
Increase in unrestricted net assets	29,469	30,576	(1,107)
Increase in temporarily restricted net assets	2,000	2,000	-
Increase in permanently restricted net assets	961	961	-
Increase in net assets	32,430	33,537	(1,107)
Net assets—September 30, 2015	963,201	961,950	1,251
Unrestricted net assets:			
Revenue in excess of expenses	52,096	52,356	(260)
Change in noncontrolling interests	(1,196)	-	(1,196)
Change in net unrealized gain on investments	15,528	15,528	-
Net assets released from restrictions—capital acquisitions	3,850	3,850	-
Change in funded status of pension plans	(20,601)	(20,601)	-
Increase in unrestricted net assets from continuing operations	49,677	51,133	(1,456)
Loss from discontinued operations	(7,205)	(7,205)	-
Increase in unrestricted net assets	42,472	43,928	(1,456)
Increase in temporarily restricted net assets	5,457	5,457	-
Increase in permanently restricted net assets	91	91	-
Increase in net assets	48,020	49,476	(1,456)
Net assets—September 30, 2016	$1,011,221	$1,011,426	$ (205)

10. EMPLOYEE RETIREMENT PLANS

Defined Benefit Plans—The St. Luke's Regional Medical, Ltd. Basic Pension Plan (the "SLRMC Plan") covers substantially all eligible employees employed by the Health System (with the exception of St. Luke's Magic Valley, Ltd. employees) on or before December 31, 1994. The SLRMC Plan was amended and restated effective January 1, 1995, to exclude employees hired on or after that date from participation in the SLRMC Plan; however, the SLRMC Plan remains in effect for those participants who qualify and were hired prior to January 1, 1995. Employees eligible for the SLRMC Plan with five or more years of service are entitled to annual pension benefits beginning at normal retirement age (65), or after obtaining age 62 with 25 years of service, equal to a percentage of their highest five-year average annual compensation, not to exceed a certain maximum. The Health System makes annual contributions to the SLRMC Plan as necessary.

The St. Luke's Magic Valley Regional Medical Center, Ltd. Plan (the "SLMVRMC Plan") covers substantially all eligible St. Luke's Magic Valley Regional Medical Center, Ltd. (SLMVRMC) employees employed by SLMVRMC on or before April 1, 2005. The SLMVRMC Plan was amended and restated effective April 1, 2005, to exclude employees hired on or after that date from participation in the SLMVRMC Plan; however, the SLMVRMC Plan remains in effect for those participants whose sum of their age plus years of credited service exceed 65 or who exceeded 10 years of service as of April 1, 2005. Participants are entitled to annual pension benefits beginning at normal retirement age (65), or after obtaining age 60 with 30 years of service, equal to a calculation based on either average annual compensation or credited service.

The Health System makes annual contributions to the SLMVRMC Plan as necessary. Effective October 1, 2014, the mortality tables were updated in order to more accurately reflect the generational projection of mortality improvement. These changes contributed to an increase in the projected benefit obligation in the amount of $11,700 for the SRLMC Plan and $3,100 for the SLMVRMC Plan for fiscal year ending September 30, 2015.

The following table sets forth the SLRMC Plan and the SLMVRMC Plan (collectively the "Plans") funded status, amounts recognized in the Health System's consolidated financial statements and other related financial information:

	SLRMC	SLMVRMC	Total 2016	Total 2015
Projected benefit obligation for service rendered to date	$178,336	$ 54,059	$232,395	$204,651
Plan assets—at fair value	123,878	38,455	162,333	151,672
Funded status	$ (54,458)	$(15,604)	$ (70,062)	$ (52,979)
Employer contributions	$ 8,000	$ 2,000	$ 10,000	$ 8,700
Accrued pension liability (all noncurrent)	54,458	15,604	70,062	52,979
Change in funded status	(14,688)	(2,396)	(17,084)	(24,988)
Amortization of prior service cost	3	-	3	13
Amortization of net loss	4,409	565	4,974	1,404
Net periodic benefit cost	7,135	311	7,446	3,141
Benefits paid	10,796	2,867	13,663	14,715
Accumulated benefit obligation	161,510	54,059	215,569	191,110

Amounts recognized in unrestricted net assets related to the Plans at September 30, consist of:

	SLRMC	SLMVRMC	Total 2016	Total 2015
Prior service cost	$ 511	$ -	$ 511	$ 3
Net actuarial loss	(61,009)	(24,232)	(85,241)	(66,115)

The measurement date used to determine pension benefits is September 30. Contributions to the Plans for the year ending September 30, 2017, are expected to be approximately $10,000.

The overall investment strategy and policy has been developed based on the need to satisfy the long-term liabilities of the Plans. Risk management is accomplished through diversification across asset classes, multiple investment manager portfolios, and both general and portfolio-specific investment guidelines. The asset allocation guidelines for the Plans are as follows:

	Target SLRMC	Target SLMVRMC
Investments:		
Large-cap funds	20 %	20 %
Mid-cap funds	10	10
Small-cap funds	10	10
Non-U.S. funds	20	20
Fixed income	29	39
Other	11	1

Managers are expected to generate a total return consistent with their philosophy and outperform both their respective peer group medians and an appropriate benchmark, net of expenses, over a one-, three-, and five-year period. The investment guidelines contain categorical restrictions such as no commodities, short-sales and margin purchases; and asset class restrictions that address such things as single security or sector concentration, capitalization limits and minimum quality standards.

Expected long-term returns on the Plans' assets are estimated by asset classes, and are generally based on historical returns, volatilities and risk premiums. Based upon the Plans' asset allocation, composite return percentiles are developed upon which the Plans' expected long-term return is determined. As of September 30, 2016, the amounts and percentages of the fair value of Plans' assets are as follows:

	SLRMC		SLMVRMC	
Domestic equity	$ 42,783	35 %	$15,942	41 %
International equity	31,705	26	8,149	21
Fixed income	36,323	29	14,193	37
Other	13,067	10	171	1
Total	$123,878	100 %	$38,455	100 %

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid from the Plans:

	SLRMC	SLMVRMC	Total
2017	$ 12,697	$ 2,606	$ 15,303
2018	12,979	2,744	15,723
2019	13,093	2,881	15,974
2020	13,342	3,068	16,410
2021	13,287	3,163	16,450
2022–2026	62,508	16,039	78,547
	$127,906	$30,501	$158,407

Assumptions used in determining the actuarial present value of net periodic benefit cost of the Plans were as follows:

SLRMC	**2016**	**2015**
Spot discount rates	3.15-3.88%	4.35 %
Rate of increase in future compensation levels	2.50-4.00	2.5–4.00
Expected long-term rate of return on assets	7.00	7.00
SLMVRMC		
Spot discount rates	2.94-3.63%	4.25 %
Expected long-term rate of return on assets	7.00	7.00

Assumptions used in determining the actuarial present value of projected benefit obligation of the Plans were as follows:

SLRMC	**2016**	**2015**
Weighted average discount rate	3.73 %	4.49 %
Rate of increase in future compensation levels	2.50–4.00	4.00
SLMVRMC		
Weighted average discount rate	3.63 %	4.38 %

The principal cause of the change in the unfunded pension liability is related to a change in the discount and interest rates at September 30, 2016 and the use of new mortality tables at September 30, 2015.

Supplemental Retirement Plan for Executives—The Supplemental Retirement Plan for Executives (SERP) is an unfunded retirement plan for certain executives of the Health System. The following table sets forth the funded status, amounts recognized in the Health System's consolidated financial statements, and other SERP financial information:

	2016	**2015**
Projected benefit obligation for service rendered to date	$ 22,311	$ 19,729
Plan assets—at fair value	-	-
Funded status	$(22,311)	$(19,729)
Employer paid benefits	$ 851	$ 679
Accrued pension liability (noncurrent)	22,311	18,909
Accrued pension liability (current)	979	820
Change in funded status	(2,582)	923
Amortization of net loss	790	840
Net periodic benefit cost	2,471	2,529
Accumulated benefit obligation	21,514	18,006

The measurement dates used to determine pension benefits is September 30. Expected contributions to the Plan for the year ending September 30, 2017, are expected to be approximately $980. Effective October 1, 2014, the mortality tables were updated in order to more accurately reflect the generational projection of mortality improvement. These changes contributed to an increase in the projected benefit obligation in the amount of $1,100 for the SERP Plan for fiscal year ending September 30, 2015.

Amounts recognized in unrestricted net assets related to the SERP at September 30, consist of:

	2016	**2015**
Prior service cost	$ -	$ -
Net actuarial loss	(7,643)	(6,681)

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid from the SERP:

	Benefit Payments
2017	$ 979
2018	974
2019	969
2020	1,356
2021	1,478
2022–2026	7,734
	$13,490

As of September 30, 2016 and 2015, the accrued pension liability is included in benefit plan liabilities.

Assumptions used in determining the actuarial present value of net periodic benefit cost were as follows:

	2016	2015
Spot discount rates	2.97–3.76%	4.25 %
Rate of increase in future compensation levels	4.00	4.00

Assumptions used in determining the actuarial present value of projected benefit obligation were as follows:

	2016	2015
Weighted average discount rate	3.64 %	4.42 %
Rate of increase in future compensation levels	4.00	4.00

Defined Contribution Plan—The Health System sponsors two defined contribution plans (the "contribution plans") that cover substantially all of its employees. The Health System's contributions to these contribution plans are at the discretion of the Health System's Board of Directors. Amounts contributed are allocated to participants based on individual compensation amounts, years of service, and the participant's level of participation in tax deferred annuity programs. During 2016 and 2015, contributions to these plans were $29,519 and $28,695, respectively.

11. FAIR VALUE OF FINANCIAL INSTRUMENTS

The following disclosure of the estimated fair value of financial instruments is made in accordance with the requirements of ASC 825, *Financial Instruments*. The Health System accounts for certain assets and liabilities at fair value or on a basis that is approximate to fair value. The estimated fair value amounts have been determined by the Health System using available market information and appropriate valuation methodologies. However, considerable judgment is required in interpreting market data to develop the estimates of fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts that the Health System could realize in a current market exchange.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value should be based on the assumptions that the market participants would use, including a consideration of nonperformance risk.

The Health System assesses the inputs used to measure fair value using a three-level hierarchy based on the extent to which inputs used in measuring fair value are observable in the market. The fair value hierarchy is as follows:

Level 1—Quoted (unadjusted) prices for identical assets or liabilities in active markets that the Health System has the ability to access.

Level 2—Other observable inputs, either directly or indirectly, including: Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; and inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified or contractual term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3—Unobservable inputs for the asset or liability. The determination to measure the asset or liability as a level 3 depends on the significance of the input to the fair value measurement.

The asset or liabilities fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. In instances where the inputs used to measure fair value fall into different levels of the hierarchy, the fair value measurement has been determined based on the lowest-level input that is significant to the fair value measurement in its entirety. The System's assessment of the significance of a particular item to the fair value measurement in its entirety requires judgement, including the consideration of inputs specific to the asset. Valuation techniques used maximize the use of observable inputs and minimize the use of unobservable inputs. There were no transfers of assets between any levels during the fiscal year.

