

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

Form 990

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

2022

Department of the Treasury
Internal Revenue Service

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

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

Open to Public Inspection

A For the 2022 calendar year, or tax year beginning and ending

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization Barton Healthcare System		D Employer identification number 94-6050274
	Doing business as		E Telephone number 530-541-3420
	Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	G Gross receipts \$ 239,154,041.
	PO Box 9578		H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	City or town, state or province, country, and ZIP or foreign postal code South Lake Tahoe, CA 96158		H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No
F Name and address of principal officer: Clinton Purvance, MD same as C above			H(c) Group exemption number
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527			
J Website: www.bartonhealth.org			
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other			L Year of formation: 1960
			M State of legal domicile: CA

Part I Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities: Barton Health delivers safe, high quality care and engages the community in the improvement of		
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3	Number of voting members of the governing body (Part VI, line 1a)	3	11
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	10
	5	Total number of individuals employed in calendar year 2022 (Part V, line 2a)	5	1126
	6	Total number of volunteers (estimate if necessary)	6	135
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
	b	Net unrelated business taxable income from Form 990-T, Part I, line 11	7b	0.
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year 5,987,100.	Current Year 695,660.
	9	Program service revenue (Part VIII, line 2g)	207,155,820.	224,035,657.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	12,220,345.	7,647,683.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	3,234,847.	384,134.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	228,598,112.	232,763,134.
	Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	483,618.
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)	94,143,685.	104,510,981.
16a		Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
b		Total fundraising expenses (Part IX, column (D), line 25)	0.	
17		Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	111,822,938.	126,326,598.
18		Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	206,450,241.	231,520,640.
19	Revenue less expenses. Subtract line 18 from line 12	22,147,871.	1,242,494.	
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	Beginning of Current Year 350,905,731.	End of Year 337,614,864.
	21	Total liabilities (Part X, line 26)	57,119,233.	57,769,278.
	22	Net assets or fund balances. Subtract line 21 from line 20	293,786,498.	279,845,586.

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 Kelly Neiger, CFO		Date 11/14/2022	
	Type or print name and title			
Paid Preparer Use Only	Print/Type preparer's name Kim Hunwardsen	Preparer's signature Kim Hunwardsen	Date 11/14/23	Check <input type="checkbox"/> if self-employed PTIN P00484560
	Firm's name Eide Bailly LLP	Firm's EIN 45-0250958		
	Firm's address 800 Nicollet Mall, Ste. 1300 Minneapolis, MN 55402-7033		Phone no. 612-253-6500	

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: Barton Health delivers safe, high quality care and engages the community in the improvement of health and wellness. Barton Health is the community health leader known for compassion and chosen for quality.

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 \$ 166,453,916. including grants of \$ 683,061.) (Revenue \$ 216,509,052.) Barton Healthcare System (Barton Health) is a 501(c)(3) community health system that includes a licensed 63-bed full-service, general acute care hospital with a 24-hour emergency room; 48 bed skilled nursing and long-term care facility; and 23 ambulatory outpatient clinics. Barton Health is a bi-state health system serving the greater Lake Tahoe region in addition to transient-based patients. Nine ventilators and eight emergency rescue ventilators were also on-hand.

Barton Health provides exceptional medical care regardless of an individual's ability to pay.

Continued on Schedule O...

4b (Code:) (Expenses \$ 6,846,942. including grants of \$) (Revenue \$ 7,125,107.) The Barton Community Health Center provides routine medical care to Medicare and Medi-Cal beneficiaries, those with insurance but very high deductibles or those who are uninsured. Same day appointments are usually available which improves medical outcomes. The Barton Community Health Center combines the efforts of numerous skilled professionals including nurse practitioners, physician assistants, medical assistants, nurses, other medical support staff, and contracts with family and specialty physicians. Specialty physicians who see patients at the clinic include pediatrics, sleep medicine, orthopedics, obstetrics, gynecology, child psychiatry, adult psychiatry, ADHD

Continued on Schedule O...

4c (Code:) (Expenses \$ 5,526,965. including grants of \$) (Revenue \$) The Helping Hands program assists patients of Barton Memorial Hospital with their medical bills. It matches the patients' ability to pay according to their unique circumstance. Patients are asked to complete an application and provide financial information about their income to determine their ability to pay. The discount patients receive on their medical bill depends on their adjusted gross income compared with the U.S. Department of Health & Human Services poverty income guidelines. The program is designed for those patients who cannot afford their medical bills. Barton Health provides discounts for those with incomes up to 400 percent of the most recent poverty income guidelines, and/or under special circumstances. During the current year this program provided over \$5.5 million of gross charges in charity care.

4d Other program services (Describe on Schedule O.) (Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses 178,827,823.

Part IV Checklist of Required Schedules

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

Part IV Checklist of Required Schedules (continued)

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

Note: All Form 990 filers are required to complete Schedule O

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 248	
b Enter the number of Forms W-2G included on line 1a. Enter -0- if not applicable	1b 0	
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c X	

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

		Yes	No
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return		
	2a		1126
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	X	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?		X
b	If "Yes," has it filed a Form 990-T for this year? <i>If "No" to line 3b, provide an explanation on Schedule O</i>		
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)?		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?		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?		
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?		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
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?		X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		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?		X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
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?		
9	Sponsoring organizations maintaining donor advised funds.		
a	Did the sponsoring organization make any taxable distributions under section 4966?		
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?		
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? Note: See the instructions for additional information the organization must report on Schedule O.	13a	
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?		X
b	If "Yes," has it filed a Form 720 to report these payments? <i>If "No," provide an explanation on Schedule O</i>	14b	
15	Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year? If "Yes," see the instructions and file Form 4720, Schedule N.	X	
16	Is the organization an educational institution subject to the section 4968 excise tax on net investment income? If "Yes," complete Form 4720, Schedule O.		X
17	Section 501(c)(21) organizations. Did the trust, or any disqualified or other person engage in any activities that would result in the imposition of an excise tax under section 4951, 4952 or 4953? If "Yes," complete Form 6069.	17	

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 on Schedule O. See instructions.

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

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain on Schedule O.		
	1a 11		
b	Enter the number of voting members included on 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?	X	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, trustees, or key employees to a management company or other person?		X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		X
6	Did the organization have members or stockholders?	X	
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	X	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	X	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a	The governing body?	X	
b	Each committee with authority to act on behalf of the governing body?		X
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses on Schedule O		X

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

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

Section C. Disclosure

- 17** List the states with which a copy of this Form 990 is required to be filed CA
- 18** Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A, if applicable), 990, and 990-T (section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
 Own website Another's website Upon request Other (explain on Schedule O)
- 19** Describe on 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
Kelly Neiger - 530-541-3420
PO Box 9578, South Lake Tahoe, CA 96158

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 the 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, box 6 of Form 1099-MISC, and/or box 1 of Form 1099-NEC) 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.
- See the instructions for the order in which to list the persons above.

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/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(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) Clinton Purvance, MD CEO	37.00 3.00			X			0.	1,150,056.	55,076.	
(2) Julie Clayton CNO (thru Oct)	40.00 0.00				X		718,531.	0.	33,529.	
(3) Matthew Wonnacott CMO	38.00 2.00				X		671,492.	0.	46,043.	
(4) Kelly Neiger CFO	37.00 3.00			X			0.	559,498.	53,253.	
(5) Sioban Keller Director of Surgical Services	40.00 0.00				X		253,855.	0.	48,785.	
(6) Jennifer Whisnant Pulmonary Services Supervisor	40.00 0.00					X	252,089.	0.	46,183.	
(7) Christopher Kiser Director of Foundation	0.00 40.00					X	249,250.	0.	47,435.	
(8) Blair Caley RNFA	40.00 0.00					X	260,799.	0.	34,413.	
(9) Jeffrey Koeck Directory of Pharmacy	40.00 0.00					X	248,087.	0.	45,275.	
(10) Julie Howes Controller	40.00 0.00					X	116,521.	148,930.	21,035.	
(11) Thomas Davis Admin Director of Ancillary Services	40.00 0.00				X		204,516.	0.	38,814.	
(12) Karen Conant Director of Ambulatory Operations	40.00 0.00				X		186,347.	0.	47,855.	
(13) Stefan Schunk Trustee	5.00 0.00	X					110,655.	0.	0.	
(14) Wendy David Chairperson	5.00 0.00	X		X			0.	0.	0.	
(15) Abby Killebrew Vice Chairperson/Secretary	5.00 0.00	X		X			0.	0.	0.	
(16) Kirk Ledbetter Trustee	5.00 0.00	X					0.	0.	0.	
(17) Charles Scharer Trustee	5.00 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/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(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) Patrick Fry Trustee	5.00 0.00	X						0.	0.	0.
(19) Shawn Anderson Trustee	5.00 0.00	X						0.	0.	0.
(20) Baghdassar (Pat) Baghkikian, MD Trustee	5.00 0.00	X						0.	0.	0.
(21) Sherry Milynsky Trustee (as of May)	5.00 0.00	X						0.	0.	0.
(22) Kathryn Biasotti Trustee	5.00 0.00	X						0.	0.	0.
(23) Jeff Rahbeck Trustee	5.00 0.00	X						0.	0.	0.
1b Subtotal							3,272,142.	1,858,484.	517,696.	
c Total from continuation sheets to Part VII, Section A							0.	0.	0.	
d Total (add lines 1b and 1c)							3,272,142.	1,858,484.	517,696.	

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 279

	Yes	No
3 Did the organization list any former officer, director, trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	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? <i>If "Yes," complete Schedule J for such individual</i>	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? <i>If "Yes," complete Schedule J for such person</i>	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
Tahoe Carson Valley Medical Group, Inc., 2155 South Ave, Ste 24, South Lake Tahoe,	Physician Services	19,048,772.
FocusOne Solutions, LLC 13609 California Street, Omaha, NE 68154	Staff Labor Services	7,205,961.
Tahoe Orthopedics & Sports PO Box 11889, Zephyr Cove, NV 89448	Physician Services	4,930,884.
HealthSource Global Staffing, Inc., 2735 Collection Center Drive, Chicago, IL 60693	Staff Labor Services	4,554,082.
Lake Tahoe Orthopedic Institute, Inc. PO Box 11889, Zephyr Cove, NV 89448	Physician Services	2,446,529.

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 38

Part VIII Statement of Revenue

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

			(A)	(B)	(C)	(D)	
			Total revenue	Related or exempt function revenue	Unrelated business revenue	Revenue excluded from tax under sections 512 - 514	
Contributions, Gifts, Grants and Other Similar Amounts	1 a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c					
	d Related organizations	1d	348,024.				
	e Government grants (contributions)	1e	124,824.				
	f All other contributions, gifts, grants, and similar amounts not included above ...	1f	222,812.				
	g Noncash contributions included in lines 1a-1f	1g	\$ 222,812.				
	h Total. Add lines 1a-1f			695,660.			
Program Service Revenue	2 a Net Patient Service Revenue	Business Code					
		621990	218044653.	218044653.			
	b Supporting Revenue	621990	2,958,730.	2,958,730.			
	c Investment in Washoe Barton Medic	621110	2,928,776.	2,928,776.			
	d Cafeteria	722514	397,620.			397,620.	
	e Investment in ACO Collaborative	621110	-294,122.	-294,122.			
	f All other program service revenue						
g Total. Add lines 2a-2f			224035657.				
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		2,513,809.			2513809.	
	4 Income from investment of tax-exempt bond proceeds						
	5 Royalties						
	6 a Gross rents	6a	(i) Real				
				384,134.			
			(ii) Personal				
	b Less: rental expenses ...	6b	0.				
	c Rental income or (loss)	6c	384,134.				
	d Net rental income or (loss)			384,134.		384,134.	
	7 a Gross amount from sales of assets other than inventory	7a	(i) Securities				
				4,015,281.	7509500.		
			(ii) Other				
	b Less: cost or other basis and sales expenses	7b	3,774,193.	2616714.			
	c Gain or (loss)	7c	241,088.	4892786.			
d Net gain or (loss)			5,133,874.		5133874.		
8 a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	8a						
b Less: direct expenses	8b						
c Net income or (loss) from fundraising events							
9 a Gross income from gaming activities. See Part IV, line 19	9a						
b Less: direct expenses	9b						
c Net income or (loss) from gaming activities							
10 a Gross sales of inventory, less returns and allowances	10a						
b Less: cost of goods sold	10b						
c Net income or (loss) from sales of inventory							
Miscellaneous Revenue	11 a _____	Business Code					
	b _____						
	c _____						
	d All other revenue						
	e Total. Add lines 11a-11d						
12 Total revenue. See instructions			232763134.	223638037.	0.	8429437.	

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 ...	643,534.	643,534.		
2 Grants and other assistance to domestic individuals. See Part IV, line 22	39,527.	39,527.		
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	2,360,421.	1,752,984.	607,437.	
6 Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	117,347.		117,347.	
7 Other salaries and wages	79,620,122.	58,018,683.	21,601,439.	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	2,369,723.	1,643,436.	726,287.	
9 Other employee benefits	14,248,438.	9,846,684.	4,401,754.	
10 Payroll taxes	5,794,930.	4,195,302.	1,599,628.	
11 Fees for services (nonemployees):				
a Management				
b Legal	829,914.	452.	829,462.	
c Accounting	101,180.		101,180.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees	212,260.		212,260.	
g Other. (If line 11g amount exceeds 10% of line 25, column (A), amount, list line 11g expenses on Sch O.)	59,309,255.	48,727,756.	10,581,499.	
12 Advertising and promotion	476,420.		476,420.	
13 Office expenses	7,718,358.	4,378,445.	3,339,913.	
14 Information technology	4,535,677.	640,320.	3,895,357.	
15 Royalties				
16 Occupancy	4,037,312.	1,762,084.	2,275,228.	
17 Travel	142,441.	79,300.	63,141.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials ...				
19 Conferences, conventions, and meetings				
20 Interest	521,630.	521,630.		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	11,738,465.	11,221,884.	516,581.	
23 Insurance	1,387,706.	1,387,706.		
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A), amount, list line 24e expenses on Schedule O.)				
a Medical Supplies	25,889,186.	25,546,512.	342,674.	
b Relief Expense	6,251,977.	5,839,837.	412,140.	
c Non-Medical Supplies	2,982,944.	2,389,874.	593,070.	
d Bad Debt Expense	191,873.	191,873.		
e All other expenses _____				
25 Total functional expenses. Add lines 1 through 24e	231,520,640.	178,827,823.	52,692,817.	0.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> 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)		(B)
		Beginning of year		End of year
Assets	1 Cash - non-interest-bearing	21,500,445.	1	10,440,937.
	2 Savings and temporary cash investments	3,399,868.	2	
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	34,410,926.	4	45,145,115.
	5 Loans and other receivables from any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B)		6	
	7 Notes and loans receivable, net	150,000.	7	150,000.
	8 Inventories for sale or use	4,192,255.	8	4,213,276.
	9 Prepaid expenses and deferred charges	3,249,497.	9	3,361,523.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 251,371,393.		
	b Less: accumulated depreciation	10b 134,739,983.		
	11 Investments - publicly traded securities	121,283,545.	10c	116,631,410.
	12 Investments - other securities. See Part IV, line 11	54,418,166.	11	87,123,526.
	13 Investments - program-related. See Part IV, line 11	44,600,449.	12	3,729,808.
	14 Intangible assets	47,744,218.	13	49,345,710.
	15 Other assets. See Part IV, line 11		14	
16 Total assets. Add lines 1 through 15 (must equal line 33)	15,956,362.	15	17,473,559.	
	350,905,731.	16	337,614,864.	
Liabilities	17 Accounts payable and accrued expenses	25,185,922.	17	22,408,183.
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities	12,716,004.	20	8,640,799.
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		22	
	23 Secured mortgages and notes payable to unrelated third parties	3,505,221.	23	15,700,000.
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D		25	
	26 Total liabilities. Add lines 17 through 25	15,712,086.	26	11,020,296.
	57,119,233.	26	57,769,278.	
Net Assets or Fund Balances	Organizations that follow FASB ASC 958, check here <input checked="" type="checkbox"/> and complete lines 27, 28, 32, and 33.			
	27 Net assets without donor restrictions	293,786,117.	27	279,845,586.
	28 Net assets with donor restrictions	381.	28	0.
	Organizations that do not follow FASB ASC 958, check here <input type="checkbox"/> and complete lines 29 through 33.			
	29 Capital stock or trust principal, or current funds		29	
	30 Paid-in or capital surplus, or land, building, or equipment fund		30	
	31 Retained earnings, endowment, accumulated income, or other funds		31	
	32 Total net assets or fund balances	293,786,498.	32	279,845,586.
	33 Total liabilities and net assets/fund balances	350,905,731.	33	337,614,864.

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	232,763,134.
2	Total expenses (must equal Part IX, column (A), line 25)	2	231,520,640.
3	Revenue less expenses. Subtract line 2 from line 1	3	1,242,494.
4	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	4	293,786,498.
5	Net unrealized gains (losses) on investments	5	-15,183,406.
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 on Schedule O)	9	0.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	10	279,845,586.

