TAX RETURN FILING INSTRUCTIONS

** FORM 990 PUBLIC DISCLOSURE COPY **

FOR THE YEAR ENDING

SEPTEMBER 30, 2018

Prepared for	ST. LUKE'S MAGIC VALLEY REGIONAL MEDICAL CENTER, LTD. 190 E. BANNOCK BOISE, ID 83712
Prepared by	DELOITTE TAX LLP 250 EAST FIFTH STREET, STE 1900 CINCINNATI, OH 45202
Amount due or refund	NOT APPLICABLE
Make check payable to	NOT APPLICABLE
Mail tax return and check (if applicable) to	NOT APPLICABLE
Return must be mailed on or before	NOT APPLICABLE
Special Instructions	THIS RETURN HAS BEEN PREPARED FOR ELECTRONIC FILING. IF YOU WISH TO HAVE IT TRANSMITTED ELECTRONICALLY TO THE IRS, PLEASE SIGN, DATE, AND RETURN FORM 8453-EO TO OUR OFFICE. WE WILL THEN SUBMIT THE ELECTRONIC RETURN TO THE IRS. DO NOT MAIL A PAPER COPY OF THE RETURN TO THE IRS.

** PUBLIC DISCLOSURE COPY **

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

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

OMB No. 1545-0047

2017

Open to Public Inspection

A For the 2017 calendar year, or tax year beginning OCT 1, 2017 **and ending** SEP 30, 2018

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

C Name of organization
St. Luke's Magic Valley Regional Medical Center, Ltd.

Doing business as

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

Room/suite

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

D Employer identification number 56-2570686

E Telephone number (208) 706-9585

G Gross receipts $ 423,542,132.

F Name and address of principal officer: Pamela Lindemoen
same as C above

H(a) Is this a group return for subordinates? [ ] Yes [X] No

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

H(c) Group exemption number ▶

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

J Website: ▶ www.stlukesonline.org

K Form of organization: [X] Corporation [ ] Trust [ ] Association [ ] Other ▶

L Year of formation: 2006

M State of legal domicile: ID

Part I Summary

1	Briefly describe the organization's mission or most significant activities: Provide healthcare services to the community.		
2	Check this box ▶ [ ] if the organization discontinued its operations or disposed of more than 25% of its net assets.		
3	Number of voting members of the governing body (Part VI, line 1a)	3	17
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 2017 (Part V, line 2a)	5	0
6	Total number of volunteers (estimate if necessary)	6	213
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	39,125.
b	Net unrelated business taxable income from Form 990-T, line 34	7b	-1,056.

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	1,494,752.	897,528.
9	Program service revenue (Part VIII, line 2g)	391,988,038.	419,396,600.
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	14,556.	183,509.
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	2,170,984.	2,969,692.
12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	395,668,330.	423,447,329.
13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	1,063,270.	1,104,872.
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)	0.	0.
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)	391,439,880.	409,610,912.
18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	392,503,150.	410,715,784.
19	Revenue less expenses. Subtract line 18 from line 12	3,165,180.	12,731,545.

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	282,944,661.	301,116,985.
21	Total liabilities (Part X, line 26)	116,569,228.	116,506,810.
22	Net assets or fund balances. Subtract line 21 from line 20	166,375,433.	184,610,175.

Part II Signature Block

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

Sign Here

▶ Signature of officer — Date

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

Paid Preparer Use Only

Print/Type preparer's name: Rebecca Lyons	Preparer's signature: Rebecca L. Lyons	Date: 8/7/2019	Check if self-employed [ ]	PTIN: P01487105
Firm's name ▶ Deloitte Tax LLP			Firm's EIN ▶ 86-1065772	
Firm's address ▶ 250 East Fifth Street, STE 1900 Cincinnati, OH 45202			Phone no. (513) 784-7100	

May the IRS discuss this return with the preparer shown above? (see instructions) [X] Yes [ ] No