Following is a description of the valuation methodologies used for the Health System's assets or liabilities measured at fair value.

Cash and Cash Equivalents—The carrying amounts reported in the balance sheet approximate their fair value.

Accounts Receivables, Accounts Payable, Accrued Liabilities, and Estimated Payable to Medicare and Medicaid Programs—The carrying amounts reported in the balance sheet approximate their fair value.

Assets Whose Use is Limited—These assets consist primarily of cash and cash equivalents, mutual funds, debt and equity securities, and pledges receivable. For cash and cash equivalents, pledges receivable and interest receivable, the carrying amount reported in the balance sheet approximates fair value.

For mutual funds the fair value is based on the value of the daily closing price as reported by the fund. Mutual funds held by the System are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the System are deemed to be actively traded.

For equities (common stock), the fair value is based on the value of the closing price reported on the active market on which the individual securities are traded.

For government obligations, the fair value is measured using pricing models maximizing the use of observable inputs for similar securities.

For commercial paper, the fair value is based on amortized cost with observable inputs, including security cost, maturity, and credit rating.

The following tables set forth by level within the fair value hierarchy a summary of the Health System's investments measured at fair value on a recurring basis as of September 30:

	Fair Value Measurements as of September 30, 2016, Using			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**	**Total**
Investments:				
Cash and cash equivalents	$ 43,890	$ -	$ -	$ 43,890
Certificates of deposit and commercial paper	-	43,443	-	43,443
Mutual funds	45,135	105,998	-	151,133
Government and agency securities	77,678	103,734	-	181,412
Corporate bonds, notes, mortgages and asset-backed securities	-	288,910	-	288,910
Total	$166,703	$542,085	$ -	$708,788

	Fair Value Measurements as of September 30, 2015, Using			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Investments:				
Cash and cash equivalents	$ 15,105	$ -	$ -	$ 15,105
Certificates of deposit and commercial paper	-	45,127	-	45,127
Mutual funds	70,667	14,805	-	85,472
Government and agency securities	76,178	97,761	-	173,939
Corporate bonds, notes, mortgages and asset-backed securities	-	279,069	-	279,069
Total	$161,950	$436,762	$ -	$598,712

Fair Value of Pension Plan Assets—In addition to the types of assets listed above as held by the Health System, the pension plans also hold assets within limited partnerships, limited liability companies, and common collective trusts.

Limited partnerships and limited liability companies are valued at fair value based on the audited financial statements of the partnerships and the percentage ownership in the partnership. This method is an accepted practical expedient that is considered equivalent to NAV. The assets held were further considered for level of inputs used. When quoted prices are not available for identical or similar assets, real estate assets are valued under a discounted cash flow or lender survey approach that maximizes observable inputs, but includes adjustments for certain risks that may not be observable, such as such as cap & discount rates, maturities and loan to value ratios.

Common collective trusts are valued at the NAV of units of a bank collective trust. The NAV, as provided by the trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV. Were the Plan to initiate a full redemption of the collective trust, the investment advisor reserves the right to temporarily delay withdrawal from the trust in order to ensure that securities liquidations will be carried out in an orderly business manner.

The following table sets forth by level, based on the hierarchy requirements for fair value guidance outlined previously, a summary of the assets of the Health System's Plans measured at fair value on a recurring basis as of September 30:

	Fair Value Measurements as of September 30, 2016, Using			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Pension assets:				
Cash and cash equivalents	$ 663	$ 170	$ -	$ 833
Domestic mutual funds	74,655	-	-	74,655
International mutual funds	46,172	-	-	46,172
Government and agency securities	-	11,737	-	11,737
Common collective trusts	6,277	10,255	-	16,532
Limited partnerships and liability companies	-	4,867	7,537	12,404
Total	$127,767	$27,029	$7,537	$162,333

	Fair Value Measurements as of September 30, 2015, Using			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Pension assets:				
Cash and cash equivalents	$ 2,108	$ -	$ -	$ 2,108
Domestic mutual funds	80,082	-	-	80,082
International mutual funds	25,316	-	-	25,316
Government and agency securities	-	17,737	-	17,737
Common collective trusts	5,808	8,774	-	14,582
Limited partnerships and liability companies	-	4,858	6,989	11,847
Total	$113,314	$31,369	$6,989	$151,672

The Health System's use of Level 3 unobservable inputs account for 4.64% and 4.61%, respectively, of the total fair value of Pension Assets as of September 30, 2016 and 2015. The following table summarizes the changes in Level 3 assets measured at fair value as of September 30:

Beginning balance—September 30, 2014	$6,237
Allocation of net capital gain	99
Miscellaneous fees	(70)
Interest received	294
Change in net unrealized gains	429
Ending balance—September 30, 2015	6,989
Allocation of net capital gain	75
Miscellaneous fees	(81)
Interest received	304
Change in net unrealized gains	250
Ending balance—September 30, 2016	$7,537

The unrealized gains and losses on investment accounts at September 30, 2016 were determined to be temporary in nature as the change in market value for these assets was the result of fluctuating interest rates and market activity rather than the deterioration of the credit worthiness of the issuers. In the event that the Health System disposes of these securities before maturity, it is expected that the realized gains or losses, if any, will be immaterial both quantitatively and qualitatively to the statement of operations and financial position as of the Health System's fiscal year end.

The following tables show our investments' fair values and gross unrealized losses for individual securities that have been in a continuous loss position for 12 months or more as of September 30, 2016 and those that have been in a loss position for 12 months or more as of September 30, 2016. These investments are interest-yielding debt securities of varying maturities. We have determined that the unrealized loss position for these securities is primarily due to market volatility. Generally, in a rising interest rate environment, the estimated fair value of fixed income securities would be expected to decrease; conversely, in a decreasing interest rate environment, the estimated fair value of fixed income securities would be expected to increase. These securities may also be negatively impacted by illiquidity in the market.

	In a Continuous Loss Position for Less than 12 Months		
	Estimated Fair Value	Unrealized Losses	Total Number of Positions
Corporate bonds, notes, mortgages and asset-backed securities	$35,000	$(131)	98
Mutual funds	2,674	(107)	6
Government & agency securities	27,213	(41)	37
Total	$64,887	$(279)	141

	In a Continuous Loss Position for more than 12 Months		
	Estimated Fair Value	Unrealized Losses	Total Number of Positions
Corporate bonds, notes, mortgages and asset-backed securities	$ 24,921	$ (477)	84
Mutual funds	66,767	(3,105)	41
Government & agency securities	18,400	(498)	22
Total	$110,088	$(4,080)	147

Fair Value of Debt—The interest rate on the Health System's Variable Rate Revenue Bonds is reset daily to reflect current market rates. Consequently, the carrying value approximates fair value. The carrying amount reported in the balance sheet for capital leased assets approximates its fair value.

The estimated fair value of the Fixed Rate Bonds as of September 30, 2016 and 2015 was $590,391 and $585,664, respectively, and are based on Level 2 inputs within the fair value hierarchy. The fair value was estimated by discounting the future cash flows using rates currently available for debt of similar terms and maturity.

The estimated fair value of the notes payable as of September 30, 2016 and 2015, was $44,167 and $41,468, respectively. The fair value is based on Level 2 inputs within the fair value hierarchy and was estimated by discounting the future cash flows using rates currently available for debt of similar terms and maturity.

The fair value estimates presented herein are based on pertinent information available to management as of September 30, 2016. Although management is not aware of any factors that would significantly affect the estimated fair value amounts, such amounts have not been comprehensively revalued for purposes of these financial statements since that date, and current estimates of fair value may differ significantly from the amounts presented herein.

12. COMMITMENTS AND CONTINGENCIES

The Health System leases office space under operating leases, some of which contain renewal options. Rental expense on the operating leases during 2016 and 2015 were $17,380 and $16,056, respectively. The Health System also leases out space in medical office buildings under non-cancelable operating leases. Rental income on these leases during 2016 and 2015 were $2,525 and $1,656, respectively.

As of September 30, 2016, future minimum rental income and payments on operating leases are as follows:

Years Ending September 30	Minimum Rental Revenue	Minimum Rental Payments
2017	$ 2,395	$11,118
2018	2,923	5,637
2019	2,987	3,420
2020	2,928	2,501
2021	2,993	1,525
Thereafter	400	5,078
	$14,626	$29,279

As of September 30, 2016 and 2015, the Health System had commitments on construction contracts and equipment purchases totaling $70,877 and $15,013, respectively.

The Health System maintains professional liability coverage through a "claims made" insurance policy. The policy provides coverage for claims filed within the period of the policy term. The current policy period ends September 30, 2016, and includes provisions for purchase of tail coverage in the event a new carrier is selected. The Health System also maintains reserves based on actuarial estimates provided by an independent third party for the portion of its professional liability risks, including incurred but not reported claims, for which it does not have insurance coverage. Reserves for losses and related expenses are estimated using expected loss reporting patterns and are discounted to their present value using a discount rate of 3.0%. There can be no assurance that the ultimate liability will not exceed such estimates. Adjustments to the reserves are included in results of operations in the periods when such amounts are determined. As of September 30, 2016 and 2015, the Health System had professional liability recorded in accounts payable and accrued liabilities in the amounts of $9,829 and $10,361, respectively.

In connection with the divestiture of the medical practice described in footnote 2, on December 10, 2015, the Court entered an order setting out the process to divest the practice from the Health System and appointing a monitor and a trustee to oversee the process. The private plaintiffs and the State of Idaho sought recovery of their attorney fees, and a final judgment awarding fees has been issued by the Court. The Health System plans to appeal the judgment awarding fees to the private plaintiffs. As of the date the financial statements were available to be issued, this matter has not been monetarily resolved and the Health System maintains an accrued liability in the financial statements for its exposure to the fees owed—an amount that is not material to the financial statements as a whole for the years ended September 30, 2016 and 2015.

The Health System has antitrust insurance with coverage for defense costs, costs on appeal, and an award of attorney fees. After receipt of a letter from its insurer invoking an exclusionary clause to deny coverage in the antitrust litigation, the Health System filed a lawsuit on November 4, 2014 in the Court alleging breach of the insurance contract and requesting a declaratory judgment that the insurance policy covers the antitrust litigation. The insurer asserted counterclaims for recoupment of defense costs already reimbursed in the antitrust litigation. On September 4, 2015, the Court decided in the Health System's favor and that decision is currently on appeal with the Ninth Circuit Court of Appeals.

The Health System is routinely involved in other litigation matters and regulatory investigations arising in the normal course of business. After consultation with legal counsel, management estimates that these matters will be resolved without material effect on the Health System's future financial position, results of operations, or cash flows.

13. FUNCTIONAL EXPENSES

The Health System provides medical and healthcare services to residents within its geographic location. Expenses from continuing operations related to providing these services for the years ended September 30 are allocated as follows:

	2016	2015
Professional, nursing, and other patient care services	$1,538,165	$1,418,019
Fiscal and administrative support services	356,040	320,021
	$1,894,205	$1,738,040

14. GOODWILL AND OTHER INTANGIBLES

The Health System considered various events and circumstances when it evaluated whether it's reporting unit fair values were less than their carrying value. Based on the Health System's assessment of relevant events and circumstances, the Health System has concluded that there was no impairment of goodwill for the fiscal years ended September 30, 2016 and 2015.