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: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain on Schedule O.		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? _____ If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		X
b	Were the organization's financial statements audited by an independent accountant? _____ If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	X	
c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? _____ If the organization changed either its oversight process or selection process during the tax year, explain on Schedule O.	X	
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Uniform Guidance, 2 C.F.R. Part 200, Subpart F? _____		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 on Schedule O and describe any steps taken to undergo such audits _____		

SCHEDULE A
(Form 990)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.
Attach to Form 990 or Form 990-EZ.

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

OMB No. 1545-0047

2022

Open to Public Inspection

Name of the organization Barton Healthcare System	Employer identification number 94-6050274
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Part I Reason for Public Charity Status. (All organizations must complete this part.) See instructions.

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

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

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

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2018	(b) 2019	(c) 2020	(d) 2021	(e) 2022	(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) 2018	(b) 2019	(c) 2020	(d) 2021	(e) 2022	(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 5 years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2022 (line 6, column (f), divided by line 11, column (f))	14	%
15 Public support percentage from 2021 Schedule A, Part II, line 14	15	%
16a 33 1/3% support test - 2022. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 33 1/3% support test - 2021. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
17a 10% -facts-and-circumstances test - 2022. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and stop here. Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 10% -facts-and-circumstances test - 2021. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and stop here. Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions		<input type="checkbox"/>

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2018	(b) 2019	(c) 2020	(d) 2021	(e) 2022	(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) 2018	(b) 2019	(c) 2020	(d) 2021	(e) 2022	(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 on 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 5 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 2022 (line 8, column (f), divided by line 13, column (f))	15	%
16 Public support percentage from 2021 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2022 (line 10c, column (f), divided by line 13, column (f))	17	%
18 Investment income percentage from 2021 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2022. 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 - 2021. 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 on line 12 of Part I. If you checked box 12a, Part I, complete Sections A and B. If you checked box 12b, Part I, complete Sections A and C. If you checked box 12c, Part I, complete Sections A, D, and E. If you checked box 12d, Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

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

Part IV Supporting Organizations *(continued)*

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

Section B. Type I Supporting Organizations

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

Section C. Type II Supporting Organizations

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

Section D. All Type III Supporting Organizations

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

Section E. Type III Functionally Integrated Supporting Organizations

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

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

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

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

Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):		
a	Average monthly value of securities	1a	
b	Average monthly cash balances	1b	
c	Fair market value of other non-exempt-use assets	1c	
d	Total (add lines 1a, 1b, and 1c)	1d	
e	Discount claimed for blockage or other factors (<i>explain in detail in Part VI</i>):		
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 0.015 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 0.035.	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 0.85 of line 1.	2	
3	Minimum asset amount for prior year (from Section B, line 8, column A)	3	
4	Enter greater of line 2 or line 3.	4	
5	Income tax imposed in prior year	5	
6	Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions).	6	
7	<input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions).		

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	1
2	Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	2
3	Administrative expenses paid to accomplish exempt purposes of supported organizations	3
4	Amounts paid to acquire exempt-use assets	4
5	Qualified set-aside amounts (prior IRS approval required - provide details in Part VI)	5
6	Other distributions (describe in Part VI). See instructions.	6
7	Total annual distributions. Add lines 1 through 6.	7
8	Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI). See instructions.	8
9	Distributable amount for 2022 from Section C, line 6	9
10	Line 8 amount divided by line 9 amount	10

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2022	(iii) Distributable Amount for 2022
1	Distributable amount for 2022 from Section C, line 6		
2	Underdistributions, if any, for years prior to 2022 (reasonable cause required - explain in Part VI). See instructions.		
3	Excess distributions carryover, if any, to 2022		
a	From 2017		
b	From 2018		
c	From 2019		
d	From 2020		
e	From 2021		
f	Total of lines 3a through 3e		
g	Applied to underdistributions of prior years		
h	Applied to 2022 distributable amount		
i	Carryover from 2017 not applied (see instructions)		
j	Remainder. Subtract lines 3g, 3h, and 3i from line 3f.		
4	Distributions for 2022 from Section D, line 7: \$		
a	Applied to underdistributions of prior years		
b	Applied to 2022 distributable amount		
c	Remainder. Subtract lines 4a and 4b from line 4.		
5	Remaining underdistributions for years prior to 2022, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, explain in Part VI. See instructions.		
6	Remaining underdistributions for 2022. Subtract lines 3h and 4b from line 1. For result greater than zero, explain in Part VI. See instructions.		
7	Excess distributions carryover to 2023. Add lines 3j and 4c.		
8	Breakdown of line 7:		
a	Excess from 2018		
b	Excess from 2019		
c	Excess from 2020		
d	Excess from 2021		
e	Excess from 2022		

Schedule B
(Form 990)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

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

OMB No. 1545-0047

2022

Name of the organization

Barton Healthcare System

Employer identification number

94-6050274

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)(3) (enter number) organization

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

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

Special Rules

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

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I (entering "N/A" in column (b) instead of the contributor name and address), II, and III.

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

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

Name of organization Barton Healthcare System	Employer identification number 94-6050274
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Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	<hr/> <hr/> <hr/>	\$ 19,600.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
2	<hr/> <hr/> <hr/>	\$ 88,646.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
3	<hr/> <hr/> <hr/>	\$ 6,224.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization Barton Healthcare System	Employer identification number 94-6050274
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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
	<div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div>	\$ _____	_____
	<div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div>	\$ _____	_____
	<div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div>	\$ _____	_____
	<div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div>	\$ _____	_____
	<div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div>	\$ _____	_____
	<div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div>	\$ _____	_____
	<div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div>	\$ _____	_____

Name of organization Barton Healthcare System	Employer identification number 94-6050274
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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 C
(Form 990)

Political Campaign and Lobbying Activities

OMB No. 1545-0047

2022

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

For Organizations Exempt From Income Tax Under section 501(c) and section 527
Complete if the organization is described below. Attach to Form 990 or Form 990-EZ.
Go to www.irs.gov/Form990 for instructions and the latest information.

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

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

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

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

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

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

Name of organization Barton Healthcare System	Employer identification number 94-6050274
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Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

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

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

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

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

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

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

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

Schedule C (Form 990) 2022

LHA

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

- A Check if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures).
- B Check if the filing organization checked box A and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)	(a) Filing organization's totals	(b) Affiliated group totals												
1a Total lobbying expenditures to influence public opinion (grassroots lobbying)														
b Total lobbying expenditures to influence a legislative body (direct lobbying)														
c Total lobbying expenditures (add lines 1a and 1b)														
d Other exempt purpose expenditures														
e Total exempt purpose expenditures (add lines 1c and 1d)														
f Lobbying nontaxable amount. Enter the amount from the following table in both columns.														
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;">If the amount on line 1e, column (a) or (b) is:</th> <th style="width: 70%;">The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e.</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000.</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000.</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000.</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000.</td> </tr> </tbody> </table>	If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e.	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.	Over \$17,000,000	\$1,000,000.		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:													
Not over \$500,000	20% of the amount on line 1e.													
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.													
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.													
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.													
Over \$17,000,000	\$1,000,000.													
g Grassroots nontaxable amount (enter 25% of line 1f)														
h Subtract line 1g from line 1a. If zero or less, enter -0-														
i Subtract line 1f from line 1c. If zero or less, enter -0-														
j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?		<input type="checkbox"/> Yes <input type="checkbox"/> No												

4-Year Averaging Period Under Section 501(h)
 (Some organizations that made a section 501(h) election do not have to complete all of the five columns below.
 See the separate instructions for lines 2a through 2f.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2019	(b) 2020	(c) 2021	(d) 2022	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

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

For each "Yes" response on lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.	(a)		(b)
	Yes	No	Amount
1 During the year, did the filing organization attempt to influence foreign, national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a Volunteers?		X	
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)? ..		X	
c Media advertisements?		X	
d Mailings to members, legislators, or the public?		X	
e Publications, or published or broadcast statements?		X	
f Grants to other organizations for lobbying purposes?		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body?	X		
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		X	
i Other activities?	X		44,495.
j Total. Add lines 1c through 1i			44,495.
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		X	
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

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

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

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

Part IV Supplemental Information

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

Part II-B, Line 1, Lobbying Activities:

Written correspondence for advocacy efforts in conjunction with California Hospital Association for issues affecting our hospital; may include in person meetings as part of legislators' outreach efforts.

SCHEDULE D (Form 990)

Department of the Treasury Internal Revenue Service

Supplemental Financial Statements

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

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

OMB No. 1545-0047

2022

Open to Public Inspection

Name of the organization Barton Healthcare System Employer identification number 94-6050274

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

Table with 3 columns: Question, (a) Donor advised funds, (b) Funds and other accounts. Rows include total number at end of year, aggregate value of contributions, grants, and end of year, and two yes/no questions about donor property and grant fund usage.

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

Table with 3 columns: Question, (a) Donor advised funds, (b) Funds and other accounts. Rows include purpose of easements, total number and acreage, number of easements on historic structures, and monitoring expenses.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

Table with 3 columns: Question, (a) Donor advised funds, (b) Funds and other accounts. Rows include whether art collections are reported and amounts of revenue and assets included.

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 make 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 program
 - 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	3,969,431.	3,956,933.	3,848,820.	3,816,534.	3,738,620.
b Contributions	22,411.	12,798.	107,813.	28,286.	81,914.
c Net investment earnings, gains, and losses			176,165.	220,734.	152,556.
d Grants or scholarships					
e Other expenditures for facilities and programs			176,165.	216,734.	156,556.
f Administrative expenses					
g End of year balance	3,991,842.	3,969,731.	3,956,633.	3,848,820.	3,816,534.

- 2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:
- a Board designated or quasi-endowment 0.0000 %
 - b Permanent endowment 100 %
 - c Term endowment 0.0000 %
- 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 | | X |
| (ii) Related organizations | X | |
- b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R?
- 4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land	23,902,299.	7,245,041.		31,147,340.
b Buildings		119,533,787.	61,140,991.	58,392,796.
c Leasehold improvements		6,075,367.	3,209,040.	2,866,327.
d Equipment		87,096,894.	67,585,766.	19,511,128.
e Other	122,999.	7,395,006.	2,804,186.	4,713,819.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				116,631,410.

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) Investment in Washoe		
(2) Barton Medical Clinic	49,708,550.	Cost
(3) ACO Collaborative LLC		
(4) Stock	5,500.	Cost
(5) Investment in BHC MSO LLC	-368,340.	Cost
(6)		
(7)		
(8)		
(9)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 13.)		49,345,710.

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) California Hospital Fee Program Receivable	11,782,432.	
(2) Right of Use Assets	2,843,381.	
(3) Deposits	837,208.	
(4) Other Receivables	2,010,538.	
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.)		17,473,559.

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) Due to Third Party Payors	1,369,159.	
(3) Claims Reserve	5,910,185.	
(4) Lease Obligations	2,843,381.	
(5) 457b Plan Payable	930,662.	
(6) Other Long Term Obligations	200,000.	
(7) Due to/from Related Parties	-233,091.	
(8)		
(9)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.)		11,020,296.

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 FASB ASC 740. Check here if the text of the footnote has been provided in Part XIII ...

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

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

1	Total revenue, gains, and other support per audited financial statements		1
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 III, line 4:

General photographs, paintings, etc. on display for our patients and guests.

Part V, line 4:

Barton Memorial Hospital Foundation, Inc., a related 501(c)(3) entity, holds an endowment fund in which the earnings are used to support Barton Healthcare System.

Part X, Line 2:

The Hospital believes that they have appropriate support for any tax positions taken affecting their annual filing requirements, and as such,

**SCHEDULE F
(Form 990)**

Department of the Treasury
Internal Revenue Service

Statement of Activities Outside the United States

Complete if the organization answered "Yes" on Form 990, Part IV, line 14b, 15, or 16.

Attach to Form 990.

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

OMB No. 1545-0047

2022

Open to Public
Inspection

Name of the organization **Barton Healthcare System** Employer identification number **94-6050274**

Part I General Information on Activities Outside the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 14b.

- For grantmakers.** Does the organization maintain records to substantiate the amount of its grants and other assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? Yes No
- For grantmakers.** Describe in Part V the organization's procedures for monitoring the use of its grants and other assistance outside the United States.
- Activities per Region.** (The following Part I, line 3 table can be duplicated if additional space is needed.)

(a) Region	(b) Number of offices in the region	(c) Number of employees, agents, and independent contractors in the region	(d) Activities conducted in the region (by type) (such as, fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in the region	(f) Total expenditures for and investments in the region
Central America and the Caribbean	0	0	Investment		3,628,407.
3 a Subtotal	0	0			3,628,407.
b Total from continuation sheets to Part I	0	0			0.
c Totals (add lines 3a and 3b)	0	0			3,628,407.

Part II **Grants and Other Assistance to Organizations or Entities Outside the United States.** Complete if the organization answered "Yes" on Form 990, Part IV, line 15, for any recipient who received more than \$5,000. Part II can be duplicated if additional space is needed.

1 (a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of noncash assistance	(h) Description of noncash assistance	(i) Method of valuation (book, FMV, appraisal, other)

2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as a tax exempt 501(c)(3) organization by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter ▶ _____

3 Enter total number of other organizations or entities ▶ _____

Part III Grants and Other Assistance to Individuals Outside the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 16.

Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Region	(c) Number of recipients	(d) Amount of cash grant	(e) Manner of cash disbursement	(f) Amount of noncash assistance	(g) Description of noncash assistance	(h) Method of valuation (book, FMV, appraisal, other)

Part IV Foreign Forms

- 1 Was the organization a U.S. transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation (see Instructions for Form 926)* Yes No

- 2 Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organization may be required to separately file Form 3520, Annual Return To Report Transactions With Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U.S. Owner (see Instructions for Forms 3520 and 3520-A; don't file with Form 990)* Yes No

- 3 Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U.S. Persons With Respect to Certain Foreign Corporations (see Instructions for Form 5471)* Yes No

- 4 Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund (see Instructions for Form 8621)* Yes No

- 5 Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U.S. Persons With Respect to Certain Foreign Partnerships (see Instructions for Form 8865)* Yes No

- 6 Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to separately file Form 5713, International Boycott Report (see Instructions for Form 5713; don't file with Form 990)* Yes No

Part V Supplemental Information

Provide the information required by Part I, line 2 (monitoring of funds); Part I, line 3, column (f) (accounting method; amounts of investments vs. expenditures per region); Part II, line 1 (accounting method); Part III (accounting method); and Part III, column (c) (estimated number of recipients), as applicable. Also complete this part to provide any additional information. See instructions.

Schedule F, Part IV:

The Barton Healthcare System reviews its direct and indirect investments during the tax period for determining required foreign filings.

The Barton Healthcare System makes direct and indirect transfers to a foreign corporation. The Barton Healthcare System would file Form 926 if the transfers met the requirements for filing. The Barton Healthcare System's transfers to foreign corporations did require filing Form 926.

The Barton Healthcare System has ownership interests in a foreign corporation. The Barton Healthcare System would file Form 5471 if the ownership met the requirements for filing. The Barton Healthcare System's ownership in foreign corporations did not require filing Form 5471.

The Barton Healthcare System invests in a corporation that holds direct or indirect interests in passive foreign investment companies (PFICs). The Barton Healthcare System would file Form 8621s for underlying investments that generate unrelated business income. The Barton Healthcare System would not file Form 8621s where the investment partnerships have properly filed Form 8621s, or where the underlying investments did not generate any unrelated business income. The Barton Healthcare System did not require filing Form 8621.

**SCHEDULE H
(Form 990)**

Department of the Treasury
Internal Revenue Service

Hospitals

Complete if the organization answered "Yes" on Form 990, Part IV, question 20a.
Attach to Form 990.

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

OMB No. 1545-0047

2022

Open to Public Inspection

Name of the organization Barton Healthcare System	Employer identification number 94-6050274
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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 checked="" type="checkbox"/> 100% <input type="checkbox"/> 150% <input type="checkbox"/> 200% <input type="checkbox"/> Other _____ %		
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 type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input checked="" type="checkbox"/> 400% <input type="checkbox"/> Other _____ %		
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"?	<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)			1807000.		1807000.	.78%
b Medicaid (from Worksheet 3, column a)			30921214.	24160517.	6760697.	2.92%
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d Total. Financial Assistance and Means-Tested Government Programs			32728214.	24160517.	8567697.	3.70%
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			1011518.	364,644.	646,874.	.28%
f Health professions education (from Worksheet 5)			550,777.	299,229.	251,548.	.11%
g Subsidized health services (from Worksheet 6)			17108012.	3115249.	13992763.	6.05%
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)			208,663.		208,663.	.09%
j Total. Other Benefits			18878970.	3779122.	15099848.	6.53%
k Total. Add lines 7d and 7j			51607184.	27939639.	23667545.	10.23%

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.

