

**SCHEDULE H
(Form 990)**

Department of the Treasury
Internal Revenue Service

Hospitals

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, question 20.**
▶ **Attach to Form 990.** ▶ **See separate instructions.**
▶ **Information about Schedule H (Form 990) and its instructions is at www.irs.gov/form990.**

OMB No. 1545-0047

2013

Open to Public Inspection

Name of the organization **BLUE RIDGE HEALTHCARE HOSPITALS, INC.** Employer identification number **56-0529976**

Part I Financial Assistance and Certain Other Community Benefits at Cost

	Yes	No
1a Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	<input checked="" type="checkbox"/>	
b If "Yes," was it a written policy?	<input checked="" type="checkbox"/>	
2 If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year. <input checked="" type="checkbox"/> Applied uniformly to all hospital facilities <input type="checkbox"/> Applied uniformly to most hospital facilities <input type="checkbox"/> Generally tailored to individual hospital facilities		
3 Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year.		
a Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing <i>free</i> care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care:	<input checked="" type="checkbox"/>	
<input type="checkbox"/> 100% <input type="checkbox"/> 150% <input type="checkbox"/> 200% <input checked="" type="checkbox"/> Other <u>120</u> %		
b Did the organization use FPG as a factor in determining eligibility for providing <i>discounted</i> care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care:	<input checked="" type="checkbox"/>	
<input type="checkbox"/> 200% <input checked="" type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% <input type="checkbox"/> Other _____ %		
c If the organization used factors other than FPG in determining eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care. Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care.		
4 Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	<input checked="" type="checkbox"/>	
5a Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	<input checked="" type="checkbox"/>	
b If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?		<input checked="" type="checkbox"/>
c If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?		
6a Did the organization prepare a community benefit report during the tax year?	<input checked="" type="checkbox"/>	
b If "Yes," did the organization make it available to the public?	<input checked="" type="checkbox"/>	

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

7 Financial Assistance and Certain Other Community Benefits at Cost

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
Financial Assistance and Means-Tested Government Programs						
a Financial Assistance at cost (from Worksheet 1)			13997706.	11035655.	2962051.	1.70%
b Medicaid (from Worksheet 3, column a)			28906741.	24644706.	4262035.	2.44%
c Costs of other means-tested government programs (from Worksheet 3, column b)			588,814.	325,649.	263,165.	.15%
d Total Financial Assistance and Means-Tested Government Programs			43493261.	36006010.	7487251.	4.29%
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			206,618.		206,618.	.12%
f Health professions education (from Worksheet 5)			1115951.		1115951.	.64%
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)			125,000.		125,000.	.07%
j Total. Other Benefits			1447569.		1447569.	.83%
k Total. Add lines 7d and 7j			44940830.	36006010.	8934820.	5.12%

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			422,504.		422,504.	.24%
10 Total			422,504.		422,504.	.24%

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 36,725,575.	
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 2,355,920.	
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 41,117,381.
6 Enter Medicare allowable costs of care relating to payments on line 5	6 48,612,828.
7 Subtract line 6 from line 5. This is the surplus (or shortfall)	7 -7,495,447.
8 Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: <input type="checkbox"/> Cost accounting system <input checked="" type="checkbox"/> Cost to charge ratio <input type="checkbox"/> Other	

Section C. Collection Practices

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

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

(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %
1 BLUE RIDGE CARDIOLOGY	HEART CATH SVCS	50.00%	.00%	.00%
2 CAROLINAS HEALTHCARE SYSTEM	MANAGEMENT SERVICES	.00%	.00%	.00%

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? 2

Name, address, primary website address, and state license number

Table with 9 columns: Facility name/address, 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. Contains entries for CMC-BR MORGANTON and CMC-BR VALDESE.