Part III Statement of Program Service Accomplishments

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

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

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

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

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

4a (Code:) (Expenses $ 372,021,967. including grants of $ 1,064,956.) (Revenue $ 404,244,933.)
St. Luke's Magic Valley is a 224-bed hospital, 700,000 square foot health care facility with acute care and acute rehabilitation as well as St. Luke's Canyon View Behavioral Health Services. With more than 2,000 employees and more than 250 physicians with 28 specialties, St. Luke's Magic Valley provides the most comprehensive health care services in south central Idaho, including: general acute care services, Inpatient Rehabilitation services, Behavioral Health Services, cancer services with St. Luke's Mountain States Tumor Institute (MSTI), Cardiopulmonary and Cardiac Catheterization, CARES (Children At Risk Evaluation Services), Community Connection information and referral database, Diabetes and Nutrition Services, Diagnostic Imaging, Radiology and Women's Imaging Services, Emergency

4b (Code:) (Expenses $ 11,121,217. including grants of $ 31,835.) (Revenue $ 12,084,368.)
Behavioral Health:
St. Luke's Canyon View Behavioral Health Services, a 28-bed inpatient facility, provides treatment for adults over the age of 17. St. Luke's Canyon View offers intensive inpatient programs that address acute psychiatric issues in addition to medical detoxification from alcohol and drugs. Canyon View utilizes individual, family, and group counseling to address personal, family, emotional, psychiatric, behavioral, and addiction-related problems. Our wide variety of services allows Canyon View to carefully match the needs of each person who comes to us for help with the most appropriate, cost-effective level of care. The goal of our programs are to help people find positive solutions to resolve the challenges and crises in their lives.

4c (Code:) (Expenses $ 2,822,829. including grants of $ 8,081.) (Revenue $ 3,067,299.)
Comprehensive Rehabilitation and Therapy Services:
The Gwen Neilson Anderson Rehabilitation Center at St. Luke's Magic Valley is a licensed,comprehensive, 14-bed acute inpatient rehabilitation center. Our inpatient unit provides state-of-the-art, evidenced-based rehabilitation care for patients requiring:
--Intensive physicial,occupational,and/or speech therapy (at least three hours per day).
--Specialized 24-hour rehabilitative nursing in an inpatient setting
--Daily oversight by a medical doctor who specializes in physical medicine and rehabilitation(a physiatrist).
--Individualized case management provided by a licensed social worker

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

4e Total program service expenses ▶ 385,966,013.

Part IV Checklist of Required Schedules

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

Part IV Checklist of Required Schedules *(continued)*

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a	0		
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c		X	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	0		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b			
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to *e-file* (see instructions)				
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?	3a		X	
b	If "Yes," has it filed a Form 990-T for this year? *If "No," to line 3b, provide an explanation in Schedule O*	3b		X	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a			X
b	If "Yes," enter the name of the foreign country: ▶ _____ See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a			X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b			X
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c			
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a			X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b			
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?	7a			X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b			
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c			X
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e			X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f			X
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g			
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h			
8	**Sponsoring organizations maintaining donor advised funds.** Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	8			
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the sponsoring organization make any taxable distributions under section 4966?	9a			
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?	9b			
10	**Section 501(c)(7) organizations.** Enter:				
a	Initiation fees and capital contributions included on Part VIII, line 12	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter:				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?	12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**				
a	Is the organization licensed to issue qualified health plans in more than one state?	13a			
	Note. See the instructions for additional information the organization must report on Schedule O.				
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b			
c	Enter the amount of reserves on hand	13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a			X
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O*	14b			

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

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

Section A. Governing Body and Management

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

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

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

Section C. Disclosure

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

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.

[X] Own website [ ] Another's website [X] Upon request [ ] Other *(explain in Schedule O)*