Other intangible assets of the Health System include covenants not to compete related to the acquisition of medical practices and are amortized over their useful lives, which typically range from five to seven years. Other intangible assets as of September 30 consist of:

	2016	2015
Covenants not to compete	$ 46,849	$ 46,849
Less accumulated amortization	(44,845)	(41,688)
Total other intangible assets	$ 2,004	$ 5,161

The Health System recorded amortization expense of $3,157 and $6,877 for the years ending September 30, 2016 and 2015, respectively. Expected future amortization expense related to intangible assets as of September 30 is as follows:

Years Ending September 30	Amount
2017	$1,633
2018	370
2019	1
	$2,004

15. SUBSEQUENT EVENTS

The Health System has evaluated subsequent events through December 16, 2016. This is the date the financial statements were available to be issued.

Effective January 1, 2017, St. Luke's Health Partners, a wholly owned subsidiary of St. Luke's Health System, will assume financial and clinical accountability in multiple value-based arrangements. These contracts are expected to include approximately 150,000 lives enrolled with various governmental and commercial payors, as well as self-funded employers. Under these agreements, St. Luke's Health Partners will be financially responsible for services provided to these enrollees by other institutional health care providers. St. Luke's Health Partners is a clinically-integrated network that allows independent physicians and facilities to partner with St. Luke's Health System in these arrangements.

* * * * * *

CONSOLIDATING SUPPLEMENTAL SCHEDULES

ST. LUKE'S HEALTH SYSTEM, LTD. AND SUBSIDIARIES

CONSOLIDATING BALANCE SHEET
AS OF SEPTEMBER 30, 2016
(In thousands)

	Obligated Group [1]	Non-Obligated Group	Eliminating Entries	Consolidated
ASSETS				
CURRENT ASSETS:				
Cash and cash equivalents	$ 70,082	$ 6,080	$ -	$ 76,162
Receivables—net	281,255	43,766	(13,891)	311,130
Inventories	26,214	2,937	-	29,151
Prepaid expenses	24,189	972	(404)	24,757
Assets held for sale	5,320	-	-	5,320
Current portion of assets whose use is limited	56,292	-	-	56,292
Total current assets	463,352	53,755	(14,295)	502,812
ASSETS WHOSE USE IS LIMITED:				
Board designated funds	471,058	4,263	-	475,321
Restricted funds	138,211	-	-	138,211
Permanent endowment funds	-	12,220	-	12,220
Donor restricted plant replacement and expansion funds and other specific purpose funds	-	-	-	-
	-	31,591	-	31,591
Total assets whose use is limited	609,269	48,074	-	657,343
PROPERTY, PLANT, AND EQUIPMENT—Net	1,056,221	87,450	(319)	1,143,352
GOODWILL	37,232	161	-	37,393
OTHER ASSETS:				
Land and buildings held for investment or future expansion—at cost	45,783	471	-	46,254
Other	23,617	554	(15,611)	8,560
Deferred financing costs—net	8,087	-	-	8,087
Total other assets	77,487	1,025	(15,611)	62,901
TOTAL	$2,243,561	$190,465	$(30,225)	$2,403,801

[1] Includes St. Luke's Health System, Ltd., St. Luke's Regional Medical Center, Ltd., St. Luke's Magic Valley Medical Center, Ltd., and Mountain States Tumor Institute, Inc.

LIABILITIES AND NET ASSETS	Obligated Group [1]	Non-Obligated Group	Eliminating Entries	Consolidated
CURRENT LIABILITIES:				
Accounts payable and accrued liabilities	$ 127,198	$ 23,640	$(14,546)	$ 136,292
Accrued salaries and related liabilities	50,477	382	-	50,859
Employee benefit liabilities	114,245	-	-	114,245
Estimated payable to Medicare and Medicaid programs	67,942	2,200	-	70,142
Liabilities held for sale	5,335	-	-	5,335
Current portion of long-term debt and capital leases	25,659	753	-	26,412
Total current liabilities	390,856	26,975	(14,546)	403,285
NONCURRENT LIABILITIES:				
Long-term debt and capital leases	861,390	34,791	-	896,181
Liability for pension benefits	91,394	-	-	91,394
Other liabilities	2,026	-	(306)	1,720
Total noncurrent liabilities	954,810	34,791	(306)	989,295
NET ASSETS:				
Unrestricted net assets:				
The Health System	897,895	85,205	(15,168)	967,932
Noncontrolling interests	-	-	(205)	(205)
Total unrestricted net assets	897,895	85,205	(15,373)	967,727
Temporarily restricted	-	31,274	-	31,274
Permanently restricted	-	12,220	-	12,220
Total net assets	897,895	128,699	(15,373)	1,011,221
TOTAL	$2,243,561	$190,465	$(30,225)	$2,403,801

ST. LUKE'S HEALTH SYSTEM, LTD. AND SUBSIDIARIES

CONSOLIDATING STATEMENT OF OPERATIONS AND CHANGES IN UNRESTRICTED NET
FOR THE YEAR ENDED SEPTEMBER 30, 2016
(In thousands)

	Obligated Group [1]	Non-Obligated Group	Eliminating Entries	Consolidated
UNRESTRICTED REVENUES, GAINS, AND OTHER SUPPORT:				
Net patient service revenue (net of contractual allowances and discounts	$1,881,326	$115,086	$ -	$1,996,412
Less provision for bad debts	(94,226)	(4,683)	-	(98,909)
Net patient service revenue (net of bad debts)	1,787,100	110,403	-	1,897,503
Other revenue (including rental income)	52,755	13,796	(25,926)	40,625
Net assets released from restrictions—operating	(1,201)	-	-	(1,201)
Income on equity interest in joint ventures	288	-	-	288
Total unrestricted revenues, gains, and other support	1,838,942	124,199	(25,926)	1,937,215
EXPENSES:				
Salaries and benefits	1,011,958	59,596	2,048	1,073,602
Supplies and drugs	318,865	13,784	-	332,649
Depreciation	101,321	6,361	-	107,682
Contract services	191,292	14,801	(25,873)	180,220
Purchased services	118,261	3,501	(183)	121,579
Interest expense	29,634	1,604	-	31,238
Other expenses	33,345	8,519	5,371	47,235
Total expenses	1,804,676	108,166	(18,637)	1,894,205
INCOME FROM OPERATIONS	34,266	16,033	(7,289)	43,010
INVESTMENT INCOME	9,033	53	-	9,086
REVENUE IN EXCESS OF EXPENSES FROM CONTINUING OPERATIONS	43,299	16,086	(7,289)	52,096
CHANGE IN NONCONTROLLING INTERESTS FROM SUBSIDIARIES	(1,196)	-	-	(1,196)
CHANGE IN NET UNREALIZED GAINS ON INVESTMENTS	15,528	-	-	15,528
NET ASSETS RELEASED FROM RESTRICTION— Capital acquisitions	3,850	-	-	3,850
CHANGE IN FUNDED STATUS OF PENSION PLAN	(20,601)	-	-	(20,601)
INCREASE IN UNRESTRICTED NET ASSETS BEFORE DISCONTINUED OPERATIONS	40,880	16,086	(7,289)	49,677
LOSS FROM DISCONTINUED OPERATIONS	(7,205)	-	-	(7,205)
INCREASE IN UNRESTRICTED NET ASSETS	$ 33,675	$ 16,086	$ (7,289)	$ 42,472

[1] Includes St. Luke's Health System, Ltd., St. Luke's Regional Medical Center, Ltd., St. Luke's Magic Valley Medical Center, Ltd., and Mountain States Tumor Institute, Inc.

St. Luke's McCall

Community Health Needs Assessment

2017 Implementation Plan

Approved by St. Luke's McCall Community Board
January, 2017

Table of Contents

Introduction

The St. Luke's McCall 2016 Community Health Needs Assessment Implementation Plan describes the programs and resources St. Luke's and other community groups plan to employ to address the most important health needs identified in our 2016 Community Health Needs Assessment (CHNA). The Implementation Plan is divided into two main sections. The first section contains a list of the significant health needs identified in our CHNA and describes what St. Luke's intends to do to address these needs. The second section of the implementation plan defines the specific programs and services St. Luke's plans to implement to address the significant health needs. For each program, there is a description of its objective, tactics, expected impact, and partnerships.

Stakeholder involvement in determining and addressing community health needs is vital to this process. We thank, and will continue to collaborate with, all the dedicated individuals and organizations working with us to make our community a healthier place to live.

St. Luke's McCall contact person name:
Lyle Nelson
Director of Community Relations and Health Promotion
1000 State St.
McCall, ID 83638
lnelson@slhs.org
208-630-2224

Principles Guiding St. Luke's McCall's FY2017 Implementation Plan

1. Form effective partnerships and working relationships for every program provided
2. Focused interventions: target vulnerable demographic groups (IRS requirement)
3. Prevent health issues early in the lifespan and early in the progression of the health issue.
4. Think long-term, even in terms of generations.
5. Ignite a culture change whereby community health is highly valued by individuals and institutions.
6. Create sustainable programs rather than quick fixes.
7. Allocate sufficient resources for long-term planning.
8. Set inspiring and challenging goals.
9. Participate in public policy advocacy.
10. Engage hospital board members, physicians, community champions in the Implementation Plan.
11. Design programs that improve multiple priority health needs.

Community Health Improvement Aspirations for Next Five Years

A. Valley County twice repeats as the healthiest county in Idaho
B. Adams County in top 12 for healthy behaviors as ranked by RWJF
C. Win and capitalize on America's Best Community contest
D. Influence organizations to adopt missions and visions to promote a culture of health
E. Zero tobacco users in a regional high school graduating class of 2020
F. Establish a popular region-wide walking event for all fitness levels

Methodology

The St. Luke's McCall's 2016 CHNA was designed to better understand the most significant health challenges facing the individuals and families in our service area. To accomplish this goal, St. Luke's collaborated with representatives from our community to help identify and prioritize our most important health needs. Each identified health need was included in one of these four categories: 1) health behavior needs; 2) clinical care needs; 3) social and economic needs; and 4) physical environment needs.

These health needs were ranked using a numerical prioritization system. Points were allocated to each need based on scores provided by our community representatives as well as scores for related health factors. The more points the health need and factor received, the higher the priority and the higher the potential to positively impact community health. Health needs and factors with scores in the top 10th percentile were highlighted in dark orange and were considered to be our community's most significant health needs.

To complete the CHNA Implementation Plan, St. Luke's consulted and collaborated with community representatives, addressing the most significant health needs using the following decision criteria:

1. Health needs ranked in the top 10th percentile in the CHNA were considered to be our significant health needs. In order to focus limited resources on the health needs having the greatest potential to improve community health (the most significant needs), implementation plan programs were not developed for health needs scoring below the top 10th percentile.