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 facility reporting group CMC - BR MORGANTON

If reporting on Part V, Section B for a single hospital facility only: line number of hospital facility (from Schedule H, Part V, Section A) 1

	Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)		
1 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 9	X	
If "Yes," indicate what the CHNA report describes (check all that apply):		
a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
b <input checked="" type="checkbox"/> Demographics of the community		
c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d <input checked="" type="checkbox"/> How data was obtained		
e <input checked="" type="checkbox"/> The health needs of the community		
f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
i <input type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs		
j <input type="checkbox"/> Other (describe in Section C)		
2 Indicate the tax year the hospital facility last conducted a CHNA: <u>20 13</u>		
3 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	X	
4 Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C		X
5 Did the hospital facility make its CHNA report widely available to the public?	X	
If "Yes," indicate how the CHNA report was made widely available (check all that apply):		
a <input checked="" type="checkbox"/> Hospital facility's website (list url): <u>WWW.BLUERIDGEHEALTH.ORG</u>		
b <input type="checkbox"/> Other website (list url):		
c <input checked="" type="checkbox"/> Available upon request from the hospital facility		
d <input type="checkbox"/> Other (describe in Section C)		
6 If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply as of the end of the tax year):		
a <input checked="" type="checkbox"/> Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA		
b <input checked="" type="checkbox"/> Execution of the implementation strategy		
c <input checked="" type="checkbox"/> Participation in the development of a community-wide plan		
d <input checked="" type="checkbox"/> Participation in the execution of a community-wide plan		
e <input checked="" type="checkbox"/> Inclusion of a community benefit section in operational plans		
f <input type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA		
g <input checked="" type="checkbox"/> Prioritization of health needs in its community		
h <input checked="" type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community		
i <input type="checkbox"/> Other (describe in Section C)		
7 Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Section C which needs it has not addressed and the reasons why it has not addressed such needs		X
8a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?		X
8b If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?		
c If "Yes" to line 8b, 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) CMC - BR MORGANTON

Financial Assistance Policy		Yes	No
Did the hospital facility have in place during the tax year a written financial assistance policy that:			
9	Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	X	
10	Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	X	
If "Yes," indicate the FPG family income limit for eligibility for free care: <u>120</u> %			
If "No," explain in Section C the criteria the hospital facility used.			
11	Used FPG to determine eligibility for providing discounted care?	X	
If "Yes," indicate the FPG family income limit for eligibility for discounted care: <u>250</u> %			
If "No," explain in Section C the criteria the hospital facility used.			
12	Explained the basis for calculating amounts charged to patients?	X	
If "Yes," indicate the factors used in determining such amounts (check all that apply):			
a	<input checked="" type="checkbox"/> Income level		
b	<input checked="" type="checkbox"/> Asset level		
c	<input checked="" type="checkbox"/> Medical indigency		
d	<input checked="" type="checkbox"/> Insurance status		
e	<input checked="" type="checkbox"/> Uninsured discount		
f	<input type="checkbox"/> Medicaid/Medicare		
g	<input type="checkbox"/> State regulation		
h	<input type="checkbox"/> Residency		
i	<input type="checkbox"/> Other (describe in Section C)		
13	Explained the method for applying for financial assistance?	X	
14	Included measures to publicize the policy within the community served by the hospital facility?	X	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply):			
a	<input checked="" type="checkbox"/> The policy was posted on the hospital facility's website		
b	<input type="checkbox"/> The policy was attached to billing invoices		
c	<input type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms		
d	<input type="checkbox"/> The policy was posted in the hospital facility's admissions offices		
e	<input type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility		
f	<input checked="" type="checkbox"/> The policy was available on request		
g	<input checked="" type="checkbox"/> Other (describe in Section C)		
Billing and Collections			
15	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 actions the hospital facility may take upon non-payment?	X	
16	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP:		
a	<input type="checkbox"/> Reporting to credit agency		
b	<input type="checkbox"/> Lawsuits		
c	<input type="checkbox"/> Liens on residences		
d	<input type="checkbox"/> Body attachments		
e	<input type="checkbox"/> Other similar actions (describe in Section C)		
17	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP?		X
If "Yes," check all actions in which the hospital facility or a third party engaged:			
a	<input type="checkbox"/> Reporting to credit agency		
b	<input type="checkbox"/> Lawsuits		
c	<input type="checkbox"/> Liens on residences		
d	<input type="checkbox"/> Body attachments		
e	<input type="checkbox"/> Other similar actions (describe in Section C)		

Part V Facility Information (continued) **CMC - BR MORGANTON**

18 Indicate which efforts the hospital facility made before initiating any of the actions listed in line 17 (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)

Policy Relating to Emergency Medical Care

19 Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires 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?