19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

20 State the name, address, and telephone number of the person who possesses the organization's books and records: ▶

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

190 E. Bannock, Boise, ID 83712

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

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) Banu Symington, MD	2.00									
Director	42.00	X						0.	337,936.	462.
(2) Brian Fortuin, MD	2.00									
Director	42.00	X						0.	122,410.	0.
(3) David A. McClusky III, MD	2.00									
Director	42.00	X						0.	368,865.	20,812.
(4) Mr. Charles Coiner	2.00									
Chairman	2.00	X		X				0.	0.	0.
(5) Mr. George Kirk	2.00									
Director	2.00	X						0.	0.	0.
(6) Mr. Peter Becker	2.00									
Director	2.00	X						0.	0.	0.
(7) Mr. Scott Standley	2.00									
Director	2.00	X						0.	0.	0.
(8) Mr. Terry Kramer	2.00									
Director	2.00	X						0.	0.	0.
(9) Mr. Terry Ring	2.00									
Director	2.00	X						0.	0.	0.
(10) Mr. Todd R. Blass	2.00									
Director	2.00	X						0.	0.	0.
(11) Ms. Cynthia Murphy	2.00									
Director	2.00	X						0.	0.	0.
(12) Ms. Jane Miller	2.00									
Director	2.00	X						0.	0.	0.
(13) Ms. Kathy Moore	2.00									
CEO-St. Luke's West Reg	52.00	X		X				0.	705,397.	36,740.
(14) Ms. Pamela Lindemoen	2.00									
Vice-President of Acute Care	52.00	X		X				0.	0.	0.
(15) Ms. Rosa Davila	2.00									
Director	2.00	X						0.	0.	0.
(16) Ms. Tracey Jones	2.00									
Director	2.00	X						0.	0.	0.
(17) Robert Wasserstrom, MD	2.00									
Director	42.00	X						0.	11,050.	0.

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(18) Mr. Chris Roth	2.00									
SR VP, Chief Operating Officer	48.00			X				0.	721,562.	40,432.
(19) Mr. Jeffrey S. Taylor	2.00									
SR VP/CFO/Treasurer	52.00			X				0.	1,093,667.	229,872.
(20) Ms. Christine Neuhoff	2.00									
VP/Legal Affairs/Secretary	52.00			X				0.	566,210.	33,512.
(21) Mr. Mike Fenello	40.00									
Site Administrator	0.00				X			0.	324,796.	26,291.
(22) Jonathan D. Myers, MD	40.00									
Physician	0.00					X		0.	495,355.	33,898.
(23) Randal L. Wraalstad, DPM	40.00									
Physician	0.00					X		0.	531,333.	35,740.
(24) Thomas Dirocco, MD	40.00									
Physician	0.00					X		0.	432,984.	19,825.
(25) Timothy A Enders, DO	40.00									
Physician	0.00					X		0.	452,545.	32,472.
(26) Wilmer Jones, MD	40.00									
Physician	0.00					X		0.	461,758.	19,569.
1b Sub-total ▶								0.	6,625,868.	529,625.
c Total from continuation sheets to Part VII, Section A ▶								0.	0.	0.
d Total (add lines 1b and 1c) ▶								0.	6,625,868.	529,625.

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

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
MAGIC VALLEY ANSTHS ASSOC PLLC, 139 River Vista Place, Ste. 202, Twin Falls, ID	Anesthesia Services	10,737,369.
PHYSICIANS CENTER,, 630 Addison Ave W. Ste. 100, Twin Falls, ID 83301-	Medical Services	7,227,220.
RMJ SAFARI PLLC, 714 N. College Road Ste., Twin Falls, ID 83301-	Medical Services	6,404,489.
EMERGENCY PHYSICIANS OF SOUTHERN P.O. Box 2775, Twin Falls, ID 83301-	Emergency Medicine Services	6,004,673.
SOUTHERN IDAHO RADIOLOGY PA, 834 FALLS AVENUE STE 1020-D,, Twin Falls, ID 83301-	Medical Services	5,258,672.