2. Next St. Luke's examined whether it was more effective to directly address a high priority health need or whether another community organization was better positioned to address the need. To make this determination, we focused on whether the health need was in alignment with St. Luke's mission and strengths. Where a high priority need was substantially in alignment with both our mission and strengths, St. Luke's provided at least one program to address that need. Where a high priority need was not in alignment with our mission and strengths, St. Luke's tried to identify or partner with a community group or organization better able to serve the high priority need.

3. A single health improvement program can often support the success of multiple related health needs. For example, obesity programs also support and strengthen diabetes programs. Therefore, to better understand the total impact our programs are having on a health need, St. Luke's arranged the significant health needs into groups that will benefit by being addressed together.

List of Needs and Recommended Actions

Health Behavior Category

Our community's high priority needs in the health behavior category are wellness and prevention programs for obesity, mental illness, substance abuse, and tobacco use. Our community health representatives provided relatively high scores for these needs. In addition, obesity ranks as high priority needs because it is trending higher and is a contributing factors to a number of other health concerns. Mental illness also ranks high because Idaho has one of the highest percentages of any mental illness (AMI) in the nation.

Some populations are more affected by these health needs than others. For example, people with lower income and educational levels in our community have higher rates of substance abuse and obesity.

Identified Community Need	Related Health Outcome or Factor	Total CHNA Score	Alignment with Mission and Strengths: High, Med, low	Non-St. Luke's Community Resources Available to Address Need	Recommended Action and Justification
Wellness and Prevention Programs	Obese/Over-weight Adults	20.6	Mission: High Strength: Medium	There are four commercial fitness facilities in Valley County that offer personal fitness coaching and none in Adams County. Paying membership and coaching fees exceeds the income of vulnerable groups. Online fitness and weight loss services are available.	St. Luke's will directly support prevention programs for adult obese/ overweight because this need is aligned with our mission and strengths. The programs St. Luke's directly provides are described in the following section of this Implementation Plan.
Weight Manage-ment	Obese/Over-weight Adults	20.2	Mission: High Strength:	Adams County has a strong TOPS weight management	St. Luke's will directly support adult weight management programs

Programs			Low	program. The CDC has free online weight management information, and Idaho Medicaid has a Preventive Health Assistance Benefit weight management program.	because this need is aligned with our mission and strengths. The programs St. Luke's directly provides are described in the following section of this Implementation Plan.
Weight Manage-ment Programs	Obese/Over-weight Teens	19.2	Mission: High Strength: Low	The schools encourage sports participation from youth who would most benefit physically. The Community Medical Fund provides counseling funding for teens dealing with of obesity.	Teen weight loss management is not a strength of St. Luke's McCall and due to resources constraints SLM will provide limited support for weight loss management programs specifically for teens. St. Luke's McCall will depend on the community to help address this need.
Wellness and Prevention Programs	Mental illness	19.6	Mission: High Strength: Low	There is a shortage of behavioral health providers in our community qualified to treat more serious mental illnesses. Adams County Health Clinic provides a Psychiatric Nurse Practitioner on a sliding scale for adult and youth counseling. St. Luke's McCall provides mental health counseling in our primary care clinics and operates a mental health clinic.	St. Luke's will directly support mental health wellness programs because this need is aligned with our mission and is ranked in our CHNA's top 10th percentile. However, due to resource constraints and because this need is not a strength of St. Luke's, we will depend on our community to continue to address this need as well. The programs St. Luke's directly supports are described in the following section of this Implementation Plan.
Substance Abuse Services and Programs	Excessive drinking	20.2	Mission: High Strength: Low	Valley and Adams County lack resources to curb excessive drinking.	St. Luke's will directly support excessive drinking programs because this need is aligned with our

				We have a city policy to prohibit alcohol consumption in city parks over July 4th holidays. AA is offered; the effectiveness and attendance fluctuates with the caliber of facilitation. The Idaho Office of Drug Policy provides $150,000 annually to prevent under-aged drinking in our area.	mission and is ranked in our CHNA's top 10th percentile. However, due to resource constraints and because this need is not a strength of St. Luke's, we will continue to work with our community to address this need as well. The programs St. Luke's directly supports are described in the following section of this Implementation Plan.
Substance Abuse Services and Programs	Illicit drug use	18.2	Mission: High Strength: medium	No local addiction recovery or group support programs are available. People wanting this service can avail services in Treasure Valley or online. St. Luke's McCall	St. Luke's will directly support mental health wellness programs because this need is aligned with our mission and is ranked in our CHNA's top 10th percentile. However, due to resource constraints and because this need is not a strength of St. Luke's, we will we will continue to work with our community to address this need as well. The programs St. Luke's directly supports are described in the following section of this Implementation Plan.
Tobacco Prevention and Cessation Programs	Smoking adults	18.6	Mission: High Strength: medium	Numerous online smoking cessation programs are available. The American Lung Association and American Cancer Society provide tobacco prevention programs in the	St. Luke's will directly support prevention programs adult smoking because this need is aligned with our mission and strengths and is ranked in our CHNA's top 10th percentile. St. Luke's McCall will work closely with Central District Health

				schools. CDHD provides free cessation classes for the community.	Department and other agencies to implement their initiatives. The programs St. Luke's directly provides are described in the following section of this Implementation Plan.

Clinical Care Category

High priority clinical care needs include: Affordable care for low income individuals, affordable health insurance, and increased availability of behavioral health services. All of these were ranked as top health needs by our community representatives. In addition, affordable health insurance ranks as a top priority need because our service area has a high percentage of people who are uninsured. Availability of behavioral health services also ranked as a top priority because Idaho has a shortage of behavioral health professionals.

As shown in the table below, high priority clinical care needs are often experienced most by people with lower incomes and those who have not attended college. In addition, a number of our community leaders expressed concern about people just above the poverty level who are left without health insurance because they don't qualify for Medicaid.

Identified Community Need	Related Health Outcome or Factor	Total CHNA Score	Alignment with Mission and Strengths: High, Med, low	Non-St. Luke's Community Resources Available to Address Need	Recommended Action and Justification
Availability of behavioral health services	Mental health service providers	20.4	Mission: High Strength: Medium	Adams County Health Clinic provides three behavioral health counselors who see adults and youth on a sliding scale pay basis. Seven non-St. Luke's licensed behavioral health counselors provide services in our two-county area.	Availability of mental health providers is aligned with St. Luke's McCall's mission and strengths. St. Luke's is actively recruiting additional physician and physician assistant providers to diagnosis and manage mental health patients. We will continue building our relationships with private counselors to assist us in meeting behavioral health needs.
Affordable Health Insurance	Uninsured adults	19.6	Mission: High Strength: Medium	The Affordable Care Act, Medicaid, Medicare, Idaho Department of Health and Welfare	St. Luke's McCall will directly support programs designed to help provide affordable health insurance because this need is aligned with our mission and although there are other programs available in the community the need is still ranked in the CHNA's

					top 10th percentile. Affordable health insurance is a national priority that SLM cannot address on its own. SLM will continue to rely on community and national programs and resources to help us address this need. The programs SLM directly supports are described in the following section of this Implementation Plan.
Affordable care for low income individuals	Children in poverty	19	Mission: High Strength: Medium	Adams County Health Clinic (an FQHC), Community Medical Fund and Children's Community Medical Funds, County Indigent Fund	St. Luke's will directly support programs designed to provide affordable care especially to those with low incomes because this need is aligned with our mission and strengths and although there are other programs available in our community the need is still ranked in our CHNA's top 10th percentile. The programs St. Luke's directly supports are described in the following section of this Implementation Plan. Affordable care is a national priority that St. Luke's cannot address on its own. St. Luke's will continue to rely on community and national programs and resources to help us address this need.

* Information on affected populations included in table when known.

Social and Economic Category Summary

In the Social and Economic category, there were no needs that ranked in the 10th percentile.

Physical Environment Category Summary

In the physical environment category, there were no needs that ranked in the 10th percentile.

St. Luke's CHNA Implementation Programs

This section of the implementation plan provides a list and description of the health improvement programs St. Luke's is executing to address the significant health needs ranked in the top 10th percentile. Sometimes a single health improvement program supports the success of multiple related health needs. For example, obesity programs also support and strengthen diabetes programs. Therefore, to better understand the total impact our programs are having on a health need, we arranged programs that reinforce one another into the groups defined below.

Programs to Address High Priority and Above Median Health Needs

Group #1: Improve the Prevention and Management of Obesity

Group #2: Improve Mental Health and Reduce Substance Abuse

Group #3: Improve Access to Affordable Health Care and Affordable Health Insurance

Group #4: Prevent and Reduce Tobacco Use

The following pages describe the programs we are focusing on to address our three significant health need groups. Each program description includes information on its target population, tactics, approved resources, and goals.

Significant Health Need #1: Improve the Prevention and Management of Obesity

Our CHNA prioritization process identified prevention and management of obesity as one of our community's most significant health needs. Over 60% of the adults in our community are now obese or overweight. According to the Centers for Disease Control (CDC) "Obesity is a national epidemic and a major contributor to some of the leading causes of death in the United States." Obesity costs the United States about $150 billion a year, or 10 percent of the national medical budget.[1]

Impact on Community

Reducing obesity will dramatically impact community health by providing an immediate and positive effect on many conditions including mental health; heart disease; some types of cancer; high blood pressure; dyslipidemia; kidney, liver and gallbladder disease; sleep apnea and respiratory problems; osteoarthritis; and gynecological problems (infertility and abnormal menses).

[1] http://www.cdc.gov/cdctv/diseaseandconditions/lifestyle/obesity-epidemic.html

How to Address the Need

Obesity can be prevented and managed by engaging our community in developing services and policies designed to encourage healthy nutrition and physical exercise. Obesity can also be managed through evidence-based clinical programs.[2]

Extremely promising outcomes are now being reported in some communities. Remarkably, from 2011 through 2014, Lee County, Florida, reduced adult obesity levels from 29.3% to 24.8% and childhood obesity dropped from 31.6% to 20.7%. These results were accomplished through extensive community leadership and involvement. A Lee Memorial Hospital representative commented: "We believe these improvements can be sustained and improved further."[3] Echoing this approach, the CDC states that "we need to change our communities into places that strongly support healthy eating and active living." [4]

Affected Populations

Some populations are more affected by these health needs than others. For example, low income individuals and those without college degrees have significantly higher rates of obesity.

[2] America's Health Rankings 2015, www.americashealthrankings.org

[3] http://www.naplesnews.com/community/bonita-banner/lee-memorial-healthy-lee-earns-prestigious-national-award_58687398

[4] http://www.cdc.gov/cdctv/diseaseandconditions/lifestyle/obesity-epidemic.html

1. Develop a Short and Long Term, Region-Wide Plan to Promote Walkability and Destination Hiking

Community Needs Addressed:
Wellness and prevention programs for adolescent and adult weight management
Wellness and prevention programs for mental illness and substance abuse
Management programs for adolescent and adult weight management
Management programs for mental illness and substance abuse

Target Population:
Obese and overweight individuals
Population afflicted by depression and anxiety

Description and Tactics (How):
Convene community stakeholders and community experts to develop a long-term plan to create a walkable environment and culture. This plan could include establishing community walking events, improving accessibility to walking, education on benefits of walking, physicians giving patients "prescriptions" to walk, signage and motivational messages along walking routes, forming neighborhood walking groups, supporting municipal and county pathways plans, a Reach Your Peak challenge to climb local summits. Promoting walking will be included in all community health education and activities conducted by St. Luke's McCall. We envision a walking festival or signature event that, within five years, draws thousands of visitors (positive economic impact on regional health) to our region.