Table with 7 columns: (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. Rows include Physical improvements and housing, Economic development, Community support, Environmental improvements, Leadership development and training for community members, Coalition building, Community health improvement advocacy, Workforce development, Other, and Total.

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

Form for Section A. Bad Debt Expense with questions 1-4 and corresponding Yes/No columns. Includes input fields for bad debt expense amount and estimated amount attributable to patients eligible under the organization's financial assistance policy.

Section B. Medicare

Form for Section B. Medicare with questions 5-7 and input fields for Medicare revenue, allowable costs, and surplus/shortfall. Includes a checkbox for the costing methodology used.

Section C. Collection Practices

Form for Section C. Collection Practices with questions 9a and 9b regarding written debt collection policy and its provisions.

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

Table for Part IV Management Companies and Joint Ventures with 5 columns: (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 - see instructions)

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

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

1 Barton Memorial Hospital
2170 South Avenue
South Lake Tahoe, CA 96150
www.bartonhealth.org
030000013

Table with columns: 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. Row 1: X, X, , , , , X, , Other (describe), .

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: Barton Memorial Hospital

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

	Yes	No
Community Health Needs Assessment		
1 Was the hospital facility first licensed, registered, or similarly recognized by a state as a hospital facility in the current tax year or the immediately preceding tax year?		X
2 Was the hospital facility acquired or placed into service as a tax-exempt hospital in the current tax year or the immediately preceding tax year? If "Yes," provide details of the acquisition in Section C		X
3 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 12	X	
If "Yes," indicate what the CHNA report describes (check all that apply):		
a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
b <input checked="" type="checkbox"/> Demographics of the community		
c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d <input checked="" type="checkbox"/> How data was obtained		
e <input checked="" type="checkbox"/> The significant health needs of the community		
f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
i <input checked="" type="checkbox"/> The impact of any actions taken to address the significant health needs identified in the hospital facility's prior CHNA(s)		
j <input type="checkbox"/> Other (describe in Section C)		
4 Indicate the tax year the hospital facility last conducted a CHNA: 20 <u>21</u>		
5 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	X	
6a Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C		X
b Was the hospital facility's CHNA conducted with one or more organizations other than hospital facilities? If "Yes," list the other organizations in Section C		X
7 Did the hospital facility make its CHNA report widely available to the public?	X	
If "Yes," indicate how the CHNA report was made widely available (check all that apply):		
a <input checked="" type="checkbox"/> Hospital facility's website (list url): <u>See Part V, Page 8</u>		
b <input type="checkbox"/> Other website (list url): _____		
c <input checked="" type="checkbox"/> Made a paper copy available for public inspection without charge at the hospital facility		
d <input checked="" type="checkbox"/> Other (describe in Section C)		
8 Did the hospital facility adopt an implementation strategy to meet the significant community health needs identified through its most recently conducted CHNA? If "No," skip to line 11	X	
9 Indicate the tax year the hospital facility last adopted an implementation strategy: 20 <u>21</u>		
10 Is the hospital facility's most recently adopted implementation strategy posted on a website?	X	
a If "Yes," (list url): <u>See Part V, Page 8</u>		
b If "No," is the hospital facility's most recently adopted implementation strategy attached to this return?		
11 Describe in Section C how the hospital facility is addressing the significant needs identified in its most recently conducted CHNA and any such needs that are not being addressed together with the reasons why such needs are not being addressed.		
12a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?		X
b If "Yes" to line 12a, did the organization file Form 4720 to report the section 4959 excise tax?		
c If "Yes" to line 12b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$		

Part V Facility Information (continued)

Financial Assistance Policy (FAP)

Name of hospital facility or letter of facility reporting group: Barton Memorial Hospital

		Yes	No
Did the hospital facility have in place during the tax year a written financial assistance policy that:			
13	Explained eligibility criteria for financial assistance, and whether such assistance included free or discounted care?	X	
If "Yes," indicate the eligibility criteria explained in the FAP:			
a	<input checked="" type="checkbox"/> Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of <u>100</u> % and FPG family income limit for eligibility for discounted care of <u>400</u> %		
b	<input checked="" type="checkbox"/> Income level other than FPG (describe in Section C)		
c	<input checked="" type="checkbox"/> Asset level		
d	<input checked="" type="checkbox"/> Medical indigency		
e	<input checked="" type="checkbox"/> Insurance status		
f	<input checked="" type="checkbox"/> Underinsurance status		
g	<input checked="" type="checkbox"/> Residency		
h	<input type="checkbox"/> Other (describe in Section C)		
14	Explained the basis for calculating amounts charged to patients?	X	
15	Explained the method for applying for financial assistance?	X	
If "Yes," indicate how the hospital facility's FAP or FAP application form (including accompanying instructions) explained the method for applying for financial assistance (check all that apply):			
a	<input checked="" type="checkbox"/> Described the information the hospital facility may require an individual to provide as part of his or her application		
b	<input checked="" type="checkbox"/> Described the supporting documentation the hospital facility may require an individual to submit as part of his or her application		
c	<input checked="" type="checkbox"/> Provided the contact information of hospital facility staff who can provide an individual with information about the FAP and FAP application process		
d	<input type="checkbox"/> Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications		
e	<input type="checkbox"/> Other (describe in Section C)		
16	Was widely publicized within the community served by the hospital facility?	X	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply):			
a	<input checked="" type="checkbox"/> The FAP was widely available on a website (list url): <u>See Part V, Page 8</u>		
b	<input checked="" type="checkbox"/> The FAP application form was widely available on a website (list url): <u>See Part V, Page 8</u>		
c	<input checked="" type="checkbox"/> A plain language summary of the FAP was widely available on a website (list url): <u>See Part V, Page 8</u>		
d	<input checked="" type="checkbox"/> The FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
e	<input checked="" type="checkbox"/> The FAP application form was available upon request and without charge (in public locations in the hospital facility and by mail)		
f	<input checked="" type="checkbox"/> A plain language summary of the FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
g	<input checked="" type="checkbox"/> Individuals were notified about the FAP by being offered a paper copy of the plain language summary of the FAP, by receiving a conspicuous written notice about the FAP on their billing statements, and via conspicuous public displays or other measures reasonably calculated to attract patients' attention		
h	<input checked="" type="checkbox"/> Notified members of the community who are most likely to require financial assistance about availability of the FAP		
i	<input checked="" type="checkbox"/> The FAP, FAP application form, and plain language summary of the FAP were translated into the primary language(s) spoken by Limited English Proficiency (LEP) populations		
j	<input type="checkbox"/> Other (describe in Section C)		

Part V Facility Information (continued)

Billing and Collections

Name of hospital facility or letter of facility reporting group: Barton Memorial Hospital

	Yes	No
17 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained all of the actions the hospital facility or other authorized party may take upon nonpayment?	X	
18 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP:		
a <input type="checkbox"/> Reporting to credit agency(ies) b <input type="checkbox"/> Selling an individual's debt to another party c <input type="checkbox"/> Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP d <input type="checkbox"/> Actions that require a legal or judicial process e <input type="checkbox"/> Other similar actions (describe in Section C) f <input checked="" type="checkbox"/> None of these actions or other similar actions were permitted		
19 Did the hospital facility or other authorized party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP?		X
If "Yes," check all actions in which the hospital facility or a third party engaged:		
a <input type="checkbox"/> Reporting to credit agency(ies) b <input type="checkbox"/> Selling an individual's debt to another party c <input type="checkbox"/> Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP d <input type="checkbox"/> Actions that require a legal or judicial process e <input type="checkbox"/> Other similar actions (describe in Section C)		
20 Indicate which efforts the hospital facility or other authorized party made before initiating any of the actions listed (whether or not checked) in line 19 (check all that apply):		
a <input checked="" type="checkbox"/> Provided a written notice about upcoming ECAs (Extraordinary Collection Action) and a plain language summary of the FAP at least 30 days before initiating those ECAs (if not, describe in Section C) b <input checked="" type="checkbox"/> Made a reasonable effort to orally notify individuals about the FAP and FAP application process (if not, describe in Section C) c <input checked="" type="checkbox"/> Processed incomplete and complete FAP applications (if not, describe in Section C) d <input checked="" type="checkbox"/> Made presumptive eligibility determinations (if not, describe in Section C) e <input type="checkbox"/> Other (describe in Section C) f <input type="checkbox"/> None of these efforts were made		

Policy Relating to Emergency Medical Care

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?	X	
If "No," indicate why:		
a <input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions b <input type="checkbox"/> The hospital facility's policy was not in writing c <input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Section C) d <input type="checkbox"/> Other (describe in Section C)		

Part V Facility Information *(continued)*

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

Name of hospital facility or letter of facility reporting group: Barton Memorial Hospital

		Yes	No
22	Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care:		
	a <input type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service during a prior 12-month period		
	b <input type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period		
	c <input checked="" type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicaid, either alone or in combination with Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period		
	d <input type="checkbox"/> The hospital facility used a prospective Medicare or Medicaid method		
23	During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care?	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, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

Barton Memorial Hospital:

Part V, Section B, Line 5: A community health phone survey was conducted to record community feedback. The sample design used for this effort consisted of a stratified random sample of 400 individuals age 18 and older in the primary service area, separated into four sub-communities. Once the interviews were completed, these were weighted in proportion to the actual population distribution so as to appropriately represent the primary service area as a whole. All administration of the surveys, data collection and data analysis was conducted by PRC. Additionally, to solicit input from key informants, those individuals who have a broad interest in the health of the community, an online key informant survey also was implemented as part of this process.

Barton Memorial Hospital:

Part V, Section B, Line 7d: Community presentations to chamber leadership, Barton auxiliary, city council, community benefit organizations, service clubs, etc.

Barton Memorial Hospital:

Part V, Section B, Line 11: In our most recent CHNA our community highlighted the following 12 areas of opportunity for our hospital: Improving access to health care services, providing and educating about the benefits of colorectal cancer screening, providing and educating on care related to diabetes management, providing education about heart

Part V Facility Information *(continued)*

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

disease and stroke, expanding prenatal care, expanding services and education related to mental health, providing nutrition and physical activity services, providing education related to high-impact chronic pain, continue providing education and medical services related to COVID-19, expanding treatment and education related to substance abuse and educating on the harms caused by the use of vaping products.

Our organization has strategies in place to address each of the 12 needs identified, but in the last year our focus has been on the top three priorities: improving access to healthcare, substance abuse and mental health. These priorities were ranked by our Community Health Advisory Committee which is made up of community-based agencies, health system leaders, and governmental partners. They based their rankings on scope and severity, prevalence, and ability to impact.

In 2022 Barton Health achieved the following goals as part of our organizational strategic plan:

1. Increased the number of patients with assigned Barton primary care providers by 300.
2. Analyzed the average lead time for all ambulatory practices in order to establish a baseline of measurement.
3. Increased the number of patients attending annual wellness visits by 2% each: 2% for Medicare Annual Wellness Visits and 2% for Well Child Checks
4. Increased depression screenings in primary care offices by 3%.
5. Recruited and hired an additional mental health provider to increase access to mental health services.

Part V Facility Information *(continued)*

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

6. Created a mental health subcommittee that will serve as a working group within the Community Health Advisory Committee.

7. Organized two community talks educating the community on substance use.

Barton Memorial Hospital:

Part V, Section B, Line 13b: In addition to the FPG, the Hospital considers if the patient is uninsured and/or underinsured when determining if they qualify for free care or discounted care.

Form 990, Schedule H, Part V, Line 7a:

<https://www.bartonhealth.org/about-us/caring-for-our-community/community-health-needs-assessment/>

Form 990, Schedule H, Part V, Line 10a:

<https://www.bartonhealth.org/about-us/caring-for-our-community/community-health-needs-assessment/>

Form 990, Schedule H, Part V, Line 16a, FAP Website:

<https://www.bartonhealth.org/patients-family/billing-financial-services/financial-aid/>

Form 990, Schedule H, Part V, Line 16b, FAP Application Website:

<https://www.bartonhealth.org/patients-family/billing-financial-services/>

Part V Facility Information *(continued)*

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

financial-aid/

Form 990, Schedule H, Part V, Line 16c, FAP Plain Language Summary:

<https://www.bartonhealth.org/patients-family/billing-financial-services/>

financial-aid/

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? 23

Name and address	Type of facility (describe)
1 Barton Center of Orthopedics & Wellne 2170 B South Avenue South Lake Tahoe, CA 96150	Orthopedics/Rehab/Performance/F itness/Rheumatology
2 Lake Tahoe Surgery Center 212 Elks Point Road, Ste 201 Zephyr Cove, NV 89448	Ambulatory Surgery Center
3 Barton Community Health Center 2201 & 2209 South Avenue South Lake Tahoe, CA 96150	Rural Family Health Clinic
4 Barton Multi-Specialty Clinic 1139 Third Street South Lake Tahoe, CA 96150	General Surgery/Gastroenterology/Cardio logy/Oncology/Plastic Surgery
5 Barton Family Medicine 1080 Third Street South Lake Tahoe, CA 96150	Family Practice Clinic
6 Tahoe Orthopedic & Sports Medicine 935 Mica Drive Bldg C, Ste 13 14 Carson City, NV 89705	Orthopedic Clinic
7 Tahoe Orthopedic & Sports Medicine 212 Elks Point Road, Ste 200 Zephyr Cove, NV 89448	Orthopedic Clinic
8 Barton Urgent Care & Occupational Hea 155 Highway 50 Stateline, NV 89449	Urgent Care/Occupational Health Clinic/Employee Health
9 Primary Care at Stateline 165 Highway 50 Stateline, NV 89449	Family Medicine
10 Barton Home Health/Hospice/Palliative 2092 Lake Tahoe Blvd, Suite 500 South Lake Tahoe, CA 96150	Home Health/Hospice Services/Advanced Care

Schedule H (Form 990) 2022

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? 23

Name and address	Type of facility (describe)
11 Barton Ear Nose & Throat 2169 South Ave South Lake Tahoe, CA 96150	ENT/Audiology Clinic
12 Tahoe Orthopedic & Sports Medicine 925 Tahoe Blvd, Units 105-106 Incline Village, NV 89451	Orthopedic Clinic
13 Behavioral Health and TeleMedicine 2209 South Ave South Lake Tahoe, CA 96150	Psychiatry and Telemedicine
14 Barton Primary Care 1108 4th Street South Lake Tahoe, CA 96150	Family Medicine
15 Barton Cardiology and Physiatriy 155 Highway 50, Ste 203 Stateline, NV 89449	Cardiology/Physiatriy
16 Barton Medical Clinic Kirkwood Mtn 1501 Kirkwood Meadows Drive Kirkwood, CA 95646	Medical Ski Clinic
17 Barton Psychiatry 155 Highway 50 Stateline, NV 89449	Psychiatry Clinic
18 Barton Urology 2169 South Ave South Lake Tahoe, CA 96150	Urology Clinic
19 Barton Obstetrics & Gynecology 897 Ironwood Dr Minden, NV 89423	Obstetrics/Gynecology
20 Barton Home Health & Hospice 155 Highway 50 Stateline, NV 89449	Home Health/Hospice Services Care

Schedule H (Form 990) 2022

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? 23

Name and address	Type of facility (describe)
21 Barton Women's Health 2175 South Avenue South Lake Tahoe, CA 96150	Obstetrics/Gynecology
22 Barton Neurology 1067 Fourth Street South Lake Tahoe, CA 96150	Neurology
23 Barton Mem. Clinic Sierra-At-Tahoe 1111 Sierra-At-Tahoe Road Twin Bridges, CA 95735	Medical Ski 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 (for example, open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

Part I, Line 7:

The costing methodology used the overall cost to charge ratio obtained for each patient segment and applied against gross charges from the cost report. This ratio was used for lines 7a, 7b and 7g. Actual operating costs were used to calculate lines 7e, 7f, and 7i.

Part I, Line 7, Column (f):

The Bad Debt expense included on Form 990, Part IX, Line 25(A), but subtracted for purposes of calculating the percentage in this column is \$ 191,873.

Part I, Line 6a:

The organizations' community benefit report can be found at <https://www.bartonhealth.org/about-us/caring-for-our-community/>.

Part II, Community Building Activities:**Community Support**

Part VI Supplemental Information (Continuation)

Food Insecurity Program: We continued our partnership with Whole Foods and Starbucks while expanding our distribution of high-quality food to local pantries, individuals, families, and faith-based organizations. We expanded our food distribution from 3 to 5-days per week (T, W, TH ,F and SUN) as well as adding additional dates as necessary when our partners were not able to pick up.

Homelessness: Barton participated in South Tahoe Alternative Collaborative Services (STACS). a community stakeholder group led by our local police department and homelessness advocates (Tahoe Coalition for the Homeless). The purpose of this group is to create infrastructure to coordinate appropriate interventions for this vulnerable group of community members during time of crisis, create trust building opportunities, and link the relevant community agencies to create a "no wrong door" network.