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 ▶ 64

Part VIII Statement of Revenue

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

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512 - 514
Contributions, Gifts, Grants and Other Similar Amounts	1a Federated campaigns	1a				
	b Membership dues	1b				
	c Fundraising events	1c				
	d Related organizations	1d	594,204.			
	e Government grants (contributions)	1e	269,117.			
	f All other contributions, gifts, grants, and similar amounts not included above	1f	34,207.			
	g Noncash contributions included in lines 1a-1f: $					
	h **Total.** Add lines 1a-1f		897,528.			
Program Service Revenue		**Business Code**				
	2a Net patient revenue	900099	407,146,945.	407,146,945.		
	b Contract Service Reven	900099	9,057,108.	9,057,108.		
	c Taxing District Revenu	900099	1,284,993.	1,284,993.		
	d					
	e					
	f All other program service revenue	900099	1,907,554.	1,907,554.		
	g **Total.** Add lines 2a-2f		419,396,600.			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		251,812.			251,812.
	4 Income from investment of tax-exempt bond proceeds					
	5 Royalties					
		(i) Real / (ii) Personal				
	6a Gross rents	945,370.				
	b Less: rental expenses	0.				
	c Rental income or (loss)	945,370.				
	d Net rental income or (loss)		945,370.			945,370.
		(i) Securities / (ii) Other				
	7a Gross amount from sales of assets other than inventory	26,500.				
	b Less: cost or other basis and sales expenses	94,803.				
	c Gain or (loss)	-68,303.				
	d Net gain or (loss)		-68,303.			-68,303.
	8a Gross income from fundraising events (not including $ _____ of contributions reported on line 1c). See Part IV, line 18	a				
	b Less: direct expenses	b				
	c Net income or (loss) from fundraising events					
	9a Gross income from gaming activities. See Part IV, line 19	a				
	b Less: direct expenses	b				
	c Net income or (loss) from gaming activities					
	10a Gross sales of inventory, less returns and allowances	a				
	b Less: cost of goods sold	b				
	c Net income or (loss) from sales of inventory					
	Miscellaneous Revenue	**Business Code**				
	11a Cafeteria/Catering/Ven	722514	1,865,752.			1,865,752.
	b Daycare Service	624410	119,445.			119,445.
	c Transcription Services	541900	39,125.		39,125.	
	d All other revenue					
	e **Total.** Add lines 11a-11d		2,024,322.			
	12 **Total revenue.** See instructions.		423,447,329.	419,396,600.	39,125.	3,114,076.

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	1,104,872.	1,104,872.		
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees				
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages				
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits				
10 Payroll taxes				
11 Fees for services (non-employees):				
a Management	69,951,120.	69,389,333.	561,787.	
b Legal	8,053.	8,053.		
c Accounting				
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)	3,106,730.	3,079,210.	27,520.	
12 Advertising and promotion	12,976.	1,046.	11,930.	
13 Office expenses	2,414,582.	2,235,942.	178,640.	
14 Information technology	34,473,751.	34,473,751.		
15 Royalties				
16 Occupancy	3,165,209.	3,165,209.		
17 Travel	468,389.	384,474.	83,915.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest	23,650.	23,650.		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	26,640,819.	26,522,329.	118,490.	
23 Insurance	41,376.	27,756.	13,620.	
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a Allocated Wages	156,692,641.	141,150,379.	15,542,262.	
b Supplies	54,771,495.	53,825,002.	946,493.	
c Allocated SLHS Exp	36,732,941.	36,732,941.		
d Repairs	6,701,192.	2,179,195.	4,521,997.	
e All other expenses	14,405,988.	11,662,871.	2,743,117.	
25 **Total functional expenses.** Add lines 1 through 24e	410,715,784.	385,966,013.	24,749,771.	0.
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

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

				(A) Beginning of year		(B) End of year
Assets	1	Cash - non-interest-bearing		91,947.	1	192,758.
	2	Savings and temporary cash investments			2	
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		59,231,096.	4	53,775,736.
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L			5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instr). Complete Part II of Sch L			6	
	7	Notes and loans receivable, net		77,844.	7	
	8	Inventories for sale or use		6,267,352.	8	6,738,479.
	9	Prepaid expenses and deferred charges		567,511.	9	778,863.
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 339,672,680.			
	b	Less: accumulated depreciation	10b 100,041,531.	216,708,911.	10c	239,631,149.
	11	Investments - publicly traded securities			11	
	12	Investments - other securities. See Part IV, line 11			12	
	13	Investments - program-related. See Part IV, line 11			13	
	14	Intangible assets			14	
	15	Other assets. See Part IV, line 11			15	
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		282,944,661.	16	301,116,985.
Liabilities	17	Accounts payable and accrued expenses		14,726,848.	17	15,234,651.
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities			20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D			21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L			22	
	23	Secured mortgages and notes payable to unrelated third parties			23	
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D		101,842,380.	25	101,272,159.
	26	**Total liabilities.** Add lines 17 through 25		116,569,228.	26	116,506,810.
Net Assets or Fund Balances		**Organizations that follow SFAS 117 (ASC 958), check here ▶ [X] and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		166,375,433.	27	184,610,175.
	28	Temporarily restricted net assets			28	
	29	Permanently restricted net assets			29	
		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building, or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		166,375,433.	33	184,610,175.
	34	Total liabilities and net assets/fund balances		282,944,661.	34	301,116,985.