Resources (budget):
Hospital resources are approximately $1,000 in program funding and $4,000 in administrative salaries (Liz Jones, Laura Crawford, Lyle Nelson)

Expected Program Impact on Health Need
By increasing the number of people who walk and the distance they walk, we expect to improve the trends for overweight and obesity and the prevalence of depression and anxiety. By the end of FY2017 we will have 1) written a multi-spoked program with at least seven active partners, 2) initiated three of the spokes, 3) written grants to help fund the plan. By FY 2020, we expect that 90% of our service area population will have seen multiple inducements to walk and 50% of the population will have increased time spent walking (outcomes to be verified by community surveys).

Partnerships/Collaboration:
McCall Hiking Club
Regional Schools
Cascade Medical Center
Valley Adams Health Improvement Coalition
McCall Area Chamber of Commerce
Valley County Economic Development Commission
Central District Health Department

Municipal and county governments
Master Naturalists
State Parks
County and municipal governments
Horizons
University of Idaho Extension Program
Cascade Fitness and Aquatics Center

Comments:
Walking is well proven to be effective for prevention and treatment of excess weight, diabetes, and mental illnesses. Promoting walking is THE major focus of our overall community health improvement efforts will receive the greatest allocation of staff time and resources across five years.

2. Promote a Healthy Food Culture

Community Needs Addressed:
Wellness and prevention programs for adolescent and adult weight management
Wellness and prevention programs mental illness and substance abuse
Management programs for adolescent and adult weight management
Management programs for mental illness and substance abuse

Target Population:
Obese and overweight individuals
Population afflicted by depression and anxiety
Children in low income families

Description and Tactics (How):
Collaborate with community partners and nutrition experts to develop a long-term plan to create a healthier food culture. We will model successful interventions from other communities and design messaging that is ever-present and memorable.

This plan could include teaching nutrition and food preparation to vulnerable groups such as Head Start, food banks, and day care centers, churches; branding a slogan for a healthy food culture such as "Food: A Source of Energy, Health, Togetherness, Joy;" collaborating with grocery and convenience stores to influence healthier choices; showing families how eating together can be joyful; establishing community and home food gardens; giving home garden starting kits to youth for prizes; healthy choice designations at restaurants; creating health-inspiring table tents for family dining tables distributed at schools, social clubs, food banks; and promoting local food production and Community Supported Agriculture.

Resources (budget):
St. Luke's McCall resources are approximately $12,000 in administrative salaries and $2,000 in program funding.

Expected Program Impact on Health Need
We expect to increase 1) the consumption of fruits, vegetables and whole grains, 2) change the snacks at social and church gatherings to healthier options; 3) improve the nutrition standards and cooking skills for children and adults in low income families. These lifestyle changes result in a reduction of obesity, diabetes, depression and systemic inflammation causing and exacerbating chronic diseases.

Partnerships/Collaboration:
Central District Health Department
McCall Outdoors Sciences School,
Owners of restaurants
Local dietitians
Regional schools
Valley Adams Health Improvement Coalition

Cascade Medical Center
Grocery stores
Convenience and Family Dollar stores
University of Idaho Extension Program

Comments:
Improving what we eat and how much we eat continues to be one of our nation's most expensive and intensive public health initiatives. We can copy the bright spots—and by being a small population with limited food outlets—we can reach the needed number of message doses to influence behavior.

3. Program Name: Best U

Community Needs Addressed:
Weight management programs for adults
Wellness and prevention programs for obesity/overweight and mental illness

Target Population:
All obese/overweight adults
Individuals afflicted with or at risk for depression and anxiety

Description
Healthy lifestyle and weight management program. Sixteen weeks of twice-weekly group exercise and health related educational presentations on nutrition, stress management, exercise, sleep and motivation.

Resources
St. Luke's McCall's contribution to this program is $2,000 in FY 2017 to provide room space, administration, equipment, marketing and advertising, and a small portion of the instructors' fees. Majority of expenses are paid from SLHS Healthy U budget.

Expected Program Impact on Health Need
The intent of this program is to lower weight specifically, but to also lower the incidence of metabolic syndrome and all the chronic diseases associated with it. Goals for participants who complete the course are: Goal 1) a one point drop in BMI, Goal 2) reduced abdominal girth measurement, Goal 3) average weight loss of 5 pounds per participant, Goal 4) a 5% blood pressure reduction if un-medicated above 140/90.

Partnership/ Collaboration:
This program is done in partnership with St. Luke's Healthy U program staff and resources.

4. Program Name: Education classes on various nutrition, weight management and exercise topics

Community Needs Addressed:
Wellness and prevention programs for Obesity/Overweight

Target Population:
Families with incomes less than $75,000

Description and Tactics (How):
St. Luke's McCall's Center for Health Promotion presents around 20 classes each year pertaining to nutrition, weight management and exercise. The majority of classes target low income youth (after school programs) and families (WIC and Head Start). We promote these classes through the leaders, newsletters and communications of the organizations.

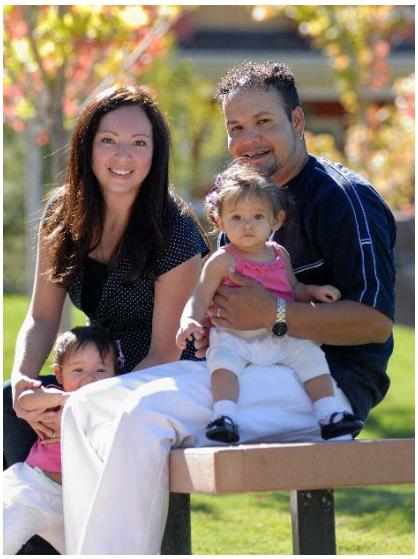
Resources (budget):
Each single topic class taught by the hospital has an average cost of $200 per class. This includes paying instructors, planning, promoting, travel, facilities, and follow-up activities to determine if we are meeting goals. Contribution from St. Luke's McCall for nutrition, weight management and exercise classes is $6,000 (mostly salaries) for FY2017.

Expected Program Impact on Health Need
We expect that these classes will help attendees better understand how to make healthy lifestyle choices, empower them to make changes, and to some extent, hold them accountable for the changes they know they need to make. The combined attendance goal for all classes in this category is 600 individuals. A second goal is that 33% of the classes will be taught by volunteer instructors.

Significant Health Need #2: Improve Mental Health and Reduce Substance Abuse

Improving mental health and reducing substance abuse rank among our most significant health needs. This is because our community representatives scored mental health, the availability of behavioral health providers, and substance abuse as some of our most significant health needs.

In addition, Idaho has one of the highest percentages (22.5%) of any mental illness (AMI) in the nation, shortages of mental health professionals in all counties across the state, and suicide rates that are consistently higher than the national average. Depression is the most common type of mental illness, affecting more than 26% of the U.S. adult population. It has been estimated that by the year 2020, depression will be the second leading cause of disability throughout the world. Further, the percent of people who report binge drinking in our service area is more than 50% higher than the national average.



Impact on Community

Good mental health is "a state of well-being in which the individual realizes his or her own abilities, can cope with the normal stresses of life, can work productively and fruitfully, and is able to make a contribution to his or her community." It is estimated that only about 17% of U.S adults are considered to be in a state of optimal mental health.[5]

Reducing drug abuse can have a positive impact on society on multiple levels as well. Drug abuse is a major public health problem that impacts society on multiple levels. Directly or indirectly, every community is affected by drug abuse and addiction, as is every family. This includes health care expenditures, lost earnings, and costs associated with crime and accidents. This is an enormous burden that affects all of society - those who abuse these substances, and those who don't. Families

[5] http://www.cdc.gov/mentalhealth/basics.htm

can be destroyed by drug abuse. Approximately 50% to 80% of all child abuse and neglect cases substantiated by child protective services involve some degree of substance abuse by the child's parents.[6] It is estimated that in 2007, illicit drug use cost the U.S. economy more than $193 billion. The cost of illegal drug use is similar to government estimates on the cost of diabetes.[7]

How to Address the Need:
There is a high prevalence of comorbidity between drug use disorders and other mental illnesses. The high rate of comorbidity argues for a comprehensive approach to intervention that identifies and evaluates each disorder concurrently, providing treatment as needed.[8] The majority of adults who live with a mental health disorder do not get corresponding treatment. Furthermore, less than one-third of adults get minimally adequate care.[9] Stigma surrounding the receipt of mental health care is among the many barriers that discourage people from seeking treatment.[10] In addition, increasing physical activity and reducing obesity are also known to improve mental health.

Therefore, our aim is to work with our community to reduce the stigma around seeking mental health treatment, to improve access to behavioral health services, increase physical activity, and reduce obesity especially for our most affected populations**.**

Affected Populations:
People with lower incomes are about three and a half times more likely to have depressive disorders.[11] Illicit drug use is significantly higher among males less than 34 years old, the unemployed, and those with incomes of less than $50,000 annually. [12]

[6] http://archives.drugabuse.gov/about/welcome/aboutdrugabuse/magnitude/
[7] The Economic Impact of Illicit Drug Use on American Society, Department of Justice's National Drug Intelligence Center (NDIC).
[8] http://www.drugabuse.gov/publications/research-reports/comorbidity-addiction-other-mental-illnesses/how-can-comorbidity-be-diagnosed
[9]Substance Abuse and Mental Health Services Administration, Behavioral Health Report, United States, 2012 pages 29 - 30
[10] Idaho Suicide Prevention Plan: An Action Guide, 2011, Page 9
[11] Idaho 2011 - 2013 Behavioral Risk Factor Surveillance System
[12] Idaho and National 2002 - 2013 Behavioral Risk Factor Surveillance System

5. Program Name: Youth Advocacy Coalition: Prevention of Youth Drug Abuse

Community Needs Addressed:
Substance abuse services and programs

Target Populations:
All 10-18 year old youth

Description and Tactics:
St. Luke's McCall will receive $150,000 in grants in FY 2017 to prevent drug abuse in 14- to 20-year-old youth. These grants enable St. Luke's McCall to deliver around 100 prevention activities per year in our service area. These activities are coordinated by the Youth Advocacy Coalition (YAC) which has a full time coordinator supported by the grant and who is an employee of St. Luke's McCall. YAC is a vibrant organization with 20 members representing a broad array of youth stakeholders (churches, government agencies, non-profits, schools, court services, health care, law enforcement). YAC's activities go far beyond just "say no to drugs." The activities are designed to instill confidence, build self-esteem, provide healthy social interactions, teach leadership, and educate around healthy lifestyle choices. YAC also provides a network to connect parents and youth with resources to help youth and adolescents with emotional and safety needs. A hallmark activity of YAC is co-leading *Committed* in McCall Donnelly High School which includes drug testing as one of its four commitments students make.