	Yes	No
19	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)

20 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)

21		X
22		X

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

If "Yes," explain in Section C.

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

If "Yes," explain in Section C.

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 facility reporting group CMC-BR VALDESE

If reporting on Part V, Section B for a single hospital facility only: line number of hospital facility (from Schedule H, Part V, Section A) 2

	Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)		
1 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 9	X	
If "Yes," indicate what the CHNA report describes (check all that apply):		
a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
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h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
i <input type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs		
j <input type="checkbox"/> Other (describe in Section C)		
2 Indicate the tax year the hospital facility last conducted a CHNA: <u>20 13</u>		
3 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	X	
4 Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C		X
5 Did the hospital facility make its CHNA report widely available to the public?	X	
If "Yes," indicate how the CHNA report was made widely available (check all that apply):		
a <input checked="" type="checkbox"/> Hospital facility's website (list url): <u>WWW.BLUERIDGEHEALTH.ORG</u>		
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7 Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Section C which needs it has not addressed and the reasons why it has not addressed such needs		X
8a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?		X
8b If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?		
c If "Yes" to line 8b, 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) CMC-BR VALDESE

Financial Assistance Policy		Yes	No
Did the hospital facility have in place during the tax year a written financial assistance policy that:			
9	Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	X	
10	Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	X	
If "Yes," indicate the FPG family income limit for eligibility for free care: <u>120</u> %			
If "No," explain in Section C the criteria the hospital facility used.			
11	Used FPG to determine eligibility for providing discounted care?	X	
If "Yes," indicate the FPG family income limit for eligibility for discounted care: <u>250</u> %			
If "No," explain in Section C the criteria the hospital facility used.			
12	Explained the basis for calculating amounts charged to patients?	X	
If "Yes," indicate the factors used in determining such amounts (check all that apply):			
a	<input checked="" type="checkbox"/> Income level		
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d	<input checked="" type="checkbox"/> Insurance status		
e	<input checked="" type="checkbox"/> Uninsured discount		
f	<input type="checkbox"/> Medicaid/Medicare		
g	<input type="checkbox"/> State regulation		
h	<input type="checkbox"/> Residency		
i	<input type="checkbox"/> Other (describe in Section C)		
13	Explained the method for applying for financial assistance?	X	
14	Included measures to publicize the policy within the community served by the hospital facility?	X	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply):			
a	<input checked="" type="checkbox"/> The policy was posted on the hospital facility's website		
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c	<input type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms		
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Billing and Collections			
15	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 actions the hospital facility may take upon non-payment?	X	
16	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP:		
a	<input type="checkbox"/> Reporting to credit agency		
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c	<input checked="" type="checkbox"/> Liens on residences		
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e	<input type="checkbox"/> Other similar actions (describe in Section C)		
17	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP?		X
If "Yes," check all actions in which the hospital facility or a third party engaged:			
a	<input type="checkbox"/> Reporting to credit agency		
b	<input type="checkbox"/> Lawsuits		
c	<input type="checkbox"/> Liens on residences		
d	<input type="checkbox"/> Body attachments		
e	<input type="checkbox"/> Other similar actions (describe in Section C)		

Part V Facility Information (continued) **CMC-BR VALDESE**

18 Indicate which efforts the hospital facility made before initiating any of the actions listed in line 17 (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)

Policy Relating to Emergency Medical Care

19 Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires 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?