Emergency Management Preparedness: Barton Health chairs and hosts the emergency management community council. This council meets every other month with area agencies to discuss emergency preparedness and education to the south Lake Tahoe community. Exercise drills, emergency preparedness materials and other programs come out of this group. The group was designed with the health and safety of our community in mind. The group includes representatives from Barton Health, Red Cross, El Dorado County Health and Human Services, area fire departments, police, sheriff, Ham radio, school districts, public utilities and other representatives who would have a response capability in our community. The purpose is to protect the health of our community by being prepared for disasters, and knowing our emergency partners in the event of an emergency to better form

Part VI Supplemental Information (Continuation)

a cohesive response in the South Lake Tahoe area, which will assist in getting the community back on its feet after a disaster. The impact of this program is the coordination amongst local emergency providers to ensure emergency readiness for the next local disaster. Barton Health further supports various organizations by providing health grants, sponsorships, and other support. Barton Health additionally assists our needy patients by assisting with transportation costs and medication.

Coalition building

Social Determinants of Health: Barton participated in and financially supported the following community-based programs related to environmental factors that influence our community members health and wellness.

Transportation: South Shore Transit Management Association-A volunteer board that has created a free micro transit service (Lake Link) designed to serve at-risk populations and provide transportation to and from work, medical care, and basic services.

Housing Instability: Tahoe Prosperity Center-Participation in a multi-year advisory board working to provide affordable housing in the Lake Tahoe Basin.

Housing Instability: Saint Joseph Land Trust-participation in a working group as part of the Sugar Pine Village project. A 248 unit affordable housing complex that includes access to key social determinants of health (SDOH) services for all residents on site and is part of Governor Newsom's Executive Order promoting affordable housing development.

Part VI Supplemental Information (Continuation)

Healthcare Disparity: Barton participated in two steering committees that help serve our Latino community members. The Multicultural Celebration provided the opportunity to educate our community members about the health system's offerings as well as eliminate real or perceived barriers to access appropriate care. The Multicultural Alliance is a subcommittee led by the City of South Lake Tahoe that seeks to engage our Latino community on pressing issues in our South Lake Tahoe and trust build for future relationships and initiatives.

Community Health Improvement Advocacy: Barton leads the Community Health Advisory Committee (25-member all volunteer community board) which is focused on identifying and then addressing unmet health needs. Barton facilitated a stakeholder workgroup to re-engage with the Behavioral Health Network leaders. This 12-person working group is focused primarily on identifying and addressing the gaps in our community's mental health services and now reports as a subcommittee of the Community Advisory Committee.

Workforce Development: Barton Health facilities are designated as a Health Professional Shortage Area (HPSA) and to maintain patient access to essential services in our community, the organization incurs recruitment costs for various providers.

Part III, Line 2:

The organization determines its estimate of implicit price concessions based on its historical collection experience with each class of patients and residents.

Part VI Supplemental Information (Continuation)

Includes implicit price concessions estimate of \$22,687,892 and bad debt expense of \$312,991.

Part III, Line 3:

The portion of implicit price concessions that could be community benefit is calculated by multiplying the portion of line 2 that is just implicit price concessions by the 13% of the population considered to be under the 200% Federal Poverty Guidelines per Schedule H, Part VI, Line 4 narrative.

Part III, Line 4:

The footnote to the organization's financial statements that describes implicit price concessions is located on page 14-15 of the attached financial statements.

Part III, Line 8:

The Organization provides a broad range of services to its Medicare patients without regard to revenue realized from the services provided.

The Organization is a rural hospital with the nearest additional hospital approximately 36 miles away. Costs excluded from the organization's Medicare cost report include costs associated with physician clinics, the auxiliary, community relations, and other non-reimbursable costs. The Organization utilizes the cost to charge ratio as provided in its annual cost report.

Services are provided to patients under the Medicare program knowing that not all costs associated with providing these services will be recovered.

Part VI Supplemental Information (Continuation)

Providing these services is essential to these patients and the community and increases their access to healthcare services. Therefore, the entire Medicare shortfall, if any, is considered a community benefit.

Part III, Line 9b:

1. ECAs may begin only when 120 days have passed since the first post-discharge statement was provided. However, at least 30 days before initiating ECAs to obtain payment, Barton Health shall do the following:

- Provide the individual with a written notice that indicates the availability of financial assistance, lists potential ECAs that may be taken to obtain payment for care and gives a deadline after which ECAs may be initiated.

- Provide a plain-language summary of the FAP, along with the notice described above.

- Attempt to notify the individual orally about the FAP and how he or she may get assistance with the application process.

2. After making reasonable efforts to determine financial assistance eligibility as outlined above, Barton Health (or its authorized business partners) may take the following ECA to obtain payment for care:

- Report adverse information to credit reporting agencies and/or credit bureaus.

- Litigation.

3. If a patient has an outstanding balance for previously provided care, Barton Health may engage the ECA process for deferring, denying, or requiring payment before providing additional medically necessary (but

Part VI Supplemental Information (Continuation)

non-emergent) care only when the following steps are taken:

- Barton Health provides the patient with a FAP application and a plain language summary of the FAP.

- Barton Health provides a written notice indicating the availability of financial assistance and specifying any deadline, after which a completed application for assistance for the previous care episode will no longer be accepted. This Application period is the later of 30 days after the notice date or 240 days after the first post-discharge billing statement for prior care, whichever is later.

- Barton Health makes a reasonable effort to orally notify the individual about the financial assistance policy and explain how to receive assistance with the application process.

- Barton Health processes on an expedited basis any FAP applications for previous care received within the stated deadline.

- Final authority in determining whether an individual is FAP- eligible will be made by the financial assistance committee. The committee includes but is not limited to the CFO, the Revenue Cycle Director, the Manager of Patient access, the Manager(s) of Patient Financial Services, the Patient Access Supervisor, and the Financial Counselor.

- If an application for Financial Assistance is received but is incomplete, a letter will be sent to the patient outlining what is missing from the application. The application will be pended for two weeks to allow time for response. If the additional information is not received within two weeks, Barton will send a denial letter to the patient stating that the application was not complete and the missing information was not received.

Part VI, Line 2:

Part VI Supplemental Information (Continuation)

Barton Health is a member of numerous community collaboratives working to address the health needs in our community. Barton participates in the Community Behavioral Health Network Committee which focuses on coordinating mental health services amongst our community providers. We lead the Community Health Advisory Committee, with our top three health priorities determining how funding and resources are utilized. Additionally, we attend the monthly Lake Tahoe collaborative, focusing on collaborations for youth; and we fill the healthcare seat on our community's drug-free community coalition.

Part VI, Line 3:

Every self-pay patient is screened for eligibility under our financial assistance policy which begins at admission or when otherwise feasible. In addition, reference to our financial assistance program is posted at the emergency room and admitting departments, disclosed on our website, referenced to in the patient handbook, and on patient billing statements.

Part VI, Line 4:

The primary service area for Barton Memorial Hospital sits within the Sierra Nevada Mountains on the border between California and Nevada. This area encompasses the South Lake Tahoe Basin from Tahoma, CA on the west through Glenbrook, NV on the east. The demographics for this area are as follows: approximately 54% male, 46% female, 20.6% under the age of 18, 11.6% aged 18-24, 30.0% aged 25-44, 28.1% aged 45-64 and 9.8% who were 65 years of age or older; 63.5% are Caucasian and 28% are Hispanic, and 8.5% represent other races, 13% of the community is low income below the 200% federal poverty level.

Part VI Supplemental Information (Continuation)

Part VI, Line 5:

As described in the Community Benefit section of the 990, Barton Health contributes to our community's health in a variety of ways: our governing body is represented by individuals of our community. Surplus funds are used to maintain a high level of patient care through reinvestment. Barton Health has an open medical staff with privileges available to all qualified physicians in the area. Our laboratory offers discounted lab draws; numerous physicians and employees participate in our free community wellness lectures; our emergency department participates in youth education programs and the drug store project; many of our nurses and practitioners participate in offering medical coverage for special events throughout the community; Barton primary care offers free student sports physicals; Barton Health donates to and sponsors youth programs and local non-profit organizations; staff from various departments like Barton education, family birthing center, Barton rehabilitation participate in community events and have information and educational booths for the community; Barton Memorial Hospital operates an emergency room available to all regardless of ability to pay.

In October 2022, Barton hosted a Community Health Fair at Bijou Elementary School with approximately 200 community members in attendance. The purpose of the fair was to meet underserved segments of our community where they live, and offer health services, free of cost. Free services included flu & COVID vaccines, blood pressure checks, glucose testings, hearing screenings, osteoporosis screenings, Covered CA enrollment assistance, CPR training and community agency booth participation.

Part VI, Line 7, List of States Receiving Community Benefit Report:

**SCHEDULE I
(Form 990)**

Department of the Treasury
Internal Revenue Service

**Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States**
Complete if the organization answered "Yes" on Form 990, Part IV, line 21 or 22.
Attach to Form 990.
Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2022

**Open to Public
Inspection**

Name of the organization **Barton Healthcare System** Employer identification number **94-6050274**

Part I General Information on Grants and Assistance

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

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

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section (if applicable)	(d) Amount of cash grant	(e) Amount of noncash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of noncash assistance	(h) Purpose of grant or assistance
Bread & Broth 1041 Lyons Ave South Lake Tahoe, CA 96150	45-3954503	501(c)(3)	10,000.	0.			Community grant
Family Resource Center 3501 Spruce Ave #B South Lake Tahoe, CA 96150	94-2284118	501(c)(3)	10,000.	0.			Community grant
Lake Tahoe Wildlife Care Inc PO Box 18530 South Lake Tahoe, CA 96151	94-2799765	501(c)(3)	0.	53,881.	Book Value	Excess Supplies	Supplies donated to Wildlife Ctr
Tahoe Coalition For The Homeless PO Box 13514 South Lake Tahoe, CA 96150	47-4825924	501(c)(3)	10,000.	0.			Community grant
SOS Outreach PO Box 2020 Avon, CO 81620	84-1332544	501(c)(3)	10,000.	0.			Community grant
Mountain High Recovery Center PO Box 19007 South Lake Tahoe, CA 96151	84-3156753	501(c)(3)	9,255.	0.			Community grant

- 2** Enter total number of section 501(c)(3) and government organizations listed in the line 1 table 12.
- 3** Enter total number of other organizations listed in the line 1 table 0.

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

Schedule I (Form 990) 2022

Part II Continuation of Grants and Other Assistance to Domestic Organizations and Domestic Governments (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of noncash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
Live Violence Free 2941 Lake Tahoe Blvd South Lake Tahoe, CA 96150	94-2598256	501(c)(3)	10,000.	0.			Community grant
Encompass Youth PO Box 10264 South Lake Tahoe, CA 96158	87-2603862	501(c)(3)	10,000.	0.			Community grant
Barton Memorial Hospital Foundation - PO Box 529 - Zephyr Cove, NV 89448	88-0268799	501(c)(3)	474,398.	0.			Overhead Funding
Tahoe Fund PO Box 7124 Tahoe City, CA 96145	01-0974628	501(c)(3)	10,000.	0.			Annual Dinner Sponsor
El Dorado Community Foundation 312 Main St #201 Placerville, CA 95667	68-0255556	501(c)(3)	8,500.	0.			Community grant
Lake Tahoe Community College One College Dr South Lake Tahoe, CA 96150	80-0543620	State of CA	12,500.	0.			Wellness Program

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

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of noncash assistance
Patient Assistance	399	36,527.	0.		
Athletic Sponsorships	3	3,000.	0.		

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

Part I, Line 2:

The Organization pays the general overhead expenses of BMH Foundation (a related 501(c)(3)). For 2022 - the total amount funded was \$474,398. The organization provides assistance to various patients in need including prescription medication, taxi fare, lodging, etc. Total patient assistance provided during 2022 totaled \$36,527. Additionally, funds donated to various community groups totaled \$169,136.

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

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

OMB No. 1545-0047

2022

Open to Public
Inspection

Name of the organization

Barton Healthcare System

Employer identification number

94-6050274

Part I Questions Regarding Compensation

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

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

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

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

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

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

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

- a** Receive a severance payment or change-of-control payment?
- b** Participate in or receive payment from a supplemental nonqualified retirement plan?
- c** Participate in or receive payment from an equity-based compensation arrangement?
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

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

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

- a** The organization?
- b** Any related organization?
- If "Yes" on line 5a or 5b, describe in Part III.

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

- a** The organization?
- b** Any related organization?
- If "Yes" on line 6a or 6b, describe in Part III.

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

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

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

	Yes	No
1b		
2		
4a	X	
4b	X	
4c		X
5a		X
5b		X
6a		X
6b		X
7		X
8		X
9		

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

Schedule J (Form 990) 2022

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

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

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC and/or 1099-NEC 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) Clinton Purvance, MD CEO	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	655,105.	491,932.	3,019.	15,250.	39,826.	1,205,132.	0.
(2) Julie Clayton CNO (thru Oct)	(i)	332,585.	193,744.	192,202.	13,221.	20,308.	752,060.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(3) Matthew Wonnacott CMO	(i)	478,327.	190,146.	3,019.	15,250.	30,793.	717,535.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(4) Kelly Neiger CFO	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	400,620.	155,859.	3,019.	11,389.	41,864.	612,751.	0.
(5) Sioban Keller Director of Surgical Services	(i)	222,090.	29,720.	2,045.	11,692.	37,092.	302,639.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(6) Jennifer Whisnant Pulmonary Services Supervisor	(i)	243,348.	8,741.	0.	4,337.	41,846.	298,272.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(7) Christopher Kiser Director of Foundation	(i)	221,214.	25,953.	2,083.	10,583.	36,851.	296,684.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(8) Blair Caley RNFA	(i)	255,704.	5,095.	0.	13,118.	21,295.	295,212.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(9) Jeffrey Koeck Directory of Pharmacy	(i)	227,420.	18,405.	2,262.	6,732.	38,543.	293,362.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(10) Julie Howes Controller	(i)	102,782.	12,762.	977.	5,806.	4,938.	127,265.	0.
	(ii)	119,799.	27,973.	1,158.	3,957.	6,335.	159,222.	0.
(11) Thomas Davis Admin Director of Ancillary Services	(i)	197,424.	5,212.	1,880.	10,425.	28,390.	243,331.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(12) Karen Conant Director of Ambulatory Operations	(i)	158,118.	26,695.	1,534.	9,609.	38,246.	234,202.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
	(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, Lines 4a-b:

Line 4a:

Julie Clayton, Chief Nursing Officer, received a severance payment in the amount of \$111,950.

Line 4b:

Clinton Purvance received payments of \$119,168 from a related organization, BHC MSO, LLC, for participation in a 409(a) plan. This is reported on Part II column (ii).

Supplemental Information on Tax-Exempt Bonds
Complete if the organization answered "Yes" on Form 990, Part IV, line 24a. Provide descriptions,
explanations, and any additional information in Part VI.
Attach to Form 990. Go to www.irs.gov/Form990 for instructions and the latest information.

Name of the organization **Barton Healthcare System** Employer identification number **94-6050274**

Part I Bond Issues											
(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pooled financing	
						Yes	No	Yes	No	Yes	No
A City of South Lake Tahoe	94-1610868	000000000	06/12/14	18000000.	Equipment		X		X		X
B											
C											
D											

Part II Proceeds										
	A		B		C		D			
1 Amount of bonds retired	9,359,201.									
2 Amount of bonds legally defeased										
3 Total proceeds of issue	18,000,000.									
4 Gross proceeds in reserve funds										
5 Capitalized interest from proceeds										
6 Proceeds in refunding escrows										
7 Issuance costs from proceeds	249,697.									
8 Credit enhancement from proceeds										
9 Working capital expenditures from proceeds										
10 Capital expenditures from proceeds										
11 Other spent proceeds	17,750,303.									
12 Other unspent proceeds										
13 Year of substantial completion	2017									
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
14 Were the bonds issued as part of a refunding issue of tax-exempt bonds (or, if issued prior to 2018, a current refunding issue)?		X								
15 Were the bonds issued as part of a refunding issue of taxable bonds (or, if issued prior to 2018, an advance refunding issue)?		X								
16 Has the final allocation of proceeds been made?	X									
17 Does the organization maintain adequate books and records to support the final allocation of proceeds?	X									

Part III Private Business Use								
	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?		X						
2 Are there any lease arrangements that may result in private business use of bond-financed property?		X						
3a Are there any management or service contracts that may result in private business use of bond-financed property?		X						
b If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?								
c Are there any research agreements that may result in private business use of bond-financed property?		X						
d If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property? ...								
4 Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government00 %		%		%		%
5 Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government00 %		%		%		%
6 Total of lines 4 and 500 %		%		%		%
7 Does the bond issue meet the private security or payment test?		X						
8a Has there been a sale or disposition of any of the bond-financed property to a non-governmental person other than a 501(c)(3) organization since the bonds were issued?		X						
b If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of		%		%		%		%
c If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2?								
9 Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2?		X						

Part IV Arbitrage								
	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Has the issuer filed Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate?		X						
2 If "No" to line 1, did the following apply?								
a Rebate not due yet?		X						
b Exception to rebate?	X							
c No rebate due?		X						
If "Yes" to line 2c, provide in Part VI the date the rebate computation was performed								
3 Is the bond issue a variable rate issue?		X						

SCHEDULE L (Form 990)

Transactions With Interested Persons

OMB No. 1545-0047

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

2022

Attach to Form 990 or Form 990-EZ.