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	423,447,329.
2	Total expenses (must equal Part IX, column (A), line 25)	2	410,715,784.
3	Revenue less expenses. Subtract line 2 from line 1	3	12,731,545.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	166,375,433.
5	Net unrealized gains (losses) on investments	5	34,368.
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	5,468,829.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	184,610,175.

Part XII Financial Statements and Reporting

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

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

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.
▶ Attach to Form 990 or Form 990-EZ.
▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2017

Open to Public Inspection

Name of the organization	**Employer identification number**
St. Luke's Magic Valley Regional Medical Center, Ltd.	56-2570686

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

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

1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E (Form 990 or 990-EZ).)
3 ☒ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: _____
5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)
6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
7 ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
8 ☐ A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
9 ☐ An agricultural research organization described in **section 170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land-grant college of agriculture (see instructions). Enter the name, city, and state of the college or university: _____
10 ☐ An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)
11 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**
12 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)**. See **section 509(a)(3).** Check the box in lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g.

a ☐ **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**
b ☐ **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**
c ☐ **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**
d ☐ **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**
e ☐ Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.
f Enter the number of supported organizations .....
g Provide the following information about the supported organization(s).

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

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2013	(b) 2014	(c) 2015	(d) 2016	(e) 2017	(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) 2013	(b) 2014	(c) 2015	(d) 2016	(e) 2017	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
11 **Total support.** Add lines 7 through 10						

12 Gross receipts from related activities, etc. (see instructions) 12

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

Section C. Computation of Public Support Percentage

14 Public support percentage for 2017 (line 6, column (f) divided by line 11, column (f)) 14 %

15 Public support percentage from 2016 Schedule A, Part II, line 14 15 %

16a **33 1/3% support test - 2017.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

b **33 1/3% support test - 2016.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

17a **10% -facts-and-circumstances test - 2017.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ ☐

b **10% -facts-and-circumstances test - 2016.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ ☐

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

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

(Complete only if you checked the box on line 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) 2013	(b) 2014	(c) 2015	(d) 2016	(e) 2017	(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) 2013	(b) 2014	(c) 2015	(d) 2016	(e) 2017	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 **Total support.** (Add lines 9, 10c, 11, and 12.)						

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

Section C. Computation of Public Support Percentage

15 Public support percentage for 2017 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2016 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for **2017** (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from **2016** Schedule A, Part III, line 17	18	%

19a **33 1/3% support tests - 2017.** 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 - 2016.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

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

Part IV Supporting Organizations

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

Section A. All Supporting Organizations

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

Part IV Supporting Organizations *(continued)*

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

Section B. Type I Supporting Organizations

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

Section C. Type II Supporting Organizations

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

Section D. All Type III Supporting Organizations

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

Section E. Type III Functionally Integrated Supporting Organizations

1 *Check the box next to the method that the organization used to satisfy the Integral Part Test during the yea* **(see instructions).**

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

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

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

			Yes	No
2	Activities Test. **Answer (a) and (b) below.**			
a	Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? *If "Yes," then in* **Part VI identify those supported organizations and explain** *how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.*	**2a**		
b	Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? *If "Yes," explain in* **Part VI** *the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.*	**2b**		
3	Parent of Supported Organizations. **Answer (a) and (b) below.**			
a	Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? *Provide details in* **Part VI.**	**3a**		
b	Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? *If "Yes," describe in* **Part VI** *the role played by the organization in this regard.*	**3b**		

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

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

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

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

Section C - Distributable Amount		Current Year
1 Adjusted net income for prior year (from Section A, line 8, Column A)	**1**	
2 Enter 85% of line 1	**2**	
3 Minimum asset amount for prior year (from Section B, line 8, Column A)	**3**	
4 Enter greater of line 2 or line 3	**4**	
5 Income tax imposed in prior year	**5**	
6 **Distributable Amount.** Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions)	**6**	

7 ☐ Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions).