	Yes	No
19	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)

20 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)

21		X
22		X

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

If "Yes," explain in Section C.

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

If "Yes," explain in Section C.

Part V Facility Information *(continued)*

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.

CMC - BR MORGANTON:

PART V, SECTION B, LINE 3: BRHC CONDUCTED A SURVEY WHICH WAS DISTRIBUTED TO PATIENTS AND THE GENERAL PUBLIC VIA THE LOCAL HEALTH DEPARTMENT, FESTIVALS, MAILINGS, ETC.

CMC-BR VALDESE:

PART V, SECTION B, LINE 3: BRHC CONDUCTED A SURVEY WHICH WAS DISTRIBUTED TO PATIENTS AND THE GENERAL PUBLIC VIA THE LOCAL HEALTH DEPARTMENT, FESTIVALS, MAILINGS, ETC.

CMC - BR MORGANTON:

PART V, SECTION B, LINE 7: THE SURVEY EMPLOYED IN BRHC HOSPITAL'S CHNA PROCESS PRESENTED RESPONDENTS WITH A LIST OF 20 DISEASES AND HEALTH CONDITIONS. FROM THIS LIST, THEY WERE ASKED TO SELECT WHICH ONES THEY CONSIDERED TO BE THE TOP FIVE IN BURKE COUNTY. THERE WAS A SIGNIFICANT GAP BETWEEN THE FIFTH MOST SELECTED ITEM AND THOSE FOLLOWING. BASED ON THE PERCENTAGE OF RESPONDENTS WHO CHOSE DRUG ABUSE, CANCER, MENTAL HEALTH AND HEART DISEASE AMONG THE TOP FIVE, THESE ARE PROBLEMS THAT NEED ATTENTION. OBESITY/DIABETES WAS THE TOP CHOICE AND WILL BE THE CENTRAL FOCUS OF COMMUNITY HEALTH IMPROVEMENT BY BRHC HOSPITALS FOR THE NEXT THREE YEARS. THIS SHOULD NOT BE INTERPRETED TO MEAN THAT THE ORGANIZATION IS NOT ACTIVELY INVOLVED IN THE REMAINING FOUR ISSUES IN THE TOP FIVE. THEY ARE SIMPLY NOT THE FOCUS OF THE CHNA AND ITS IMPLEMENTATION STRATEGY.

CMC-BR VALDESE:

Part V Facility Information *(continued)*

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.

PART V, SECTION B, LINE 7: THE SURVEY EMPLOYED IN BRHC HOSPITAL'S CHNA PROCESS PRESENTED RESPONDENTS WITH A LIST OF 20 DISEASES AND HEALTH CONDITIONS. FROM THIS LIST, THEY WERE ASKED TO SELECT WHICH ONES THEY CONSIDERED TO BE THE TOP FIVE IN BURKE COUNTY. THERE WAS A SIGNIFICANT GAP BETWEEN THE FIFTH MOST SELECTED ITEM AND THOSE FOLLOWING. BASED ON THE PERCENTAGE OF RESPONDENTS WHO CHOSE DRUG ABUSE, CANCER, MENTAL HEALTH AND HEART DISEASE AMONG THE TOP FIVE, THESE ARE PROBLEMS THAT NEED ATTENTION. OBESITY/DIABETES WAS THE TOP CHOICE AND WILL BE THE CENTRAL FOCUS OF COMMUNITY HEALTH IMPROVEMENT BY BRHC HOSPITALS FOR THE NEXT THREE YEARS. THIS SHOULD NOT BE INTERPRETED TO MEAN THAT THE ORGANIZATION IS NOT ACTIVELY INVOLVED IN THE REMAINING FOUR ISSUES IN THE TOP FIVE. THEY ARE SIMPLY NOT THE FOCUS OF THE CHNA AND ITS IMPLEMENTATION STRATEGY.