Open To Public Inspection

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

Department of the Treasury Internal Revenue Service

Name of the organization Barton Healthcare System Employer identification number 94-6050274

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

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

Table with 4 main columns: (a) Name of disqualified person, (b) Relationship between disqualified person and organization, (c) Description of transaction, (d) Corrected? (Yes/No)

- 2 Enter the amount of tax incurred by the organization managers or disqualified persons during the year under section 4958
3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization

Part II Loans to and/or From Interested Persons.

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

Table with 10 columns: (a) Name of interested person, (b) Relationship with organization, (c) Purpose of loan, (d) Loan to or from the organization? (To/From), (e) Original principal amount, (f) Balance due, (g) In default? (Yes/No), (h) Approved by board or committee? (Yes/No), (i) Written agreement? (Yes/No)

Total \$

Part III Grants or Assistance Benefiting Interested Persons.

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

Table with 5 columns: (a) Name of interested person, (b) Relationship between interested person and the organization, (c) Amount of assistance, (d) Type of assistance, (e) Purpose of assistance

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
Michael Neiger	Spouse of Officer -	117,347.	Employee		X
Michael Fry	Family member of Bo	20,506.	Independent		X

Part V Supplemental Information.

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

Sch L, Part IV, Business Transactions Involving Interested Persons:

(a) Name of Person: Michael Neiger

(b) Relationship Between Interested Person and Organization:

Spouse of Officer - Kelly Neiger, CFO

(a) Name of Person: Michael Fry

(b) Relationship Between Interested Person and Organization:

Family member of Board Trustee, Patrick Fry

(d) Description of Transaction: Independent Contractor

**SCHEDULE M
(Form 990)**

Noncash Contributions

OMB No. 1545-0047

2022

Open to Public Inspection

Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.
Attach to Form 990.

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

Department of the Treasury
Internal Revenue Service

Name of the organization **Barton Healthcare System** Employer identification number **94-6050274**

Part I Types of Property

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art - Works of art				
2 Art - Historical treasures				
3 Art - Fractional interests				
4 Books and publications				
5 Clothing and household goods	X		222,812.	Thrift Shop Value
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities - Publicly traded				
10 Securities - Closely held stock				
11 Securities - Partnership, LLC, or trust interests				
12 Securities - Miscellaneous				
13 Qualified conservation contribution - Historic structures				
14 Qualified conservation contribution - Other				
15 Real estate - Residential				
16 Real estate - Commercial				
17 Real estate - Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ()				
26 Other ()				
27 Other ()				
28 Other ()				

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part V, Donee Acknowledgement **29** **0**

30a During the year, did the organization receive by contribution any property reported in Part I, lines 1 through 28, that it must hold for at least 3 years from the date of the initial contribution, and which isn't required to be used for exempt purposes for the entire holding period? **X**

b If "Yes," describe the arrangement in Part II.

31 Does the organization have a gift acceptance policy that requires the review of any nonstandard contributions? **X**

32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions? **X**

b If "Yes," describe in Part II.

33 If the organization didn't report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II.

	Yes	No
30a		X
31	X	
32a		X

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

Schedule M (Form 990) 2022

**SCHEDULE O
(Form 990)**

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 Form 990-EZ.
Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2022

Open to Public
Inspection

Name of the organization

Barton Healthcare System

Employer identification number

94-6050274

Form 990, Part I, Line 1, Description of Organization Mission:

health and wellness. Barton Health is the community health leader known
for compassion and chosen for quality.

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

The following programs are community outreach programs that benefit the
health of Barton Health Lake Tahoe South Shore Community.

Community health events: Barton Health provides free or discounted
services at community health events including community health fairs,
lab draws, mammograms, EKG tests, vaccination clinics, cancer wellness
program, and community event medical services.

Youth programs: Barton Health promotes health within youth populations
through programs that educate about the ramifications of drug and
alcohol use; drunk driving; the sponsorship of youth activities that
promote health; free sports physicals; sports injury prevention; and
health career promotion activities.

Community health education programs: mailed community newsletter,
mailed community benefit report, free online e-newsletters and health
library; childbirth education classes; child/infant CPR and first-aid;
new mom's support program; and free virtual community health webinar
series.

Collaboration: collaborated with El Dorado County regarding public and

Name of the organization

Barton Healthcare System

Employer identification number

94-6050274

private agencies to create healthier communities especially within our vulnerable populations; telehealth for Tahoe that brings additional specialty health accessible through telemedicine; and hosting and chairing the Emergency Management Community Council that meets with area agencies every other month to discuss emergency preparedness and education within our community. Barton additionally partners with Covered California as a certified enrollment entity that assists residents with enrolling for health coverage at no cost.

Community health improvement efforts: Barton leads the Community Health Advisory Committee (25-member all volunteer community board) which is focused on identifying and then addressing unmet health needs. Barton participates in the Behavioral Health Network (25-member all-volunteer community advisory board) which is focused primarily on identifying and addressing the gaps in our community's mental health services. In addition, the Barton Foundation funds the Barton Health grants program which provides \$100,000 annually to area nonprofits that provide programs and services that closely align with our community's needs.

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

treatment, urology, ENT, dermatology, infection disease, psychology, rheumatology, endocrinology, and neurology.

Patients are sometimes undocumented migrant workers not eligible for Medi-Cal or are insured low-income patients with very high deductibles. Underinsured and uninsured private pay patients are charged on a sliding scale based on income and services provided. Barton's Community Health Center serves as a gateway for patients in need of health care

Name of the organization

Barton Healthcare System

Employer identification number

94-6050274

including those seeking family planning services, preconception information and referrals for sterilization, Level 1 infertility services, STD treatment, referrals for HIV services and screening for DES (diethylstilbestrol) exposure.

Form 990, Part VI, Section A, line 2:

Kirk Ledbetter and Jeff Rahbeck have a business relationship.

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

There are two classes of members in the Organization: voting members and associate members. Class I voting members are those who have contributed \$200 or more prior to July 11, 1986. Each class I voting member has the right to cast one vote, but not more than five votes for each \$200 contribution. Class II voting members are those individuals admitted after July 10, 1986 who have contributed \$1,500 or more. Each class II voting member has the right to cast one vote, but not more than five votes, for each \$1,500 contribution. Associate members do not have voting rights. Members do not have the right to approve significant decisions nor receive distributions upon dissolution.

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

The Chairman of the organization shall appoint a committee of not more than five or less than three members to serve as a nominating committee in the election of the Board of Directors. Any seven members may also nominate candidates for Director. If more people are nominated for the Board than can be elected, members are permitted to vote and the candidates receiving the highest number of votes shall be elected.

Name of the organization

Barton Healthcare System

Employer identification number

94-6050274

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

Bylaw amendments are subject to approval by the voting members.

Form 990, Part VI, Section A, line 8b:

There are no committees that have the authority to act on behalf of the governing board.

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

Each member of the governing board of directors and officers are provided with an electronic copy of the Form 990 for review prior to filing with the Internal Revenue Service.

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

The governing board members are required to complete an annual conflict of interest questionnaire pursuant to written policy, the board members are precluded from participating in debate and voting on any issue in which the member(s) (or a family member) may have a personal or business interest. The Board Chair and/or Hospital counsel will determine if there is a conflict. Employees are provided with a copy of the conflict of interest policy that is within an electronic policy software program that requires employees to mark as read as new hires or as changes are made and monitored by their immediate supervisors.

Employees are required to be familiar with the policy at all times. They do not formally review the policy annually but are required to still disclose any potential conflicts that may arise.

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

Name of the organization

Barton Healthcare System

Employer identification number

94-6050274

The CEO is paid by a related management company, BHC MSO, LLC.

The organization engaged an independent firm to conduct an executive compensation survey. The independent firm issued a certification of reasonableness upon comparing executive compensation with similar organizations. The compensation committee consisting of board members reviews the CEO compensation and approves changes to the executive team's contracts. The committee substantiates this process in their minutes.

The CEO approves the compensation for the remaining executive team using data obtained from annual surveys performed by the California Healthcare Association and/or independent compensation evaluation firms as well as comparisons of specific compensation of executives from similar-sized hospitals both in California and nationwide. Barton Healthcare System is a bi-state healthcare provider that includes a licensed 63-bed full-service hospital with a 24-hour emergency room; designated level III trauma center; 48-bed skilled nursing and long-term care facility; state of the art operating rooms and rehabilitation departments; center of orthopedics and wellness; home health, hospice and palliative care services; Lake Tahoe surgery center; 50% ownership in Carson Valley Medical Center (a full-service hospital located in the Carson Valley); satellite lab facilities; Barton education (providing clinical and community health education); Barton auxiliary; and Barton Memorial Hospital Foundation (a 501(c)(3) supporting organization). The system further includes 23 outpatient physician clinics which encompass orthopedic clinics, OB/GYN clinics, pediatrics, internal medicine, performance, multi-specialty general surgery/GI, plastic surgery, rheumatology/wellness, physiatry, palliative care, cardiology, neurology, urology, ENT/audiology, urgent

Name of the organization Barton Healthcare System	Employer identification number 94-6050274
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care/occupational health clinics, family care clinics, low-income rural health clinic, behavioral health and seasonal ski clinics.

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

Documents requiring public disclosure are available upon request and are posted on the organization's website:

<https://www.bartonhealth.org/about-us/barton-990/>. Organization contact Mindi Befu 530-543-5601.

Form 990, Part IX, Line 11g, Other Fees:

Consulting:

Program service expenses	354,177.
Management and general expenses	2,775,592.
Fundraising expenses	0.
Total expenses	3,129,769.

Other Purchased Services:

Program service expenses	7,226,515.
Management and general expenses	7,385,247.
Fundraising expenses	0.
Total expenses	14,611,762.

Medical - Physicians and Directorships:

Program service expenses	31,290,398.
Management and general expenses	355,095.
Fundraising expenses	0.
Total expenses	31,645,493.

Name of the organization Barton Healthcare System	Employer identification number 94-6050274
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Other Medical Services:

Program service expenses	1,860,595.
Management and general expenses	65,565.
Fundraising expenses	0.
Total expenses	1,926,160.

Medical - Contracted Housing:

Program service expenses	15,422.
Management and general expenses	0.
Fundraising expenses	0.
Total expenses	15,422.

Medical - Contracted Education & Travel:

Program service expenses	3,475.
Management and general expenses	0.
Fundraising expenses	0.
Total expenses	3,475.

Purchased RN Personnel Services:

Program service expenses	7,977,174.
Management and general expenses	0.
Fundraising expenses	0.
Total expenses	7,977,174.

Total Other Fees on Form 990, Part IX, line 11g, Col A	59,309,255.
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**SCHEDULE R
(Form 990)**

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships
Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
Attach to Form 990.

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

OMB No. 1545-0047

2022

**Open to Public
Inspection**

Name of the organization **Barton Healthcare System** Employer identification number **94-6050274**

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
Accountable Care Collaborative, LLC - 85-3358643, 155 Highway 50, PO Box 5637, Stateline, NV 89449	Operate accountable care organization	Delaware	-294,122.	5,500.	Barton Healthcare System

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
Barton Memorial Hospital Foundation, Inc - 88-0268799, PO Box 50, Stateline, NV 89449	Supporting Organization	Nevada	501(c)(3)	Line 12a, I	Barton Healthcare System	<input checked="" type="checkbox"/>	
Barton Medical Foundation - 85-3977236 PO Box 529 Zephyr Cove, NV 89448	Provides Medical Services	California	501(c)(3)	Line 3	Barton Healthcare System	<input checked="" type="checkbox"/>	

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

Schedule R (Form 990) 2022

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
ACO Collaborative, LLC - 87-0984717, 7600 S Minnesota, Sioux Falls, SD 57108	Arrange for the provision of health care services	DE	Barton Healthcare System	Related	0.	5,000.		X	N/A	X		50.00%

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No
BHC MSO, LLC - 85-3297586 PO Box 9578 South Lake Tahoe, CA 96158	Management Services	NV	Barton Healthcare System	C CORP	3,631,420.	831,823.	100%	X	

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.

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?

	Yes	No
a Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity		X
b Gift, grant, or capital contribution to related organization(s)	X	
c Gift, grant, or capital contribution from related organization(s)	X	
d Loans or loan guarantees to or for related organization(s)		X
e Loans or loan guarantees by related organization(s)		X
f Dividends from related organization(s)		X
g Sale of assets to related organization(s)		X
h Purchase of assets from related organization(s)		X
i Exchange of assets with related organization(s)		X
j Lease of facilities, equipment, or other assets to related organization(s)		X
k Lease of facilities, equipment, or other assets from related organization(s)		X
l Performance of services or membership or fundraising solicitations for related organization(s)		X
m Performance of services or membership or fundraising solicitations by related organization(s)		X
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	X	
o Sharing of paid employees with related organization(s)	X	
p Reimbursement paid to related organization(s) for expenses	X	
q Reimbursement paid by related organization(s) for expenses	X	
r Other transfer of cash or property to related organization(s)		X
s Other transfer of cash or property from related organization(s)		X

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

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) Barton Memorial Hospital Foundation	B	474,398.	Book Value/Actual
(2) Barton Memorial Hospital Foundation	C	348,024.	Book Value/Actual
(3) Barton Memorial Hospital Foundation	Q	410,931.	Book Value/Actual
(4) Barton Medical Foundation	Q	711,049.	Book Value/Actual
(5) Barton Medical Foundation	P	295,826.	Book Value/Actual
(6) ACO Collaborative, LLC	P	294,122.	Book Value/Actual

Part V Continuation of Transactions With Related Organizations (Schedule R (Form 990), Part V, line 2)

(a) Name of other organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(7) BHC MSO, LLC	P	3,650,284.	Book Value/Actual
(8) BHC MSO, LLC	C	60,755.	Book Value/Actual
(9)			
(10)			
(11)			
(12)			
(13)			
(14)			
(15)			
(16)			
(17)			
(18)			
(19)			
(20)			
(21)			
(22)			
(23)			
(24)			

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) <small>Are all partners sec. 501(c)(3) orgs.?</small>		(f) Share of total income	(g) Share of end-of-year assets	(h) <small>Dispropor- tionate allocations?</small>		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) <small>General or managing partner?</small>		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	

Electronic Filing PDF Attachment



Consolidated Financial Statements
December 31, 2022 and 2021
Barton Healthcare System

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Independent Auditor's Report

The Board of Directors
Barton Healthcare System and Subsidiaries
South Lake Tahoe, California

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Barton Healthcare System and Subsidiaries (the Healthcare System), which comprise the consolidated balance sheet as of December 31, 2022, and the related consolidated statements of operations, changes in net assets, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Healthcare System as of December 31, 2022, and the results of its operations, changes in net assets, and cash flows for the year then ended in accordance with account principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). We are required to be independent of the Healthcare System and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The consolidated financial statements of Barton Healthcare System for the year ended December 31, 2021, were audited by another auditor, who expressed an unmodified opinion on those statements on April 25, 2022.

Responsibilities of Management 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; and for 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.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Healthcare System's ability to continue as a going concern for one year after the date that the consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements. In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal controls relevant to the audit 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 Healthcare System's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Healthcare System's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 26, 2023, on our consideration of the Healthcare System's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Healthcare System's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Healthcare System's internal control over financial reporting and compliance.