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

Section D - Distributions		Current Year
1	Amounts paid to supported organizations to accomplish exempt purposes	
2	Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3	Administrative expenses paid to accomplish exempt purposes of supported organizations	
4	Amounts paid to acquire exempt-use assets	
5	Qualified set-aside amounts (prior IRS approval required)	
6	Other distributions (describe in **Part VI**). See instructions.	
7	**Total annual distributions.** Add lines 1 through 6.	
8	Distributions to attentive supported organizations to which the organization is responsive (provide details in **Part VI**). See instructions.	
9	Distributable amount for 2017 from Section C, line 6	
10	Line 8 amount divided by line 9 amount	

Section E - Distribution Allocations (see instructions)		(i) Excess Distributions	(ii) Underdistributions Pre-2017	(iii) Distributable Amount for 2017
1	Distributable amount for 2017 from Section C, line 6			
2	Underdistributions, if any, for years prior to 2017 (reasonable cause required- explain in **Part VI**). See instructions.			
3	Excess distributions carryover, if any, to 2017			
a				
b	From 2013			
c	From 2014			
d	From 2015			
e	From 2016			
f	**Total** of lines 3a through e			
g	Applied to underdistributions of prior years			
h	Applied to 2017 distributable amount			
i	Carryover from 2012 not applied (see instructions)			
j	Remainder. Subtract lines 3g, 3h, and 3i from 3f.			
4	Distributions for 2017 from Section D, line 7: $			
a	Applied to underdistributions of prior years			
b	Applied to 2017 distributable amount			
c	Remainder. Subtract lines 4a and 4b from 4.			
5	Remaining underdistributions for years prior to 2017, 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 2017. Subtract lines 3h and 4b from line 1. For result greater than zero, explain in **Part VI**. See instructions.			
7	**Excess distributions carryover to 2018.** Add lines 3j and 4c.			
8	Breakdown of line 7:			
a	Excess from 2013			
b	Excess from 2014			
c	Excess from 2015			
d	Excess from 2016			
e	Excess from 2017			

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

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

Schedule of Contributors

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

OMB No. 1545-0047

2017

Name of the organization	Employer identification number
St. Luke's Magic Valley Regional Medical Center, Ltd.	56-2570686

Organization type (check one):

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

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

General Rule

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

Special Rules

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

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

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

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

Name of organization	Employer identification number
St. Luke's Magic Valley Regional Medical Center, Ltd.	56-2570686

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		$ 594,204.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
2		$ 146,585.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
3		$ 122,532.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)

Name of organization	Employer identification number
St. Luke's Magic Valley Regional Medical Center, Ltd.	56-2570686

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

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

Name of organization

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

Employer identification number

56-2570686

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

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

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

(e) Transfer of gift

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

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

(e) Transfer of gift

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

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

(e) Transfer of gift

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

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

(e) Transfer of gift

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

SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
▶ Attach to Form 990.
▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2017

Open to Public Inspection

Name of the organization St. Luke's Magic Valley Regional Medical Center, Ltd.

Employer identification number 56-2570686

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

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate value of contributions to (during year)		
3	Aggregate value of grants from (during year)		
4	Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

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

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

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

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

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

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

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

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

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

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

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

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

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

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

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

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

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

(ii) Assets included in Form 990, Part X ▶ $ _____

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

a Revenue included on Form 990, Part VIII, line 1 ▶ $ _____

b Assets included in Form 990, Part X ▶ $ _____

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets *(continued)*

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

a ☐ Public exhibition
b ☐ Scholarly research
c ☐ Preservation for future generations
d ☐ Loan or exchange programs
e ☐ Other _____

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

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

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

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

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

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

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

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

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	3,189,802.	3,000,929.	2,989,901.	2,757,540.	2,274,547.
b Contributions	12,520.	40,309.	68,071.	124,196.	385,739.
c Net investment earnings, gains, and losses	126,616.	156,305.	-52,765.	116,490.	97,254.
d Grants or scholarships	0.	0.	0.	0.	0.
e Other expenditures for facilities and programs	0.	7,741.	4,278.	8,325.	0.
f Administrative expenses	0.	0.	0.	0.	0.
g End of year balance	3,328,938.	3,189,802.	3,000,929.	2,989,901.	2,757,540.