CMC - BR MORGANTON:

PART V, SECTION B, LINE 14G: PATIENT ROOM VISIT FROM FINANCIAL COUNSELOR AND SOCIAL WORKER, OVERVIEW OF FINANCIAL ASSISTANCE POLICY, AND CONTACT INFORMATION ON WEBSITE AND PATIENT STATEMENTS.

CMC-BR VALDESE:

PART V, SECTION B, LINE 14G: PATIENT ROOM VISIT FROM FINANCIAL COUNSELOR AND SOCIAL WORKER, OVERVIEW OF FINANCIAL ASSISTANCE POLICY, AND CONTACT INFORMATION ON WEBSITE AND PATIENT STATEMENTS.

CMC - BR MORGANTON:

PART V, SECTION B, LINE 18E: ALL SELF PAY E.D. PATIENTS ARE SCREENED FOR

Part V Facility Information *(continued)*

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.

CHARITY AND-OR FINANCIAL ASSISTANCE IN THE E.D. AREA. MONTHLY STATEMENTS
REFERENCE THE PHONE NUMBERS TO CALL FOR FINANCIAL ASSISTANCE.

CMC-BR VALDESE:

PART V, SECTION B, LINE 18E: ALL SELF PAY E.D. PATIENTS ARE SCREENED FOR
CHARITY AND-OR FINANCIAL ASSISTANCE IN THE E.D. AREA. MONTHLY STATEMENTS
REFERENCE THE PHONE NUMBERS TO CALL FOR FINANCIAL ASSISTANCE.

CMC - BR MORGANTON:

PART V, SECTION B, LINE 20D: ALL PATIENTS RECEIVE SAME DISCOUNT.
EFFECTIVE 9/1/2013 THE UNINSURED DISCOUNT INCREASED FROM 30% TO 50%.

CMC-BR VALDESE:

PART V, SECTION B, LINE 20D: ALL PATIENTS RECEIVE SAME DISCOUNT.
EFFECTIVE 9/1/2013 THE UNINSURED DISCOUNT INCREASED FROM 30% TO 50%.

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? 2

Name and address	Type of Facility (describe)
1 CHS-BR SOUTHEAST PAIN CARE 2134 14TH AVENUE CIRCLE NW HICKORY, NC 28601	PROVIDER-BASED PAIN CARE CENTER
2 CHS-BR REHABILITATION & PHYSICAL MED. 137 W PARKER RD MORGANTON, NC 28655	OUTPATIENT REHAB CENTER (PT, OT, AND ST SERVICES)

Schedule H (Form 990) 2013

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:

EXPLANATION: BLUE RIDGE HEALTHCARE HOSPITALS USES THE SLIDING SCALE PROVIDED IN THE FEDERAL POVERTY INCOME GUIDELINES PUBLISHED ANNUALLY BY THE DEPARTMENT OF HEALTH AND HUMAN SERVICES TO DETERMINE ELIGIBILITY. AN ASSET TEST IS USED TO DETERMINE ELIGIBILITY FOR FREE OR DISCOUNTED CARE.

PART I, LINE 6A:

COMMUNITY BENEFIT REPORT IS PREPARED FOR BLUE RIDGE HEALTHCARE SYSTEM (BRHS) WHICH INCLUDES CHS BLUE RIDGE MORGANTON (FORMERLY GRACE HOSPITAL) AND CHS BLUE RIDGE VALDESE (FORMERLY VALDESE GENERAL HOSPITAL).

PART II, COMMUNITY BUILDING ACTIVITIES:

EXPLANATION: BRHC PROVIDES SUPERVISION AND STAFF FOR THE SCHOOL NURSE PROGRAM IN BURKE COUNTY.

PART III, LINE 2:

EXPLANATION: BAD DEBT COST FROM LINE 2 IS BASED ON TOTAL BAD DEBT EXPENSE MULTIPLIED BY THE COST-TO-CHARGE RATIO.