The image shows a handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Fargo, North Dakota
April 26, 2023

Barton Healthcare System
Consolidated Balance Sheets
December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Assets		
Current Assets		
Cash and cash equivalents	\$ 10,643,781	\$ 23,006,843
Receivables		
Patient and resident	43,616,916	30,460,279
California hospital fee program receivable	11,782,432	12,205,846
Other	1,720,024	4,100,647
Supplies	4,213,276	4,192,255
Prepaid expenses and other	3,361,523	3,249,497
Total current assets	<u>75,337,952</u>	<u>77,215,367</u>
Assets Limited as to Use	<u>100,128,059</u>	<u>114,376,684</u>
Right-of-use Assets - Operating	<u>3,175,829</u>	<u>3,669,915</u>
Property and Equipment, Net	<u>92,606,112</u>	<u>108,490,631</u>
Other Assets		
Investment in Washoe Barton Medical Clinic	49,708,550	46,779,774
Land held for investment	23,902,299	9,000,000
Other	3,078,646	3,977,916
Total other assets	<u>76,689,495</u>	<u>59,757,690</u>
Total assets	<u>\$ 347,937,447</u>	<u>\$ 363,510,287</u>

Barton Healthcare System
Consolidated Balance Sheets
December 31, 2022 and 2021

	2022	2021
Liabilities and Net Assets		
Current Liabilities		
Line of credit	\$ 15,700,000	\$ -
Current maturities of long-term debt	1,243,407	3,953,618
Current portion of operating lease obligation	1,317,242	1,482,501
Accounts payable and accrued liabilities	10,911,600	11,250,950
Accrued payroll and payroll-related liabilities	11,414,319	13,843,320
Estimated third-party payor settlements	1,369,159	967,436
Current portion of refundable advances	-	5,202,141
Other current liabilities	976,003	656,736
Current portion of claims reserves	3,899,647	4,022,500
	46,831,377	41,379,202
Long-Term Liabilities		
Claims reserves, less current portion	2,010,538	2,700,912
Long-term debt, less current maturities and unamortized debt issuance costs of \$121,588 in 2022 and \$164,694 in 2021	7,397,392	8,597,692
Operating lease obligation, less current portion	1,858,587	2,187,414
Refundable advances, less current portion	-	2,619,097
Other long-term obligations	1,568,196	1,334,849
	59,666,090	58,819,166
Net Assets		
Without donor restriction	283,069,079	299,649,644
With donor restriction	5,202,278	5,041,477
	288,271,357	304,691,121
	\$ 347,937,447	\$ 363,510,287

Barton Healthcare System
Consolidated Statements of Operations
Years Ended December 31, 2022 and 2021

	2022	2021
Revenues, Gains, and Other Support Without Donor Restrictions		
Patient service revenue	\$ 218,345,333	\$ 194,463,128
Other revenue	3,999,061	10,705,628
Total revenues, gains, and other support	222,344,394	205,168,756
Expenses		
Salaries and wages	85,426,163	75,458,643
Employee benefits	23,052,111	20,060,560
Medical fees	32,183,422	30,568,398
Supplies	28,878,486	24,510,011
Purchased services and other	50,385,355	43,233,141
Depreciation	11,738,465	10,945,653
Bad debts	199,678	274,722
Interest and amortization	521,630	403,762
Total expenses	232,385,310	205,454,890
Operating Loss	(10,040,916)	(286,134)
Other Income (Loss)		
Investment income (loss)	(14,451,223)	10,208,439
Other income	7,911,574	10,442,180
Other income, net	(6,539,649)	20,650,619
Revenues in Excess of (Less Than) Expenses and Changes in Net Assets Without Donor Restrictions	\$ (16,580,565)	\$ 20,364,485

Barton Healthcare System
Consolidated Statements of Changes in Net Assets
Years Ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Unrestricted Net Assets		
Revenues in excess of expenses	<u>\$ (16,580,565)</u>	<u>\$ 20,364,485</u>
Net Assets With Donor Restrictions		
Contributions	283,469	325,411
Net assets released from restrictions	<u>(122,668)</u>	<u>(392,739)</u>
Change in net assets with donor restrictions	<u>160,801</u>	<u>(67,328)</u>
Change in Net Assets	(16,419,764)	20,297,157
Net Assets, Beginning of Year	<u>304,691,121</u>	<u>284,393,964</u>
Net Assets, End of Year	<u><u>\$ 288,271,357</u></u>	<u><u>\$ 304,691,121</u></u>

Barton Healthcare System
Consolidated Statements of Cash Flows
Years Ended December 31, 2022 and 2021

	2022	2021
Operating Activities		
Change in net assets	\$ (16,419,764)	\$ 20,297,157
Adjustments to reconcile change in net assets to net cash from (used for) operating activities		
Depreciation	11,738,465	10,945,653
Interest expense attributable to amortization of debt issuance costs	43,106	45,313
Gain on disposal of property and equipment	(4,892,786)	(59,823)
Provision for bad debts	199,678	274,722
Restricted contributions	(283,469)	(325,411)
Realized and unrealized gains and losses on investments	16,807,842	(7,725,418)
Equity interest in earnings of Washoe Barton Medical Clinic	(2,928,776)	(10,158,223)
Changes in assets and liabilities		
Patient and resident accounts receivable	(13,356,315)	(2,477,876)
California hospital fee program receivable	423,414	(2,627,789)
Other accounts receivable	2,380,623	(1,779,324)
Supplies	(21,021)	(111,398)
Prepaid expenses and other	(112,026)	(562,025)
Other assets	899,270	(670,973)
Accounts payable and accrued liabilities	(339,350)	3,548,026
Accrued payroll and payroll-related liabilities	(2,429,001)	3,544,818
Estimated third-party settlements	401,723	92,448
Refundable advances	(7,821,238)	(3,326,206)
Other current liabilities	552,614	(171,064)
Claims reserves	(813,227)	(232,823)
Net Cash from (used for) Operating Activities	(15,970,238)	8,519,784
Investing Activities		
Purchase of property and equipment	(13,372,959)	(22,546,308)
Proceeds from the sale of property and equipment	7,509,500	59,823
Proceeds from sale of assets limited as to use	7,126,428	82,039,141
Purchases of assets limited as to use	(9,685,645)	(84,606,676)
Net Cash used for Investing Activities	(8,422,676)	(25,054,020)
Financing Activities		
Payment on long-term debt obligations	(3,953,617)	(4,216,389)
Donor-restricted contributions	283,469	325,411
Proceeds from the issuance of line of credit	15,700,000	-
Net Cash from (used for) Financing Activities	12,029,852	(3,890,978)

Barton Healthcare System
Consolidated Statements of Cash Flows
Years Ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Net Change in Cash and Cash Equivalents	\$ (12,363,062)	\$ (20,425,214)
Cash and Cash Equivalents, Beginning of Year	<u>23,006,843</u>	<u>43,432,057</u>
Cash and Cash Equivalents, End of Year	<u>\$ 10,643,781</u>	<u>\$ 23,006,843</u>
Supplemental Disclosure of Cash Flow Information		
Cash paid during the year for interest, net of capitalized interest of \$66,720 in 2022 and \$18,852 in 2021	<u>\$ 478,524</u>	<u>\$ 358,449</u>
Transfer between property and equipment, net and land held for investment	<u>\$ 14,902,299</u>	<u>\$ -</u>

Note 1 - Organization and Significant Accounting Policies

Organization

Barton Healthcare System (the Healthcare System) is a California nonprofit corporation. Included in these consolidated financial statements are the following entities:

The Healthcare System includes **Barton Memorial Hospital** (the Hospital), a 111-bed acute-care hospital, including a 48-bed skilled nursing facility, located in South Lake Tahoe, California. The Hospital provides, among other services, primarily inpatient, outpatient, and emergency care services for the residents of the South Lake Tahoe Basin. The Hospital has an **Auxiliary**, which functions as a separate department of the Hospital. The Auxiliary sponsors various fundraisers for the Hospital's equipment purchases and expansion needs. During 2022 and 2021, the Auxiliary contributed \$0 and \$12,809 to the Hospital.

Barton Memorial Hospital Foundation, Inc. (the Foundation) is a Nevada nonprofit corporation and was formed in 1990 to expand the community awareness of the Hospital and to raise and manage donor funds for programs, activities, and capital construction. The Foundation is included as a consolidated subsidiary of the Healthcare System. The Hospital funds the operating expenses of the Foundation. The Foundation contributed \$423,524 and \$381,051 for the years ended December 31, 2022 and 2021, for support of the Hospital programs and equipment.

BHC MSO, LLC (MSO) is a limited liability company and was formed in 2020 to perform medical billing and support services for the Healthcare System and unrelated entities. MSO is included as a consolidated subsidiary of the Healthcare System.

Barton Medical Foundation (Medical Foundation) is a Nevada nonprofit corporation and was formed in 2020 and began operations in 2022 to house the clinical operations of the Healthcare System.

Washoe Barton Medical Clinic d/b/a Carson Valley Medical Center (WBMC) is a Nevada nonprofit corporation which was formed in November 2000 (see Note 5). It is accounted for under the equity method. The Healthcare System holds a 50% membership interest in the entity, which operates a full services hospital and numerous physician clinics. The Healthcare System records its 50% investment in WBMC and the change in the value of the investment is recorded in other income.

Principles of Consolidation

The consolidated financial statements include the accounts of the Hospital, Foundation, Medical Foundation, and MSO (collectively referred to as the Healthcare System). All material intercompany balances and transactions have been eliminated in the consolidation.

Income Taxes

The Hospital, Foundation, and Medical Foundation are organized as California nonprofit corporations and have been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes under Internal Revenue Code Section 501(c)(3). The Hospital, Foundation, and Medical Foundation are annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the Hospital, Foundation, and Medical Foundation are subject to income tax on net income that is derived from business activities that are unrelated to their exempt purpose. The Hospital, Foundation, and Medical Foundation have determined they are not subject to unrelated business income tax and have not filed an Exempt Organization Business Income Tax Return (Form 990T) with the IRS. BHS MSO, LLC is a for-profit corporation and is required to file a Form 1120 tax return annually with the IRS.

The Hospital, Foundation, and Medical Foundation believe that they have appropriate support for any tax positions taken affecting their annual filing requirements, and as such, does not have any uncertain tax positions that are material to the consolidated financial statements. The Hospital, Foundation, and Medical Foundation would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred.

Use of Estimates

The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include highly liquid investments with an original maturity of three months or less, excluding assets limited as to use. For purposes of the consolidated statements of cash flows, the Healthcare System considers all cash with an original maturity of three months or less as cash and cash equivalents.

Patient Receivables

Patient receivables are uncollateralized patient and third-party payor obligations. The Healthcare System does not have a policy to charge interest on past due accounts. Payments of patient receivables are allocated to the specific claims identified in the remittance advice or, if unspecified, are applied to the earliest unpaid claim.

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

The Healthcare System's patient receivable balance as of January 1, 2021 was \$28,257,125.

Supplies

Supplies are stated at lower of cost (first-in, first-out) or net realizable value.

Investments and Investment Income

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the consolidated balance sheets. Investment income or loss (including realized and unrealized gains and losses on investments, interest, and dividends) is included in the performance indicator unless the income or loss is restricted by donor or law. Investments in equity securities without readily determinable fair values are recorded at cost minus impairment (if any) and adjusted for any observable price changes in orderly transactions of identical securities or similar securities of the same issuer. Investments in equity securities without readily determinable fair values are considered annually for indicators of impairment. There were no impairment indicators for the years ended December 31, 2022 and 2021.

Assets Limited as to Use

Assets limited as to use include assets designated by the Board of Directors for future capital improvements, over which the Board retains control and may, at its discretion, subsequently use for other purposes; amounts restricted by donors and other; and assets held by a trustee under an indenture agreement for workers' compensation claims and other. Amounts required to meet current liabilities of the Healthcare System have been classified as current assets.

Property and Equipment

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

Land improvements	15 years
Buildings	20-40 years
Equipment	3-10 years

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

The Healthcare System considers whether indicators of impairment are present and performs the necessary analysis to determine if the carrying values of assets are appropriate. No impairment was identified for the years ended December 31, 2022 and 2021.

Leases

The Healthcare System is a lessee in multiple noncancelable operating leases. If the contract provides the Healthcare System the right to substantially all the economic benefits and the right to direct the use of the identified asset, it is considered to be or contain a lease. Right-of-use (ROU) assets are recognized at the lease commencement date based on the present value of the future lease payments over the expected lease term. The ROU asset is also adjusted for any lease prepayments made, lease incentives received, and initial direct costs incurred.

The lease liability is initially and subsequently recognized based on the present value of its future lease payments. Variable payments are included in the future lease payments when those variable payments depend on an index or a rate. Increases (decreases) to variable lease payments due to subsequent changes in an index or rate are recorded as variable lease expense (income) in the future period in which they are incurred.

The Healthcare System has elected to use a risk-free rate for a term similar to the underlying lease as the discount rate if the implicit rate in the lease contract is not readily determinable.

The ROU asset is subsequently measured throughout the lease term at the amount of the remeasured lease liability (i.e., present value of the remaining lease payments), plus unamortized initial direct costs, plus (minus) any prepaid (accrued) lease payments, less the unamortized balance of lease incentives received, and any impairment recognized. Lease costs are recognized on a straight-line over the lease term.

The Healthcare System has elected, for all underlying classes of assets, to not recognize ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less at lease commencement, and do not include an option to purchase the underlying asset that the Healthcare System is reasonably certain to exercise. Leases containing termination clauses in which either party may terminate the lease without cause and the notice period is less than 12 months are deemed short-term leases with lease costs included in short-term lease expense. The Healthcare System recognizes short-term lease costs on a straight-line basis over the lease term.

The Healthcare System made an accounting policy election to not separate the lease components of a contract and its associated non-lease components (i.e., lessor-provided maintenance and other services).

Investment in Washoe Barton Medical Clinic

The investment in the Washoe Barton Medical Clinic is recorded under the equity method of accounting. Under the equity method, the initial investment is recorded at cost and adjusted periodically to recognize the Healthcare System's share of earnings and losses of that entity, net of any additional investments or distributions. The Healthcare System's share of net earnings or losses of Washoe Barton Medical Clinic is included in other income in the accompanying consolidated statements of operations.

Land Held for Investment

The asset are parcels of land that the Healthcare System is holding for a potential sale or future expansion at a later date. This land held for investment is recorded at the lower of cost or market. No impairment was recorded for the years ended December 31, 2022 and 2021.

Self-Insurance Reserves

The Healthcare System provides for self-insurance reserves for estimated incurred but not reported claims for its employee health plan, and professional liability insurance program. The Healthcare System's workers' compensation insurance program self-insurance reserves for estimated incurred but not reported claims is based on claims prior to 2018. The Healthcare System's self-insured workers' compensation plan was discontinued in 2017. These reserves, which are included in current liabilities and long-term liabilities in the consolidated balance sheets, are estimated based upon historical submission and payment data, cost trends, utilization history, and other relevant factors. Adjustments to reserves are reflected in the operating results in the period in which the change in estimate is identified.

Unamortized Debt Issuance Costs

Debt issuance costs are amortized over the life of the related debt using the straight-line method, which approximates the effective interest method. Amortization of debt issuance costs is included in interest expense in the accompanying consolidated statements of operations.

Net Assets with Donor Restrictions

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Patient Service Revenue

Patient service revenue is reported at the amount that reflects the consideration to which the Healthcare System expects to be entitled in exchange for providing patient care. These amounts are due from patients, third-party payors (including health insurers and government programs), and others includes variable consideration for retroactive revenue adjustments due to settlement of audits, reviews and investigations. Generally, the Healthcare System bills the patients and third-party payors several days after the services are performed and/or the patient is discharged from the facilities. Revenue is recognized as performance obligations are satisfied.

Performance obligations are determined based on the nature of the services provided by the Healthcare System. Revenue for performance obligations satisfied over time is recognized based on actual charges incurred in relation to total expected (or actual) charges. The Healthcare System believes that this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. Generally, performance obligations satisfied over time relate to patients in the Healthcare System receiving inpatient acute services, outpatient, or clinic services. The Healthcare System measures the performance obligation (associated with inpatient acute services) from admission into the Healthcare System to the point when it is no longer required to provide services to that patient, which is generally at the time of discharge. Revenue for performance obligations satisfied at a point in time is recognized when goods or services are provided, and the Healthcare System does not believe it is required to provide additional goods or services to the patient.

The Healthcare System determines the transaction price based on standard charges for goods and services provided, reduced by contractual adjustments provided to third-party payors, discounts provided to uninsured patients in accordance with the Healthcare System's policy, and/or implicit price concessions provided to uninsured patients. The Healthcare System determines its estimates of contractual adjustments and discounts based on contractual agreements, its discount policies and historical experience. The Healthcare System determines its estimate of implicit price concessions based on its historical collection experience with this class of patients.

Settlements with third-party payors for retroactive adjustments due to audits, reviews or investigations are considered variable consideration and are included in the determination of the estimated transaction price for providing patient care. These settlements are estimated based on the terms of the payment agreement with the payor, correspondence from the payor and the Healthcare System's historical settlement activity, including an assessment to ensure that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the retroactive adjustment is subsequently resolved. Estimated settlements are adjusted in future periods as adjustments become known (that is, new information becomes available), or as years are settled or are no longer subject to such audits, reviews and investigations.

Consistent with the Healthcare System's mission, care is provided to patients regardless of their ability to pay. Therefore, the Healthcare System has determined it has provided implicit price concessions to uninsured patients and patients with other uninsured balances (for example, copays and deductibles). The implicit price concessions included in estimating the transaction price represent the difference between amounts billed to patients and the amounts the Healthcare System expects to collect based on its collection history with those patients.

The Healthcare System provides health care services to patients who meet certain criteria under its charity care policy without charge or at amounts less than established rates. Since the Healthcare System does not pursue collection of these amounts, they are not reported as patient service revenue. The estimated cost of providing these services was approximately \$1,807,000 and \$1,372,000 for the years ended December 31, 2022 and 2021, calculated by multiplying the ratio of cost to gross charges for the Healthcare System by the gross uncompensated charges associated with providing charity care to its patients.