Resources:
In addition the grant money received to operate this extensive program, St. Luke's McCall provides $5,000 in program support and $10,000 in unreimbursed administrative time.

Expected Program Impact on Health Needs:
The grants have precise performance criteria; these criteria are widely accepted as best practices for reducing youth drug abuse. The criteria include surveying area youth on attitudes toward drugs and frequency of drug use. Our goal is to meet and exceed all the criteria within the grants, and to be so successful that the Idaho Office of Drug Policy will extend our annual grants for an additional four-year period.

Partnership/Collaboration:
Partners include Cities of McCall, Cascade, New Meadows; Valley and Adams County, Youth Advocacy Coalition, School Districts, Valley Adams Health Improvement Coalition, local law enforcement agencies, juvenile court system.

6. Program Name: Providing Alternative Healthcare Stress Reduction and Mindfulness Modalities (Yoga, Meditation, Ear Acupuncture)

Community Needs Addressed:
Wellness and Prevention programs

Target Population:
Open to all, but primarily targeted to and attended by adults ages 40 to 70. The classes are especially suited for people with physical limitations and chronic diseases.

Description and Tactics:
St. Luke's McCall employees a certified yoga therapists who teaches yoga and meditation twice a week for varying skill levels. One tactic is to encourage people to practice yoga who are looking for a safe and gentle program. Our programs are designed to meet people with special needs and to be feeder programs for local commercial yoga and mindfulness businesses.

Resources:
Total St. Luke's McCall contribution for FY2016 is $2,000. $8,000 expenses for instructors, $2,000 expenses for equipment, space, promotion and logistical support. $8,000 in offsetting revenue from attendance fees.

Expected Program Impact on Health Need:
Meditation and yoga have both been shown to improve mental health and acuity. Yoga assists with managing weight plus balance, strength and flexibility. Goal: average the same attendance as in 2016. Ample evidence shows gentle yoga and meditation to be health enhancing. Attendees at these activities also get referrals to other programs such as Fit and Fall classes.

7. Program Name: Slate of single classes on various mental health topics

Community Needs Addressed:
Wellness and prevention for mental illness.

Target Population:
All adults; focus on families with incomes less than $50,000

Description and Tactics (How):
St. Luke's McCall's Center for Health Promotion organizes around five classes each year that focus on a specific aspect of mental health. Classes focus on stress, depression, anxiety, and grief management. In addition to these classes, we will sponsor and financially support mental health classes/events provided by our partners, such as Parenting Classes provided by YAC, and classes provided by WIC and county programs.

Resources (budget):
Total St. Luke's McCall contribution for FY2017 is $3,000. This includes paying instructors, sponsoring other partners' programs, planning, promoting, facilities and follow-up activities to determine if we are meeting goals.

Expected Program Impact on Health Need
One intent of these classes is to break-down the stigma that mental illnesses are a reflection of personal weakness and conditions to be hidden rather than identified and treated.
The goals for each class are rolled into the collective goals we established for all single topic classes: Goal 1. A sum of 100 people attend all hospital and partner-provided single-topic classes. Goal 2. Attendees at hospital-provided education classes who so request will be given an opportunity to meet with a Center for Health Lifestyle coach or patient navigator and learn what free resources are available.

Partnerships/Collaboration:
Central Idaho Counseling, Youth Advocacy Coalition, school counselors

Comments:
Attendance at a onetime class on a topic produces questionable results. Connecting the attendees with ongoing support or other resources is essential.

8. Workforce Wellness Programs (Walking, nutrition, mental resilience)

Community Needs Addressed
Wellness and prevention programs for adult weight management
Management programs for adult weight management
Wellness and prevention programs for adult mental illness

Target Population:
Faculty at schools and employees at small, medium and large work sites.

Description and Tactics (How):
We will partner with the Chamber of Commerce to learn how businesses want St. Luke's McCall and Central District Health Department to help them improve workplace wellness. Two examples include encouraging walking meetings and brown bag 20-30-minute presentations developed in Life 101. The Ten Day Wellness Challenge implemented in McCall's middle and elementary schools is success we want to duplicate in other businesses is. Now in its second year, 90% of the teachers and staff participate in this challenge at least ten days a month. Participants complete a ten-day physical fitness, stress reduction, or personal development challenge each month of the school year. Large charts showing participant successes are displayed at each school.

Resources (budget):
$3,000 in salaries and program funding in 2017, funding increasing as the program is expanded to other businesses.

Expected Program Impact on Health Need:
The goal is to produce a healthier work force, reduce absenteeism, increase productivity promote the belief that health is a cherished value in life. With this belief, workers will adopt healthier habits at work and home. We also expect this to improve the economic performance of businesses and the downstream positive economic impact on individuals.

Partnerships/Collaboration:
McCall Donnelly School District
McCall Area Chamber of Commerce
Central District Health Department
City and County Offices

Comments:
Employers and employees will benefit if we can create healthy work environments and deliver very brief but effective how-to-improve-your-health messages at work or during lunch.

9. Youth Summits

Community Needs Addressed:
Wellness and prevention programs

Target Population:
Youth in families with incomes less than $50,000

Description and Tactics (How):
In Cascade, McCall, and New Meadows, stakeholders in youth services are invited to a lunch meeting to discuss gaps in youth services and opportunities to support each other's programs. The primary purpose of the youth summits is to promote networking: how can organizations combine resources, share volunteers, and build from each other's services.

Resources (budget):
$1,500 in program funding (lunches) and $1,500 in administrative support salaries.

Expected Program Impact on Health Need:
The expectation is to build a more supportive environment for youth to learn and have positive experiences. This will reduce youth mental suffering and detrimental behaviors and create a more capable future workforce and population.

Partnerships/Collaboration:
Horizons, Idaho Power, New Meadows School, Youth Advocacy Coalition

Comments:
Hosting four youth summits (Cascade, McCall, New Meadows, West Central Mountains) is a part of St. Luke's McCall's participation in America's Best Community Contest. The first two summits in November 2017 were well attended and productive.

10. Committed: High school program promoting kindness and drug avoidance

Community Needs Addressed:
Substance abuse programs

Target Population:
High School Students

Description and Tactics (How):
Committed is a program high school students can voluntarily participate in. Participants earn raffle tickets for 1) 100% attendance at school each month, 2) performing acts of kindness, 3) having a 3.0 grade average, and 4) voluntarily taking a drug test each month. All participants will receive a program t-shirt and be eligible for ten raffle tickets drawn each month. The program will kick off in January at a general assembly with a motivational speaker. Parents and businesses will be invited. Local businesses will provide gift certificates for monthly raffle prizes. The essence of the program is for students to commit to choices that create the best life possible for them.

Resources (budget):
St. Luke's McCall will commit $2,000 in funding and staff time to *Committed*.

Expected Program Impact on Health Need:
We expect to see 1) increased attendance at school, 2) improved grades, less drug use, and a social environment at school that is more supportive and inclusive.

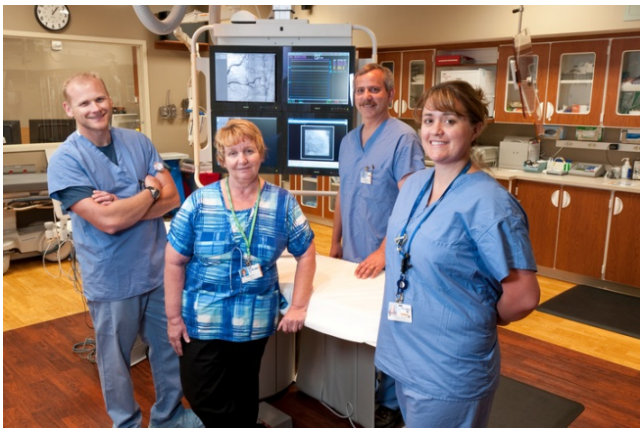
Partnerships/Collaboration:
McCall Donnelly School District
Midas Gold
Local businesses

Comments:
Leadership, faculty and coaches at McCall Donnelly High School are very excited and committed to this program.

Significant Health Need #3: Improve Access to Affordable Health Care and Affordable Health Insurance

Barriers to access are issues that prevent people from receiving timely medical care. They include things such as the lack of transportation to doctors' appointments, the availability of health care providers, and the cost of care. Our CHNA process identified the following two high ranking barriers to access:

- Affordable health care
- Affordable health insurance



The health indicator data and community representative scores in our CHNA served to rank these barriers to access as some of our community's most significant health needs. A recent study showed that nearly 19 percent of U.S. adults do not receive medical care or delay medical care because they are concerned about the cost or worried that their health insurance would not pay for treatment.[13]

Impact on Community

Improving access to affordable health insurance and health care can make a remarkable difference to community health. According to the Gallup-Healthways Well-Being Index, Americans in poverty are significantly more likely than those who are not to struggle with a wide array of chronic mental and physical health problems.[14] Further, evidence shows that uninsured individuals experience more adverse outcomes (physically, mentally, and financially) than insured individuals. The uninsured are less likely to receive preventive and diagnostic health care services, are more often diagnosed at a later disease stage, and on average receive less treatment for their condition compared to insured individuals. At the individual level, self-reported health status and overall

[13] Kullgren JT, et al. Nonfinancial barriers and access to care for US adults. *Health Serv Res* online, 2011.
[14] http://www.gallup.com/poll/158417/poverty-comes-depression-illness.aspx

productivity are lower for the uninsured. The Institute of Medicine reports that the uninsured population has a 25% higher mortality rate than the insured population.[15]

How to Address the Need:
We will work with our community to improve access to comprehensive, high-quality health care services especially for the most affected populations.

Affected populations:
Statistics show that people with lower income and education levels and Hispanic populations are much more likely not to have health insurance.[16]

[15] University of Wisconsin Population Health Institute. *County Health Rankings* 2010-2015. Accessible at www.countyhealthrankings.org.
[16] Ibid

11. Program Name: Unreimbursed Care/ Financial Care

Community Needs Addressed:

- Barriers to access
- Affordable care
- Affordable health insurance
- Accepts public health insurance (Medicare and Medicaid)

Target Population:

- Uninsured or underinsured adults
- Hispanic or other non-English speaking residents
- Low education; no college
- Low income adults and children in poverty
- Adults over the age of 65

Description and Tactics (How):

Our Community Needs Assessment identified uninsured patients, affordable care, affordable insurance, and providers accepting public health insurance as high priority needs. To address these needs, St. Luke's provides care to all patients with emergent conditions regardless of their ability to pay.

Insurance/Payer Inclusion

All St. Luke's providers and facilities accept commercial insurances, including Medicare and Medicaid. It is the patient's responsibility to provide the hospital with accurate information regarding health insurance, address, and applicable financial resources to determine whether the patient is eligible for coverage through existing private insurance or through available public assistance programs. We continue to work with insurance companies to expand the number of insurers we accept.

Financial Screening and Assistance

St. Luke's works with patients at financial risk to assist them in making financial arrangements though payment plans or by screening patients for enrollment into available government or privately sponsored programs that they are eligible for. These programs include, but are not limited to: various Medicaid programs, COBRA and county assistance. St. Luke's does not only screen for these programs, they help the patient navigate through the application process until a determination is made.