Part VI Supplemental Information (Continuation)

PART III, LINE 3:

EXPLANATION: CHARITY INCLUDED ON LINE 3 IS CALCULATED BASED ON A STATISTICAL SAMPLE OF SELF PAY PATIENTS THAT QUALIFY FOR CHARITY CARE FROM THE OUTPATIENT SETTING.

PART III, LINE 4:

EXPLANATION: UNINSURED DISCOUNTS AND BAD DEBTS INCLUDED THE COST OF SERVICES PROVIDED TO UNINSURED OR UNDERINSURED PATIENTS AND TO PATIENTS WHO OTHERWISE DO NOT PAY FOR THEIR HEALTHCARE SERVICES. THE MISSION OF BRHS IS TO CREATE AND OPERATE A HEALTH SYSTEM TO PROVIDE HOSPITAL, ACUTE AND EMERGENCY CARE, INPATIENT PSYCHIATRIC SERVICES, PHYSICIAN SERVICES, AND LONG-TERM CARE FOR THE BENEFIT OF THE COMMUNITY IT SERVES. COMMITMENT TO THIS MISSION REQUIRES BOTH AN INVESTMENT IN AND A PARTNERSHIP WITH THE COMMUNITY WITHIN WHICH BRHS OPERATES.

PART III, LINE 8:

EXPLANATION: THE MEDICARE COST REPORT IS PREPARED USING THE AUDITED TRIAL BALANCE FOR BLUE RIDGE HEALTHCARE HOSPITALS, INC. THE COST REPORT IS PREPARED IN ACCORDANCE WITH ALL APPLICABLE RULES AND REGULATIONS. AS A 501(C)(3) ORGANIZATION, BLUE RIDGE HEALTHCARE HOSPITALS ACCEPTS ALL PATIENTS WITHOUT REGARD TO THE INSURANCE OR LACK OF INSURANCE.

PART III, LINE 9B:

EXPLANATION: BLUE RIDGE HEALTHCARE FACILITIES OFFER FINANCIAL ASSISTANCE THROUGH OUR CHARITY POLICY, BASED ON THE CURRENT FEDERAL POVERTY GUIDELINES (FPG), TO PATIENTS AND GUARANTORS. THOSE APPROVED FOR FINANCIAL ASSISTANCE ARE ELIGIBLE FOR DISCOUNTS APPLIED TO BALANCES OWED AFTER

Part VI Supplemental Information (Continuation)

INSURANCE, AS WELL AS SELF-PAY BALANCES REMAINING AFTER OUR UNINSURED DISCOUNT IS APPLIED. PATIENTS WHOSE HOUSEHOLD INCOME IS LESS THAN 120% OF FEDERAL POVERTY GUIDELINES ARE ELIGIBLE FOR 100% ADJUSTMENT OF REMAINING BALANCES. THE DISCOUNTS ARE AVAILABLE IN A GRADUATED SCALE WHERE INCOMES OF UP TO 250% OF FPG QUALIFY FOR SOME ADJUSTMENTS OFF REMAINING BALANCES. THIS POLICY IS PUBLICIZED IN PATIENT REGISTRATION AREAS, ON BILLING STATEMENTS, AND IS AVAILABLE ON OUR WEB SITE. PATIENTS NOT ELIGIBLE FOR CHARITY OR WHO HAVE A BALANCE OWED AFTER THE APPLICATION OF CHARITY OR UNINSURED DISCOUNT ARE SENT STATEMENTS AND/OR COLLECTION LETTERS AT LEAST EVERY 30 DAYS UNTIL THE BALANCE OWED IS PAID OR SUITABLE, LONGER-TERM PAYMENT ARRANGEMENTS ARE MADE. ACCOUNTS THAT DO NOT HAVE SUITABLE PAYMENT ARRANGEMENTS ESTABLISHED, THAT ARE OLDER THAN 120 DAY FROM THE FIRST PATIENT STATEMENT ARE ELIGIBLE FOR OUTSIDE COLLECTION ACTIVITY. ALL PATIENTS ARE NOTIFIED OF POSSIBLE COLLECTION ASSIGNMENT AT LEAST 30 DAYS BEFORE AN ASSIGNMENT IS MADE. IF A PATIENT REQUESTS FINANCIAL ASSISTANCE AFTER THE STATEMENT PROCESS BEGINS, THE ACCOUNT IS PLACED ON HOLD UNTIL A DETERMINATION OF ELIGIBILITY IS MADE.