California Hospital Fee Program

In November 2009, the first California Hospital Fee Program (the Program) was signed into California state law. The Program provides supplemental Medi-Cal payments to certain California hospitals. The Program is funded by a quality assurance fee paid by participating hospitals and by matching federal funds. Hospitals receive supplemental payments from either the California Department of Health Care Services (DHCS), managed care plans, or a combination of both.

The Program and all of its statutory provisions and protections were made permanent through the passage of the Medi-Cal Funding and Accountability Act (Proposition 52) in the November 2016 General Election. By removing the sunset date of January 1, 2018, in the existing statute (SB 239, 2013), the Act became the framework for all future hospital fee programs. Among other statutory provisions, Proposition 52 makes permanent the limit on the amount the state can take out of the General Fund; the construct of the fee program (both the fee side and the payment mechanisms); and the source of data and information used to develop the program. The current program period covered January 1, 2018 through December 31, 2021, with an extension through December 31, 2022.

The Healthcare System recognized patient service revenue of \$6,711,170 and \$11,758,822 for Proposition 52 of the Program in 2022 and 2021. These revenues are included in patient service revenues in the accompanying consolidated financial statements of operations.

Performance Indicator

Revenues in excess of (less than) expenses is the performance indicator and excludes contribution of long-lived assets, which includes assets acquired using contributions which were restricted by donors.

Donor-Restricted Gifts

The Healthcare System reports contributions restricted by donors as increases in net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of changes in net assets as net assets released from restrictions.

Contributions are recognized when cash, securities, or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

Financial Instruments and Credit Risk

Deposit concentration risk is managed by placing cash, money market accounts and investments with financial institutions believed to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. To date, the Healthcare System has not experienced losses in any of these accounts. Although the fair values of investments are subject to fluctuation on a year-to-year basis, management believes that the investment policies and guidelines are prudent for the long-term welfare of the Healthcare System.

The Healthcare System maintains its cash in bank deposit accounts which exceed federally insured limits. Accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per depositor, per insured bank, for each account ownership category. At December 31, 2022 and 2021, the Healthcare System had approximately \$10,393,000 and \$22,757,000, respectively, in excess of FDIC-insured limits.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in Note 15, which presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

The consolidated financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Costs not directly attributable to a function, such as interest and depreciation, are allocated to a function based on a square-footage.

Reclassifications

Certain reclassifications of amounts previously reported have been made to the consolidated financial statements to maintain consistency between periods presented. The reclassifications had no net impact on previously reported net assets.

Subsequent Events

The Healthcare System has evaluated subsequent events through April 26, 2023, the date which the consolidated financial statements were available to be issued.

Note 2 - Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the consolidated balance sheet date, comprise the following:

	2022	2021
Cash and cash equivalents	\$ 10,643,781	\$ 23,006,843
Receivables		
Patient and resident	43,616,916	30,460,279
California hospital fee program receivable	11,782,432	12,205,846
Other	1,720,024	4,100,647
Assets limited as to use	100,128,059	114,376,684
	167,891,212	184,150,299
Less amounts not available to be used within one year		
Board-designated for capital improvements and other	(97,682,676)	(112,175,401)
Limited under deferred benefit plan arrangements	(1,368,196)	(1,134,849)
Held by trustee for worker's compensation and other	(1,077,187)	(1,066,434)
Net assets with donor restrictions	(5,202,278)	(5,041,477)
	(105,330,337)	(119,418,161)
	\$ 62,560,875	\$ 64,732,138

Assets limited as to use include assets restricted by the board for capital improvements, limited under deferred benefit plan arrangements, and held by trustee for worker's compensation agreement. Assets limited as to use are not available for general expenditure within the next year.

As part of a liquidity management plan, cash in excess of daily requirements is invested in the Healthcare System's investment portfolio or operating checking accounts.

Note 3 - Patient Service Revenue

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

Medicare. Inpatient acute care services rendered to Medicare program beneficiaries are paid at prospectively determined rates per discharge. These rates vary according to a patient classification system based on clinical, diagnostic, and other factors. Medicare reimburses the Healthcare System for covered outpatient services rendered to Medicare beneficiaries by way of an outpatient prospective payment system based on ambulatory payment classifications (APCs). The Healthcare System's classification of patients under the Medicare program and the appropriateness of their admissions are subject to an independent review.

Inpatient nonacute services, certain outpatient services, medical education costs, and defined capital costs related to Medicare beneficiaries are paid based, in part, on a cost reimbursement methodology. The Healthcare System is reimbursed for cost reimbursable items at a tentative rate with final settlement determined after submission of annual cost reports and audits thereof by the Medicare fiscal intermediary. The estimated amounts due to or from the program are reviewed and adjusted annually based on the status of such audits and any subsequent appeals. Differences between final settlements and amounts accrued in previous years are reported as adjustments to net revenue in the year examination is substantially completed. The Healthcare System's Medicare cost reports have been audited by their fiscal intermediary through 2017. The Healthcare System does not believe there are significant credit risks associated with this government agency.

Medi-Cal. Inpatient services rendered to Medi-Cal program beneficiaries are paid at prospectively determined rates. Outpatient services are paid at prospectively determined rates per procedure determined by the State of California. The Healthcare System's Medi-Cal cost reports have been reviewed and/or audited by their fiscal intermediary through 2020. The Healthcare System does not believe there are significant credit risks associated with the State of California who administers this program.

The Healthcare System has also entered into payment agreements with certain commercial insurance carriers. The basis for payment to the Healthcare System under these agreements includes prospectively determined rates per discharge, discounts from established charges, and prospectively determined daily rates.

A summary of percentages of revenues by payor for the years ended December 31, 2022 and 2021 is as follows:

	2022	2021
Commercial payors	38%	41%
Medicare	35%	35%
Medi-Cal	24%	21%
Self pay	3%	3%
	100%	100%

Laws and regulations governing the Medicare, Medi-Cal, and other programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term.

Generally, patients who are covered by third-party payors are responsible for related deductibles and coinsurance, which vary in amount. The Healthcare System also provides services to uninsured patients, and offers those uninsured patients a discount, either by policy or law, from standard charges. The Healthcare System estimates the transaction price for patients with deductibles and coinsurance and from those who are uninsured based on historical experience and current market conditions. The initial estimate of the transaction price is determined by reducing the standard charge by any contractual adjustments, discounts and implicit price concessions based on historical collection experience. Subsequent changes to the estimate of the transaction price are generally recorded as adjustments to patient service revenue in the period of the change.

The ability to estimate the collectability of uninsured and other self-pay patients is contingent on the patient's ability or willingness to pay for the services provided. Subsequent changes that are determined to be the result of an adverse change in the patient's ability to pay are recorded as bad debt expense. Bad debt expense for the years ended December 31, 2022 and 2021 was \$199,678 and \$274,722.

The Healthcare System's estimated third-party payor settlement payable balance as of January 1, 2021 was \$874,988.

The nature, amount, timing and uncertainty of revenue and cash flows are affected by several factors that the Healthcare System considers in its recognition of revenue. Following are some of the factors considered:

- Payors (for example, Medicare, Medi-Cal, managed care or other insurance, patient) have different reimbursement/payment methodologies
- Length of the patient's and resident's service/episode of care
- Geography of the service location
- The Healthcare System's line of businesses that provide the service (for example, hospital, physician services, clinic, skilled nursing facility, etc.)

For the years ended December 31, 2022 and 2021, the Healthcare System recognized revenue of \$218,345,333 and \$194,463,128 from services provided over time.

CMS Advanced Payments

The CMS Advanced Payments liability balance consists of advanced payments from the Centers for Medicare & Medicaid Services (CMS), in order to increase cash flow for Medicare Part A providers who were impacted by the COVID-19 pandemic. The Healthcare System received \$11,147,444 in advanced payments in April 2020, which was recouped through Medicare claims processed beginning 365 days after the date of issuance of the advanced payments. This recoupment process continued until the balance of the advanced payments was recouped or for 29 months from the date that the advanced payments were issued, at which point any remaining unpaid balance was due. The advanced payments balance is non-interest bearing through the 29-month repayment period. During the years ended December 31, 2022 and 2021, the Healthcare System repaid \$7,821,238 and \$3,326,206.

Note 4 - Provider Relief Funds

During the year ended December 31, 2021, the Healthcare System received \$4,704,513 of Coronavirus Aid, Relief, and Economic Security (CARES) Act Provider Relief Funds administered by the Department of Health and Human Services (HHS). The funds are subject to terms and conditions imposed by HHS. Among the terms and conditions is a provision that payments will only be used to prevent, prepare for, and respond to coronavirus and shall reimburse the recipient only for healthcare related expenses or lost revenues that are attributed to coronavirus. Recipients may not use the payments to reimburse expenses or losses that have been reimbursed from other sources or that other sources are obligated to reimburse. HHS has various deadlines to incur eligible expenses. Unspent funds will be expected to be repaid.

These funds are recorded as a refundable advance when received and are recognized as revenues in the accompanying statement of operations and changes in net assets as all terms and conditions are considered met. The terms and conditions are subject to interpretation and future clarification. In addition, this program may be subject to oversight, monitoring and audit. Failure by a provider that received a payment from the Provider Relief Fund to comply with any term or condition can subject the provider to recoupment of some or all of the payment. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term.

During the year ended December 31, 2021, the Healthcare System recognized \$4,704,513, included in other operating revenue on the consolidated statements of operations.

Note 5 - Investments and Investment Income

Assets Limited as to Use

The composition of assets limited as to use at December 31, 2022 and 2021, is shown in the following table. Cash and cash equivalents and money markets. Equity securities, government agency bonds, corporate bonds, and other fixed income securities are stated at fair value. The hedge funds are stated at net asset value (NAV) per share, or its equivalent, such as member units or an ownership interest in partners' capital.

Assets limited as to use consist of the following at December 31, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
By Board for capital improvements and other		
Cash and cash equivalents	\$ 2,851,714	\$ 2,337,890
Equity securities	46,480,854	59,121,838
Bonds - government agencies	2,201,282	2,368,408
Bond funds - corporate	3,879,574	6,206,250
Fixed income - other	36,975,540	36,525,392
Hedge funds	<u>5,293,712</u>	<u>5,615,623</u>
	97,682,676	112,175,401
For workers' compensation and other - held by trustee		
Money markets	1,077,187	1,066,434
For employee benefit plans		
Mutual funds	<u>1,368,196</u>	<u>1,134,849</u>
	<u>\$ 100,128,059</u>	<u>\$ 114,376,684</u>

Investment Income

Investment income and gains and losses on assets limited as to use consist of the following for the years ended December 31, 2022 and 2021:

	2022	2021
Other income		
Interest and dividend income	\$ 2,356,619	\$ 2,483,021
Realized gains and losses on investments, net	(277,535)	12,155,012
Unrealized gains (losses) on investments	(16,530,307)	(4,429,594)
	\$ (14,451,223)	\$ 10,208,439

Note 6 - Property and Equipment

Property and equipment consisted of the following at December 31, 2022 and 2021:

	2022		2021	
	Cost	Accumulated Depreciation	Cost	Accumulated Depreciation
Land	\$ 7,245,041	\$ -	\$ 21,192,310	\$ -
Land Improvements	3,770,525	2,804,186	3,631,845	2,617,705
Buildings	125,609,154	64,350,031	123,386,137	59,824,267
Equipment	87,096,894	67,585,766	82,371,079	62,115,652
Construction In Progress	3,624,481	-	2,466,884	-
	\$ 227,346,095	\$ 134,739,983	\$ 233,048,255	\$ 124,557,624
Net property and equipment		\$ 92,606,112		\$ 108,490,631

Construction in progress at December 31, 2022, represents cost for various projects. The estimated cost to complete these projects is approximately \$912,000 as of December 31, 2022, which will be financed with general operating funds.

Note 7 - Investment in Washoe Barton Medical Clinic

The investment in WBMC is being recorded on the equity method. The Healthcare System has a 50% ownership interest in WBMC. As of December 31, 2022 and 2021, the Healthcare System has an investment in WBMC of \$49,708,550 and \$46,779,774. The net earning on this investment, totaling \$2,928,776 in 2022 and \$10,158,223 in 2021, is included in other income. The Healthcare System did not record an equity interest on WBMC's restricted net assets of \$4,267,460 and \$3,880,353. The Healthcare System will recognize the restricted amounts when the amounts are released from restrictions.

Summary financial statement information on equity method investments is as follows:

	<u>2022</u>	<u>2021</u>
Current assets	\$ 50,217,982	\$ 56,197,107
Noncurrent assets	<u>112,447,936</u>	<u>105,904,151</u>
 Total assets	 <u>\$ 162,665,918</u>	 <u>\$ 162,101,258</u>
Current liabilities	\$ 11,220,667	\$ 17,742,867
Noncurrent liabilities	47,760,691	46,944,782
Net assets	<u>103,684,560</u>	<u>97,413,609</u>
 Total liabilities and net assets	 <u>\$ 162,665,918</u>	 <u>\$ 162,101,258</u>
 Revenue	 \$ 85,893,542	 \$ 78,586,656
Expenses	<u>(78,688,211)</u>	<u>(70,772,025)</u>
 Operating income	 7,205,331	 7,814,631
 Other income and changes in net assets	 <u>(1,597,967)</u>	 <u>6,117,487</u>
 Change in net assets	 <u>\$ 5,607,364</u>	 <u>\$ 13,932,118</u>

In addition, the Healthcare System provides certain support services to WBMC including information technology, purchasing, pathology tests, and billing services. During the years ended December 31, 2022 and 2021, WBMC paid the Healthcare System approximately \$1,039,773 and \$1,704,900 for these services. As of December 31, 2022 and 2021, the Healthcare System has a receivable from WBMC of \$78,127 and \$239,810 for these services.

Note 8 - Leases

The Healthcare System leases various equipment and facilities under long-term, non-cancelable operating lease agreements. The leases expire at various dates through 2027. The Healthcare System included in the determination of the right-of-use assets and lease liabilities any renewal options when the options are reasonably certain to be exercised. The leases provide for increases in future minimum annual rental payments based on defined Consumer Price Index, subject to certain minimum increases. Also, the agreements generally require the Healthcare System to pay real estate taxes, insurance, and repairs.

The weighted average discount rate is based on the discount rate implicit in the lease. The Healthcare System has elected to use the option to use the risk-free rate determined using a period comparable to the lease terms as the discount rate for leases where the implicit rate is not readily determinable. The Healthcare System has applied the risk-free rate option to the building and equipment classes of assets.

The Healthcare System has elected the short-term lease exemption for all leases with a term of 12 months or less for both existing ongoing operating leases to not recognize the asset and liability for these leases. Lease payments for short-term leases are recognized on a straight-line basis.

Total lease costs for the years ended December 31, 2022 and 2021 were as follows:

	2022	2021
Operating lease expense		
Operating lease cost	\$ 1,537,352	\$ 1,372,897
Short-term lease cost	328,412	812,571
	\$ 1,865,764	\$ 2,185,468

The following table summarizes the supplemental cash flow information for the years ended December 31, 2022 and 2021:

	2022	2021
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows used for operating leases	\$ 1,537,352	\$ 1,372,897
Right-of-use assets obtained in exchange for lease liabilities		
Operating leases	1,050,358	-

The following summarizes the weighted-average remaining lease term and weighted-average discount rate:

	2022	2021
Weighted-average remaining lease term		
Operating leases	2.05%	1.86%
Weighted-average discount rate:		
Operating leases	2.77 years	2.96 years

The future minimum lease payments under noncancelable operating and finance leases with terms greater than one year are listed below as of December 31, 2022:

Year Ending December 31,	Operating Leases
2023	\$ 1,371,612
2024	1,068,821
2025	556,362
2026	223,196
2027	58,593
Total lease payments	3,278,584
Less interest	(102,755)
Present value of lease liabilities	\$ 3,175,829

Note 9 - Long-Term Debt

Long-term debt consists of the following at December 31, 2022 and 2021:

	2022	2021
2.89% note payable to finance company, due in monthly installments of \$123,355 including interest to June 2029, net of unamortized debt issuance costs of \$121,588 in 2022 and \$140,415 in 2021, based on effective interest rate of 3.03%, collateralized by certain real property	\$ 8,640,799	\$ 9,830,000
1.57% note payable, paid in full, net of unamortized debt issuance costs of \$24,279 in 2021	-	2,721,310
	8,640,799	12,551,310
Less current maturities	(1,243,407)	(3,953,618)
Long term debt, less current maturities	\$ 7,397,392	\$ 8,597,692

Long-term debt maturities are as follows:

Year Ending December 31,	Amount
2023	\$ 1,243,407
2024	1,279,821
2025	1,317,302
2026	1,355,880
2027	1,395,588
Thereafter	2,170,389
Unamortized debt issuance costs	(121,588)
Total	\$ 8,640,799

Under the terms of the notes payable, the Healthcare System is required to satisfy certain measures of financial performance and has limitations on the incurrence of additional borrowings.