Financial Care and Charity

St. Luke's is committed to caring for the health and well-being of all patients, regardless of their ability to pay for all or part of the care provided. Therefore, St. Luke's offers financial care to patients who are uninsured and underinsured to help cover the cost of non-elective treatment. Charity Care services are provided on a sliding scale adjustment based on income (based on the Federal Poverty Guideline), expenses and eligibility for private or public health coverage.

Resources (budget):
The resources required to generate and support the Financial Care Process are primarily drawn from the organization's Patient Access and Financial Services departments. Administration of these programs includes registration roles (partially dedicated) in the clinic and hospital settings as well as Financial Advocates, Customer Care Specialists and County Care Coordinators. The budget for unreimbursed care for FY 2016 is estimated to be over $3.6 million.

Expected Program Impact on Health Need:
The impact from the program in helping patients using Medicare or Medicaid or who have low incomes in FY 2016 is shown below:

	FY 2016 Est
Charity	$ 1,007,552
Bad Debt	$ 1,226,259
Medicaid	$ 510,149
Medicare	$ 893,070
Total	$ 3,637,030

St. Luke's will continue to promote financially accessible healthcare and individualized support for our patients in FY 2017, allowing thousands patients with low incomes or those using Medicaid and Medicare to have improved access to healthcare. St. Luke's is compliant with the 501(r) regulations and will continue to adhere to changes in the 501(r) program.

Partnerships/Collaboration:
St. Luke's works with commercial insurance companies, Health and Welfare (Medicaid), CMS, county commissioners, and the Idaho Department of Insurance.

12. Program Name: Senior Foot Clinics

Community Needs Addressed:
Prevention and wellness programs

Target Population:
Older adults of all income levels

Description and Tactics:
Foot care clinics are conducted in Council, McCall, New Meadows and Riggins each month for all interested people; a vast majority of attendees are seniors. Trained clinicians led by an RN perform nail clippings and inspect feet for dermatology and circulation problems. Blood pressure is also checked. Since most attendees are seniors, information on nutrition and exercise for seniors is distributed. Most clinics are held at local community senior centers. This program has, in our subjective option, a beneficial impact on mental health because it increases social interaction for seniors. The foot care clinic director refers attendees with serious foot conditions to a physician and follows up to ensure the appointment was made. Attendees are requested to pay $15 at time of service, although we stress that payment is not required if it creates a financial hardship.

Resources:
Total St. Luke's McCall contribution is $5,000 for FY2016. Hospital provides travel reimbursement for foot clinic clinicians to travel to Council, Riggins, and New Meadows; venue space, supplies, advertising/marketing, clinic and administrative staff salaries. Cost of above is $20,000. Revenue from charging 1,000 foot clinic attendees $15 totals $15,000, resulting in a $5,000 contribution from St. Luke's McCall.

Expected Program Impact on Health Need:
Reduced incidence and early detection of foot infections and undiagnosed high blood pressure. Goal: Increase the number of people attending foot clinic in McCall, New Meadows, Riggins, Council by 2% over 2016 attendance. Goal 2: Establish a foot clinic patient tracking system that monitors risk factors for chronic diseases (BP, weight, glucose) pertinent to that patient and encourage at-risk patients to make physician appointments.

Partnerships and Collaborations:
Council, Riggins and New Meadows Senior Centers and The Cottages.

Comments:
At almost every foot clinic the experienced RNs providing foot care have identified a serious condition that needs urgent medical attention. Foot care clinics catch conditions before they exculpate into serious and expensive care. Attendees are referred to Fit and Fall classes.

13. Program Name: Fostering a Culture of Health (economic, social, environmental, behavioral)

Community Needs Addressed:
Wellness and prevention programs

Target Population:
Children in poverty
Households with incomes less than $50,000

Description and Tactics (How):
1. Support and co-lead Idaho's West Central Mountains entry into America's Best Community Contest. This includes completing the 21 social, economic, environmental initiatives required to advance in the contest. Upon termination of the contest, support completing the regional ABC initiatives that best address our priority health needs.
2. Capitalize on our advancement in the Robert Wood Johnson Foundation Culture of Health Prize Contest and design long-term initiatives furthering our culture of health status.
3. Support and co-lead Valley Adams Health Improvement Coalition which has four priorities: Walkability, Food Awareness, Domestic Violence Prevention, Tobacco Prevention.

Resources (budget):
St. Luke's McCall commits approximately $16,000 for this program, primarily in staff salaries and program support of America's Best Community and Valley Adams Health Improvement Coalition.

Expected Program Impact on Health Need:
Being in a small rural area, and with the reputation and position of St. Luke's, it is realistic to transform a culture whereby general well-being for every individual is highly valued and pursued. We strive to create a culture where businesses, non-profits, health care, philanthropists, governments share a vision of integrating economic, social, environmental and behavioral health into a cohesive effort to be one of America's healthiest communities. Making progress in this pursuit will improve every measurement of community health

Partnerships/Collaboration:
We will partner with everyone and every organization who shares a vision of distinguishing our region for general wellbeing.

Comments:
This is, perhaps, where St. Luke's McCall has spent the greatest share of its community health improvement resources in the previous two years. Of course we cannot achieve this as a hospital acting alone. We have engaged partners in our schools, Central District Health Department, municipal governments, McCall Areas Chamber of Commerce, Valley County Economic Development Council, St. Luke's McCall Foundation, Cascade Medical Center, and Adams County Health Center.

14. Program Name: Leading and Administering Valley County Health Improvement Coalition

Community Need Addressed:
Wellness and prevention programs for obesity/overweight
Wellness and prevention programs for mental illness
Tobacco prevention and cessation programs

Target Population:
Families with incomes less than $50,000
Victims and perpetrators of domestic violence

Description and Tactics (How):
St. Luke's McCall partners with Central District Health Department to administer Valley Adams County Health Improvement Coalition (VAHIC) which is comprised of local health experts and leaders from organizations throughout the county that are vested in community health. VAHIC's four health improvement focus areas are walkability, improved nutrition, domestic violence and tobacco use prevention. *"The mission of the Valley Adams Health Improvement Coalition is to create a physical, social and economic environment that supports, encourages and educates regional residents and visitors to attain their optimal level of health, happiness, and quality of life, and to be a role model for other counties aspiring to improve public health and quality of life."*

To accomplish its mission, VAHIC meets six time annually; each meeting is centered on one of the three focus areas. Stakeholders in the focus area and interested citizens discuss options and for improvement and identify opportunities to share resources. In essence, meetings enable stakeholders to unite as appropriate to be more effective. VAHIC does not take on programs of its own; it is a convener and facilitator for other groups to work better together.

Resources (budget):
$8,000 in FY 2017 from St. Luke's McCall for salaries, printing, hosting meetings with lunches. Central District Health Department contributes a similar amount in personnel and meeting services facilitation.

Expected Program Impact on Health Need:
Walking: We expect to increase awareness of the health benefits of walking, the number of walking events in our region, and the amount people walk. Improved nutrition: We expect to 1) increase the awareness of how much nutrition affects our physical, mental and emotional energy and 2) increase the ways people have a positive experience around improved nutrition (community gardens, home gardens, and produce at food banks). This awareness and positive experiences will in turn lead to improved nutrition. Domestic violence prevention: Our intent for 2017 is 1) to increase public awareness that this is a serious and prevalent issue in our region, 2) to increase victim's awareness that help is available, and 3) in inform perpetrators they can get help to stop this behavior. Tobacco use prevention: Our goal is to continue multiple

interventions and educations to increase the number of middle school students who view tobacco products to be very harmful and to decrease the percentage of high school students who regularly use tobacco products.

Partnerships/Collaboration:
We have identified nearly 50 organizations and individuals who may wish to participate in the Valley County Health Improvement Coalition.

Comments:
We anticipate Valley Adams Health Improvement Coalition will become a prominent organization in elevating the public's value of and appreciation for a culture of health.

15. Program Name: Grant writing for Health Improvement Programs

Community Needs Addressed:
Wellness and prevention programs for obesity, mental illness, drug abuse
Affordable care for low come individuals
Availability of behavioral health services

Target Population:
Families with incomes less than $50,000

Description and Tactics (How):
The Directors for St. Luke's McCall Foundation and Center for Health Promotion will research grant opportunities matching our community health needs and assist in the preparation of the grants. Community health professionals in Central District Health Department also help us identify grant opportunities. St. Luke's McCall's Foundation Director dedicates considerable time to writing health improvement grants.

Resources (budget):
$10,000 in FY2017 for salaries to prepare and manage grants.

Expected Program Impact on Health Need
Our goal from this program is to receive quadruple the amount in grants that we spend on salaries to prepare them. The impact on health will depend upon the program funded, but grants typically have criteria to prove the program was successful. We will use the criteria in the grant as an explicit measure of success.

Partnerships/Collaboration:
St. Luke's McCall Foundation
Central District Health Department

Comments:
Through grant programs, we are able to provide acute services to hundreds of patients and preventative services to thousands of individuals annually.

16. Program Name: Prevention and Screenings for Chronic Conditions

Community Needs Addressed:
Prevention and wellness for chronic conditions

Target Population:
Adolescents and adults with focus on the uninsured and subgroups determined to be a risk for the screening condition

Description and Tactics (How):
St. Luke's McCall provides annual free screenings for breast cancer, colon cancer, skin cancer, diabetes, depression, hypertension, pulmonary deficiency, and cholesterol. These clinics are free to the public, although participants may make a donation to cover the hospital's cost of the screening. The hospital pays for staff time to organize and promote these screenings, plus the follow-up time to ensure that findings outside the normal range are reported to the physician overseeing the screening and the individual involved. Medical providers for the screenings typically volunteer their time. The hospital also pays for facility and supplies costs.

Resources (budget):
St. Luke's McCall budget to support these screenings for FY 2017 is $3,000 (in addition to budgets for screenings included in other programs) and anticipates securing another $15,000 to $20,000 in grants to support screenings. Most of the grant money is for baseline and diagnostic mammography. (Out of 900 annual mammography exams completed in McCall, 10% are paid totally or partially by grants.)

Expected Program Impact on Health Need
Screenings enable earlier detection, get patients into physician management, improve survival rates and lower the cost of treatment. FY2017 Goals: to screen 100 people for diabetes, 50 people for skin cancer, 100 for colorectal cancers, 400 for high blood pressure, 60 for grant assisted mammograms with grant funding, and 80 for blood lipids.

Partnerships/Collaboration:
St. Luke's McCall medical staff and visiting physicians
Large employers who can encourage screenings on the work site
National Associations for each of the screening conditions (They provide educational materials and in some cases, patient tracking sheets for patients at risk.)

Comments:
We need to coordinate with Cascade Medical Center and Adams County Health Clinic to ensure better access to screenings.

17. Program Name: Childbirth Ed

Community Needs Addressed:
Informing future patents what actions and behavior changes they can take prior to childbirth that will insure the best health of the child and mother

Target Population:
Expectant parents and parents

Description and Tactics
Series of classes on labor and delivery, breathing and relaxation, post-partum care, nutrition, breast feeding and safe practices for new parents. Car seats are provided to parents in need. Scholarships are available.