PART VI, LINE 2:

EXPLANATION: BLUE RIDGE HEALTHCARE HOSPITALS PERFORMS OUTREACH SERVICES AND HEALTH EDUCATION OPPORTUNITIES FOR THE COMMUNITY SERVED. FEEDBACK FROM THESE EFFORTS ALONG WITH THE EVALUATION OF THE PATIENTS SERVED ARE CONSIDERED IN ASSESSING THE COMMUNITIES HEALTH CARE NEEDS. IN ADDITION, THE ORGANIZATION HAS CONDUCTED EXTENSIVE RESEARCH INTO THE AREAS MOST SERIOUS HEALTH THREATS AND DEVELOPED A PLAN TO FOCUS ATTENTION ON THESE ISSUES.

PART VI, LINE 3:

Part VI Supplemental Information (Continuation)

EXPLANATION: ALL SELF PAY ED PATIENTS ARE SCREENED FOR CHARITY AND-OR FINANCIAL ASSISTANCE IN THE ED AREA. ALL SELF PAY INPATIENTS ARE SCREENED FOR FINANCIAL ASSISTANCE BY THE FINANCIAL COUNSELORS DURING THEIR STAY. DIAGNOSTIC AND THERAPEUTIC OUTPATIENT SERVICES ARE ALSO ELIGIBLE FOR FINANCIAL ASSISTANCE AND-OR CHARITY UPON APPLICATION BY THE PATIENT OR RESPONSIBLE PARTY. MONTHLY STATEMENTS AND WEBSITE REFERENCE THE PHONE NUMBERS TO CALL FOR FINANCIAL ASSISTANCE.

PART VI, LINE 4:

EXPLANATION: BRHCS PRIMARY SERVICE AREA INCLUDES BURKE COUNTY; PATIENTS FROM A NUMBER OF OTHER OUTLYING COUNTIES ARE ALSO SERVED BY BRHC. THE POPULATION IS PREDOMINANTLY CAUCASIAN. SIGNIFICANT MINORITIES INCLUDE HMONG, AFRICAN-AMERICAN AND HISPANIC RESIDENTS. THE AREA IS ECONOMICALLY DEPRESSED DUE TO THE LOSS OF TRADITIONAL FURNITURE AND TEXTILE INDUSTRIES.

PART VI, LINE 5:

EXPLANATION: BRHC IS GOVERNED BY A VOLUNTEER COMMUNITY BOARD OF DIRECTORS. BRHC SYSTEM IS SERVED BY OPEN MEDICAL STAFFS. THE SYSTEM IS ALSO SUPPORTED BY A GROWING BRHC VOLUNTEERS CORPS WHO CONTRIBUTE THOUSANDS OF HOURS IN SERVICE ANNUALLY. BRHC ACTIVELY RECRUITS PRIMARY CARE PHYSICIANS AND PHYSICIAN SPECIALISTS TO MEET SPECIFIC MEDICAL NEEDS IN THE COMMUNITY.

PART VI, LINE 6:

EXPLANATION: BLUE RIDGE HEALTHCARE HOSPITALS IS PART OF BLUE RIDGE HEALTHCARE SYSTEM. BLUE RIDGE SERVES BURKE COUNTY, NC AND SURROUNDING COUNTIES. BLUE RIDGE IS AFFILIATED WITH CAROLINAS HEALTHCARE SYSTEM BASED IN CHARLOTTE, NC.

Part VI Supplemental Information (Continuation)

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

NC

Horizontal lines for listing states receiving community benefit reports.