Note 10 - Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes at December 31, 2022 and 2021:

	2022	2021
Subject to the Passage of Time or Specified Purpose		
Events	\$ 42,684	\$ 33,778
Community Care Clinic	185,768	185,768
Oncology	287,677	222,569
Hospice	114,669	122,447
Mental and behavioral health	72,687	72,687
PINK Heavenly	6,410	10,210
Family Birthing center	154,714	153,607
Emergency department	68,930	55,430
Equipment	-	(38,398)
Wellness center	11,034	14,507
Other	265,863	239,441
	1,210,436	1,072,046
Endowments		
Held in perpetuity, the income from which is expendable to support various healthcare services	3,991,842	3,969,431
	\$ 5,202,278	\$ 5,041,477

During 2022 and 2021, net assets were released from donor restrictions by incurring expenditures satisfying the restricted purposes in the amounts of \$122,668 and \$393,739. These amounts are included in net assets released from restrictions in the accompanying consolidated financial statements.

Note 11 - Endowment Funds

The Healthcare System's endowment (Endowment) consists of a fund established by donors to provide annual funding for specific activities and general operations. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Healthcare System's Board of Directors has interpreted the California Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the date of the donor-restricted endowment funds, unless there are explicit donor stipulations to the contrary. At December 31, 2022 and 2021, there were no such donor stipulations. As a result of this interpretation, the Healthcare System retains in perpetuity (a) the original value of initial and subsequent gift amounts (including promises to give at fair value) donated to the Endowment, and (b) any accumulations to the Endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure in a manner consistent with the standard of prudence prescribed by UPMIFA. The following factors are considered in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the Healthcare System and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Healthcare System
- The investment policies of the Healthcare System

At December 31, 2022 and 2021, the Healthcare System had the following endowment net asset composition by type of fund:

	With Donor Restrictions
December 31, 2022	
Donor-restricted for permanent endowment	\$ 3,991,842
December 31, 2021	
Donor-restricted for permanent endowment	\$ 3,969,431

From time to time, certain donor-restricted endowment funds may have fair values less than the amount required to be maintained by donors or by law (underwater endowments). The Healthcare System has interpreted UPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law. At December 31, 2022 and 2021, there were no underwater endowments.

Investment and Spending Policies

The Healthcare System has adopted investment and spending policies for the Endowment that attempt to preserve and enhance the purchasing power of the Healthcare System’s assets. Over time, long-term rates of return should be equal to an amount sufficient to maintain the purchasing power of the Endowment assets, to provide the necessary capital to fund the spending policy, and to cover the costs of managing the Endowment investments. To satisfy this objective, the investment portfolio is structured on a total-return approach through which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). A significant portion of the funds are invested to seek growth of principal over time.

Changes in endowment net assets for the years ending December 31, 2022 and 2021, are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Balance as of December 31, 2020	\$ -	\$ 3,956,633	\$ 3,956,633
Restricted contributions	-	12,798	12,798
Balance as of December 31, 2021	-	3,969,431	3,969,431
Restricted contribution	-	22,411	22,411
Balance as of December 31, 2022	<u>\$ -</u>	<u>\$ 3,991,842</u>	<u>\$ 3,991,842</u>

Note 12 - Employee Retirement Plans

The Healthcare System has a 403(b) tax deferred compensation plan covering substantially all employees. Under this plan, eligible participating employees may elect to contribute a percentage, up to the IRS limits, of their annual gross wage to a trust to be invested in flexible premium deferred annuity contracts issued by Lincoln National Life Insurance Company. The Healthcare System matches up to 5% of participant contributions with vested contributions after one year of service. The Healthcare System's contributions to the plan totaled \$2,531,635 in 2022 and \$2,944,371 in 2021.

The Healthcare System also has a 401(k) plan covering substantially all employees of BHS MSO, LLC. Under the 401(k) plan, eligible participating employees may elect to contribute a percentage, up to the IRS limits, of their annual gross wage to the 401(k) plan. The Healthcare System may make a discretionary match of eligible employee contributions with vested contributions after one year of service. BSH MSO, LLC's retirement plan contributions under the 401(k) plan was \$60,452 and \$7,339 for the years ended December 31, 2022 and 2021.

In addition, the Healthcare System has established nonqualified deferred compensation plans. The 457 nonqualified deferred compensation plan is to provide employees with supplemental retirement benefits, as well as to permit deferral of additional compensation that is permitted under the 403(b) plan. All compensation deferred under the 457 deferred compensation plan is held by the Healthcare System in an irrevocable trust. The investments held in trust under the 457 plan totaled \$930,662 and \$1,012,699 at December 31, 2022 and 2021. A corresponding liability is recorded in other noncurrent liabilities in the accompanying consolidated balance sheets.

The 409(a) nonqualified deferred compensation plans is to provide certain employees, designated by management, with supplemental retirement benefits. All compensation deferred under the 409(a) deferred compensation plan is held by the Healthcare System in an irrevocable trust. The investments held in trust under the 409(a) plan totaled \$437,534 and \$122,150 at December 31, 2022 and 2021. A corresponding liability is recorded in other noncurrent liabilities in the accompanying consolidated balance sheets. The Healthcare System’s retirement plan contributions under the 409(a) plan were \$391,199 and \$122,150 for the years ended December 31, 2022 and 2021.

Note 13 - Concentration of Credit Risk

The Healthcare System grants credit without collateral to its patients, most of whom are insured under third-party payor agreements. The mix of receivables from third-party payors and patients at December 31, 2022 and 2021, was as follows:

	2022	2021
Commercial insurance and other	51%	51%
Medicare	24%	26%
Medi-Cal	19%	15%
Self pay	6%	8%
	100%	100%

Note 14 - Related Party Transactions

A member of the Healthcare System’s Board of Directors is a shareholder of South Tahoe Anesthesia, which contracts with the Healthcare System for physician services. During the years ended December 31, 2022 and 2021, the amounts paid to South Tahoe Anesthesia totaled \$1,955,035 and \$1,731,122. These amounts are included within medical fees expense on the consolidated statements of operations. In addition, a member of the Board of Directors was paid wages of \$44,176 for the year ended December 31, 2021, as a medical director.

Note 15 - Functional Expenses

The Healthcare System provides health care services to patients within its geographic location. Expenses related to providing these services by functional class for the year ended December 31, 2022, are as follows:

	Hospital	Clinics	Skilled Nursing Facility	Foundation	General and Administrative	Total
Salaries and wages	\$ 37,926,660	\$ 18,832,789	\$ 4,363,880	\$ 328,601	\$ 23,974,233	\$ 85,426,163
Employee benefits	8,668,413	5,942,749	1,355,428	87,543	6,997,978	23,052,111
Medical fees	5,929,140	26,160,333	-	-	93,949	32,183,422
Supplies	22,003,050	4,992,266	274,390	226	1,608,554	28,878,486
Purchased services and other	21,196,088	6,086,592	885,152	333,417	21,884,106	50,385,355
Depreciation	7,961,359	3,482,334	-	-	294,772	11,738,465
Bad debts	191,873	7,805	-	-	-	199,678
Interest	521,630	-	-	-	-	521,630
	<u>\$ 104,398,213</u>	<u>\$ 65,504,868</u>	<u>\$ 6,878,850</u>	<u>\$ 749,787</u>	<u>\$ 54,853,592</u>	<u>\$ 232,385,310</u>

Expenses related to providing these services by functional class for the year ended December 31, 2021, are as follows:

	Hospital	Clinics	Skilled Nursing Facility	Foundation	General and Administrative	Total
Salaries and wages	\$ 32,529,330	\$ 15,537,434	\$ 4,029,517	\$ 313,619	\$ 23,048,743	\$ 75,458,643
Employee benefits	7,880,072	4,401,046	1,309,222	80,691	6,389,529	20,060,560
Medical fees	6,268,355	23,828,952	19,436	-	451,655	30,568,398
Supplies	20,155,402	3,388,634	284,103	3,988	677,884	24,510,011
Purchased services and other	16,036,895	6,184,079	563,640	76,163	20,372,364	43,233,141
Depreciation	6,711,601	3,807,002	-	-	427,050	10,945,653
Bad debts	35,309	239,413	-	-	-	274,722
Interest	280,877	122,885	-	-	-	403,762
	<u>\$ 89,897,841</u>	<u>\$ 57,509,445</u>	<u>\$ 6,205,918</u>	<u>\$ 474,461</u>	<u>\$ 51,367,225</u>	<u>\$ 205,454,890</u>

Note 16 - Fair Value Measurements

The Healthcare System reports certain assets and liabilities at fair value in the consolidated financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be accessed at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

Level 3 – Unobservable inputs for the asset or liability. In these situations, inputs are developed using the best information available in the circumstances.

In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to the entire measurement requires judgment, taking into account factors specific to the asset or liability. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to an assessment of the quality, risk or liquidity profile of the asset or liability.

A portion of investments are classified within Level 1 because they are comprised of equity securities and money market funds with readily determinable fair values based on daily redemption values. The fixed income securities and other securities are valued by the custodians of the securities using pricing models based on credit quality, time to maturity, stated interest rates and market-rate assumptions, and are classified within Level 2.

Net asset value (NAV) per share, or its equivalent, such as member units or an ownership interest in partners' capital, is used to estimate the fair values of certain hedge funds, private equity funds, fund of funds, and limited partnerships which do not have readily determinable fair values. Investments that are measured at fair value using NAV per share as a practical expedient are not classified in the fair value hierarchy.

The following table presents assets and liabilities measured at fair value on a recurring basis, except those measured at cost or by NAV per share as a practical expedient as identified in the following, at December 31, 2022 and 2021:

	Total	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
December 31, 2022				
Bonds - government agencies	\$ 236,794	\$ -	\$ 236,794	\$ -
Bonds - corporate	199,269	-	199,269	-
Equity securities	5,710,740	5,710,740	-	-
Mutual funds	27,673,502	27,673,502	-	-
Exchange traded funds	57,083,371	57,083,371	-	-
Money markets	1,077,187	1,077,187	-	-
	<u>91,980,863</u>	<u>\$ 91,544,800</u>	<u>\$ 436,063</u>	<u>\$ -</u>
Hedge fund (at NAV)	5,293,713			
Cash and cash equivalents (at cost)	<u>2,853,483</u>			
	<u>\$ 100,128,059</u>			

Barton Healthcare System
Notes to Consolidated Financial Statements
December 31, 2022 and 2021

	Total	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
December 31, 2021				
Bonds - government agencies	\$ 346,927	\$ -	\$ 346,927	\$ -
Bonds - corporate	232,208	-	232,208	-
Equity securities	6,973,672	6,973,672	-	-
Mutual funds	32,198,966	32,198,966	-	-
Exchange traded funds	65,602,696	65,602,696	-	-
Money markets	1,066,434	1,066,434	-	-
	<u>106,420,903</u>	<u>\$ 105,841,768</u>	<u>\$ 579,135</u>	<u>\$ -</u>
Hedge fund (at NAV)	5,633,624			
Cash and cash equivalents (at cost)	<u>2,322,157</u>			
	<u>\$ 114,376,684</u>			

Cash and cash equivalents, money market funds, certificates of deposit, and contributions receivable are stated at historical cost, plus accrued interest, if applicable. The fair values for corporate bond funds, fixed income securities, and equity securities are determined by reference to quoted market prices. The fair values for bonds are determined using a variety of techniques including quoted market prices of similar items, broker/deal quotes, or models using interest rates or yield curves and are included in Level 2 investments. The Healthcare System uses Net Asset Value (NAV) per share, or its equivalent, such as member units or an ownership interest in partners' capital, to estimate the fair values of hedge funds and limited partnerships which do not have readily determinable fair values.

Investments in certain entities that calculate NAV per share are as follows at December 31, 2022 and 2021:

	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
December 31, 2022				
Hedge fund	<u>\$ 5,293,713</u>	<u>\$ -</u>	Monthly, Annually	None, 30 days
	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
December 31, 2021				
Hedge fund	<u>\$ 5,633,624</u>	<u>\$ -</u>	Monthly, Annually	None, 30 days

The hedge funds include funds that can be invested long and short, primarily in common stocks. Fund managers may invest in value, growth, or event-driven equity opportunities and typically are not restricted by market capitalization, industry sector, or geography. Leverage may be utilized, which can magnify changes in the values of the underlying securities.

Note 17 - Contingencies

Malpractice Insurance

The Healthcare System has malpractice insurance coverage to provide protection in cooperation with certain hospitals in California through the California Hospital Insurance Company, Inc. for professional liability losses on a claims-made basis subject to a limit of \$5 million per claim and an annual aggregate limit of \$15 million with a \$25,000 deductible per claim. Should the claims-made policy not be renewed or replaced with equivalent insurance, claims based on occurrences during its term, but reported subsequently, would be uninsured. Management's estimate of the Healthcare System's liability for expected losses from reported and unreported incidents is based on information obtained from the Healthcare System's actuary and claims managers.

The liability is discounted to present value at an assumed discount rate of 4% at both December 31, 2022 and 2021. The total liability included in claims reserve at December 31, 2022 and 2021 is \$1,410,141 and \$1,460,234. The related insurance receivable was \$773,242 and \$655,557 at December 31, 2022 and 2021.

Workers' Compensation Claims

The Healthcare System was insured for workers' compensation claims with a self-insured retention of \$250,000 per claim for claims prior to 2018. An actuarial estimate of losses from reported and unreported incidences for claims through December 31, 2020, has been used by management to record a liability and receivable. The claims reserve of \$1,755,000 and \$2,779,871 as of December 31, 2022 and 2021, is recorded under claims reserves, less current portion in the consolidated balance sheets. The related insurance receivable at December 31, 2022 and 2021 is \$1,237,296 and \$2,045,355 and is recorded within other assets on the consolidated balance sheets. The estimate is subject to a significant degree of inherent variability. The Healthcare System has one standby letter of credit as of December 31, 2022, of \$900,000 securing workers' compensation claims. No amounts were drawn against the letter of credit as of December 31, 2022. Effective January 1, 2018, the Healthcare System became fully insured for workers' compensation insurance.

Employee Health Benefits Claims

The Healthcare System is insured for employee health claims with a self-insured retention of \$175,000 per insured individual per year. The accrual for these costs includes the unpaid portion of claims that have been reported and estimates of amounts incurred for claims that have been incurred but not reported. An actuarial estimate of losses from reported and unreported incidents has been used by management to record the liability. The claims reserve of \$2,745,044 and \$2,483,307 as of December 31, 2022 and 2021, is recorded as current portion of claims reserves in the consolidated balance sheets. Related reinsurance receivables are recorded within other assets and totaled \$0 and \$299,519 at December 31, 2022 and 2021.

Litigation, Claims, and Disputes

The Healthcare System is subject to the usual contingencies in the normal course of operations relating to the performance of its tasks under its various programs. In the opinion of management, the ultimate settlement of any litigation, claims, and disputes in process will not be material to the financial position, operations, or cash flows of the Healthcare System.

The health care industry is subject to numerous laws and regulations of federal, state, and local governments. Compliance with these laws and regulations, specifically those relating to the Medicare and Medicaid programs, can be subject to government review and interpretation, as well as regulatory actions unknown and unasserted at this time. Federal government activity has increased with respect to investigations and allegations concerning possible violations by health care providers of regulations, which could result in the imposition of significant fines and penalties, as well as significant repayments of previously billed and collected revenues from patient services.

The California Hospital Facilities Safety Act (SB 1953) specifies certain requirements that must be met at various dates in order to increase the probability that the Healthcare System could maintain uninterrupted operations following major earthquakes. By January 1, 2030, all general acute care inpatient buildings must be operational after an earthquake. The Healthcare System believes it is currently in compliance with the 2030 requirements.

COVID-19 Pandemic

The world-wide coronavirus pandemic continues to impact national and global economies. The Healthcare System is closely monitoring its operations, liquidity and capital resources and is actively working to minimize the current and future impact of this unprecedented situation. As of the date of issuance of these financial statements, the current and future full impact to the Healthcare System is not known.



Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Consolidated Financial Statements Performed in Accordance with *Government Auditing Standards*

The Board of Directors
Barton Healthcare System and Subsidiaries
South Lake Tahoe, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the consolidated financial statements of Barton Healthcare System and Subsidiaries (the Healthcare System), which comprise the consolidated balance sheet as of December 31, 2022, and the related consolidated statements of operations, changes in net assets, cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated April 26, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the Healthcare System's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Healthcare System's internal control. Accordingly, we do not express an opinion on the effectiveness of the Healthcare System's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Healthcare System's consolidated financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Healthcare System's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the consolidated financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the Healthcare System's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Healthcare System's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

The image shows a handwritten signature in cursive script that reads "Eide Bailly LLP".

Fargo, North Dakota
April 26, 2023