Resources
St. Luke's McCall contribution for FY2017 is $3,000. $4,000 for Center for Health Promotion educator, space, educational materials and promotion. Revenue of $1,000 from $50 fee per couple.

Expected Program Impact on Health Need
The expected outcome is better health for both patents and the newborn. This is achieved by improved pre- and post-natal nutrition for mother and child, reduced stress associated with pregnancy and childbirth experience, and improved environment for newborn. Goal: 30% of first time parents who deliver at St. Luke's McCall will have attended childbirth education classes.

Partnership/ Collaboration
The seat distribution program is administered by the Social Services and the Nursing Departments. St. Luke's McCall provides supplies and space in addition to the Childbirth Ed instructor.

18. Program Name: Child Care Seat

Community Needs Addressed:
Accident prevention, child safety

Target Population:
Parents of newborn infants

Description and Tactics (How):
St. Luke's McCall's social services and nursing departments ensure that all newborns departing the hospital are transported in vehicles equipped with approved and correctly installed child car seats. If parents do not have a car seat, trained installers from the hospital provide a car seat from hospital inventory and install it.

Resources (budget):
St. Luke's McCall contribution for FY2017 is $625: $500 annually to purchase car seats, $500 for hospital employees to attend a certification course to install car seats (amortized over 4 years, or $125 per year).

Expected Program Impact on Health Need
Reduction in injury to newborns and infants. Goal: 100% of all newborns departing the hospital will be transported in a vehicle equipped with approved and correctly installed child car seats.

Partnerships/Collaboration:
McCall Fire and EMS. Parents are informed by physicians and childbirth education instructors that they can purchase a car seat of their choice and have it installed by certified installers on the McCall Fire and EMS staff.

Comments:
The hospital is legally required to insure that all infants leaving the hospital be transported in an approved car seat.

19. Nutrition and Fitness Programs for Schools

Community Needs Addressed:
Improve mental Health and reduce substance abuse
Improve the prevention and management of obesity

Target Population:
Low income families

Description and Tactics (How):
The hospital conducts school and after-school education programs and activities such as: Bike Rodeo, Trek to the North Pole, Tip Top Teen, Tar Wars, and Impact concussion screening. Our physicians volunteer their time for these activities. We also provide instruction and support for Payette Lakes Community Association and other organization after-school programs.

Resources (budget):
The hospital budget in FY2016 is $6,000 for these activities

Expected Program Impact on Health Need:
Providing youth an opportunity to learn socialization skills is the indirect and perhaps most beneficial outcome. Youth also learn basic self-health skills and habits (nutrition and exercise) that they bring home to their families. Goal: 400 attendances at classes and activities organized by St. Luke's McCall.

Partnerships/Collaboration:
New Meadows, Cascade and McCall Donnelly School Districts, University of Idaho Extension Program, Payette Lakes Community Association

Comments:
After school programs provide child safety and needed family child care services.

20. Free Community Health Improvement Services Offered at Clinic

Community Needs Addressed:
Prevention and Wellness Programs

Target Population:
Families with incomes less than $50,000

Description and Tactics (How):
The clinics see many people who cannot easily access community services or self-manage their medical problems. Therefore, our clinics provide these services. Clinic programs include patient navigation services, reading promotion and books for young children, depression screening, health coaching, and free behavioral health consultations from counselors embedded in the primary care clinics.

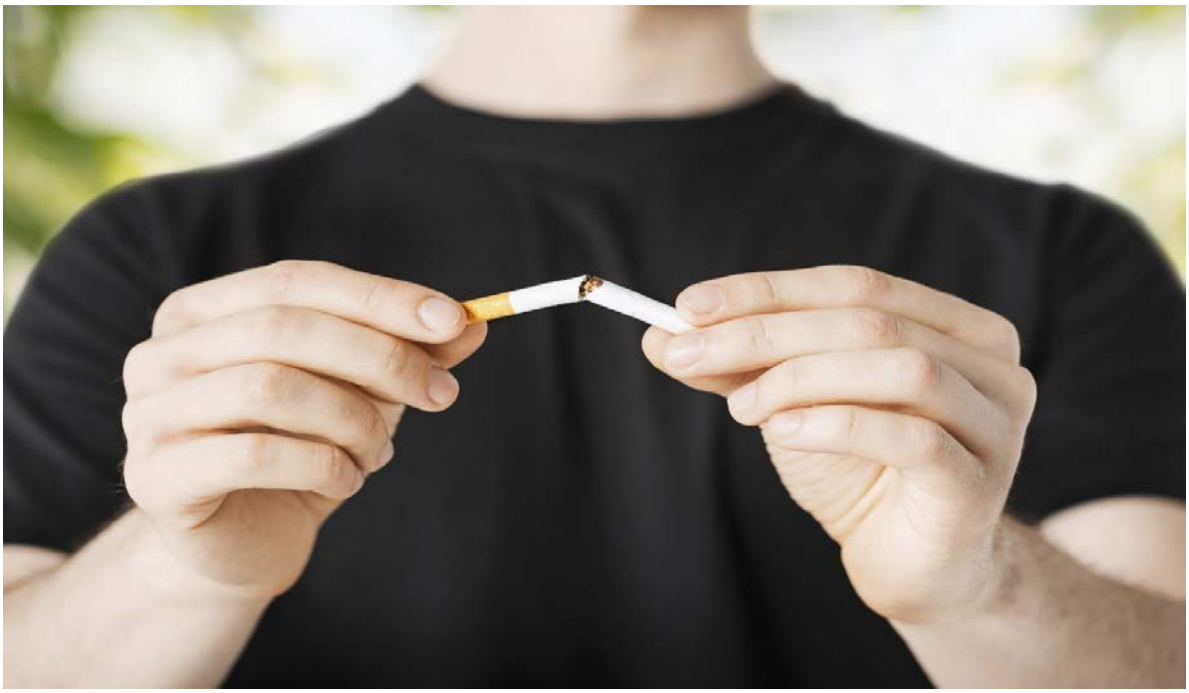
Resources (budget):
Some of these services reduce the cost of charity care and bad debt, but the programs are not offered primarily for this the reason. The reason is to provide better care. The savings and expenditures are about equal.

Expected Program Impact on Health Need:
The patient navigation services are proven to improve the health of a very costly demographic who use medical services regularly, especially the ER, but have poor history of compliance. The embedded counselors increase the number of people who see counselors in our area by 20 visitations per week.

Partnerships/Collaboration:
St. Luke's McCall Foundation

Comments:
Most additional services offered at the clinics are funded by St. Luke's McCall Foundation and grants.

Significant Health Need #4: Prevent and Reduce Tobacco Use



Tobacco prevention and cessation rank as a high priority health need because the percent of adults who smoke in our service area is well above the national average and because smoking is a leading cause of death in Idaho and the nation.[17] The relationship between tobacco use, particularly cigarette smoking, and adverse health outcomes is well known. An average of 1,500 people die each year in Idaho as a direct result of tobacco use.

Impact on community:
Cigarette smoking is the leading cause of preventable death in our nation. Reducing tobacco use will result in a healthier community decreasing respiratory disease as well as cancers of the lung, pancreas, kidney, and cervix. [18]

How to Address the Need:
In order to reduce the use of tobacco, we will work with our community using evidence-based programs that have been effective in reducing tobacco use across the nation for the past 20 years.

Affected populations:
People with lower incomes and without a high school diploma are more likely to smoke.[19]

[17] Idaho and National 2002 - 2013 Behavioral Risk Factor Surveillance System
[18] Comprehensive Cancer Alliance for Idaho, Idaho Comprehensive Cancer Strategic Plan 2004-2010, www.ccaidaho.org
[19] Ibid

21. Program Name: Planning Best Tobacco Prevention Interventions for Service Area

Community Needs Addressed:
Tobacco prevention and cessation programs

Target Population:
Families with incomes less than $50,000
Youth and adolescents

Description and Tactics (How):
In fall of 2017 or spring of 2018 we will convene a service area symposium on smoking reduction. State experts, smoking policy advocates, and smoking rights advocates will be invited along with all stakeholders such as retailers, law enforcement, insurance providers, and interested citizens.
Following the symposium, we will develop a plan to implement those initiatives deemed to be most effective according to the public sentiment, political possibilities, and advice of attending experts. This plan will be circulated throughout the services area and we will hold local focus groups to test the plan and build public buy-in. A smoking prevention workgroup will be convened that includes key stakeholders. We will inquire if a physician will champion this cause.

Resources (budget):
St. Luke's McCall will provide $3,000, primarily administrative salaries, to organize and support this program.

Expected Program Impact on Health Need:
Three year goals:
1. Five businesses or agencies create tobacco-free worksites
2. Three employers with 10 or more employees adopt non-smoking hire policies.
(Both outcomes are proven to reduce the frequency of adolescent smokers.)
3. Reduce the percentage of smokers in Valley and Adams Counties by 2% over three years

Partnerships/Collaboration:
Central District Health Department; municipal governments of Cascade, Donnelly, McCall Meadows Valley, Council, Riggins; all regional school districts, Valley and Adams County governments, Smoke Free Idaho, tobacco retailers, Tobacco 21 Idaho

Comments:
We need an encompassing approach that encourages participation by all stakeholders, pro and con, to establish our goal that at least one regional high school has zero tobacco users in the 2022 graduating class.

22. Program Name: School Base Tobacco Prevention Educations

Community Needs Addressed:
Tobacco prevention and cessation programs

Target Population:
Youth from low income families

Description and Tactics (How):
Due to $150,000 in annual grants from Idaho Office of Drug policy, we are able to provide approximately 80 drug-prevention educations and activities each year in regional middle and high schools. These educations teach positive lifestyle choices and allow us to create activities and social support that reaches out to vulnerable youth. We will help launch a new high school program called *Committed*, a student and faculty led program that includes monthly nicotine drug testing. We will promote free tobacco cessation programs for youth smokers and adults. We are trying to foster a social norm among youth that all drug use is taboo. We will investigate how supporting Tobacco 21 Idaho (a St. Alphonsus initiative to raise the legal purchasing age to 21) could benefit Valley and Adams counties.

Resources (budget):
St. Luke's McCall will provide $3,000 in staff time and funding for *Committed* and no-tobacco school programs.

Expected Program Impact on Health Need
1. Reduction in number of 15 to 19 year old tobacco and e-cigarette users.
2. Increase percent of 12 to 14 year olds who have strong negative attitudes toward tobacco
3. Improved attendance and grades at school (smoking is negatively associated with both)

Partnerships/Collaboration:
Central District Health Department
McCall Donnelly School Department
City of McCall
Midas Gold (partner with *Committed* program)

Comments:
We should consider how local Fire and EMS personnel can be the non-tobacco heroes in grade and middle schools. How can we get current smokers to be a pro-voice in non-smoking initiatives for youth? Tobacco use rates are tumbling in Valley and Adams counties, but tobacco prevention is still considered the biggest win in preventing early death.