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

a Board designated or quasi-endowment ▶ .00 %
b Permanent endowment ▶ 100.00 %
c Temporarily restricted endowment ▶ .00 %

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

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

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

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	4,842,353.	10,726,616.		15,568,969.
b Buildings		248,873,339.	54,907,201.	193,966,138.
c Leasehold improvements		378,309.	363,377.	14,932.
d Equipment		64,297,097.	44,770,953.	19,526,144.
e Other		10,554,966.		10,554,966.
Total. Add lines 1a through 1e. *(Column (d) must equal Form 990, Part X, column (B), line 10c.)* ▶				239,631,149.

Part VII Investments - Other Securities.

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

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

Part VIII Investments - Program Related.

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

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

Part IX Other Assets.

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

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

Part X Other Liabilities.

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

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) AP MEDICARE-MEDICAID PROG	12,074,973.
(3) Capital Leases	340,426.
(4) Due to Related Organizations	86,506,916.
(5) Pension Liability	2,349,844.
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	101,272,159.

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

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

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

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

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

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

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

Part XIII Supplemental Information.

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

Part V, line 4:

The intended use of the endowment funds are as follows:

Various pediatric programs

CARES

Nursing scholarships/education opportunities

Safe Kids

Rehabilitation Services

Part X, Line 2:

Footnote Disclosure-Uncertain Tax Positions Under ASC 740 (Source:

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

Part XIII Supplemental Information *(continued)*

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

Unrelated Business Income: The Health System is subject to federal excise tax on its unrelated business taxable income (UBTI). As of September 30, 2018, the Health System had approximately $8,701 of UBTI net operating losses from operating losses incurred from 1999 to 2018, which expire in years 2019 to 2039. The Health System does not believe that it is more likely than not they will utilize these losses prior to their expiration and as such has provided a full valuation allowance against these losses.

SCHEDULE H (Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

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

OMB No. 1545-0047

2017

Open to Public Inspection

Name of the organization St. Luke's Magic Valley Regional Medical Center, Ltd.

Employer identification number 56-2570686

Part I Financial Assistance and Certain Other Community Benefits at Cost

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

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

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)			13,991,204.	0.	13,991,204.	3.41%
b Medicaid (from Worksheet 3, column a)			64,861,292.	50,715,629.	14,145,663.	3.44%
c Costs of other means-tested government programs (from Worksheet 3, column b)			6,763,012.	5,119,820.	1,643,192.	.40%
d **Total** Financial Assistance and Means-Tested Government Programs			85,615,508.	55,835,449.	29,780,059.	7.25%
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			896,288.	143,588.	752,700.	.18%
f Health professions education (from Worksheet 5)			4,047,480.	1,605.	4,045,875.	.99%
g Subsidized health services (from Worksheet 6)			4,678,332.	28,817.	4,649,515.	1.13%
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)			573,364.	14,300.	559,064.	.14%
j **Total.** Other Benefits			10,195,464.	188,310.	10,007,154.	2.44%
k **Total.** Add lines 7d and 7j			95,810,972.	56,023,759.	39,787,213.	9.69%

Part II Community Building Activities

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

		(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1	Physical improvements and housing						
2	Economic development			3,125.	0.	3,125.	.00%
3	Community support			17,089.	5,000.	12,089.	.00%
4	Environmental improvements						
5	Leadership development and training for community members						
6	Coalition building			10,701.	0.	10,701.	.00%
7	Community health improvement advocacy			19,100.	0.	19,100.	.00%
8	Workforce development						
9	Other						
10	**Total**			50,015.	5,000.	45,015.	.00%

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

				Yes	No
1	Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15?	1		X	
2	Enter the amount of the organization's bad debt expense. Explain in Part VI the methodology used by the organization to estimate this amount	2	10,935,440.		
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy. Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit	3	0.		
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements.				

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	69,542,651.		
6	Enter Medicare allowable costs of care relating to payments on line 5	6	95,415,066.		
7	Subtract line 6 from line 5. This is the surplus (or shortfall)	7	-25,872,415.		
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: ☐ Cost accounting system ☐ Cost to charge ratio ☒ Other				

Section C. Collection Practices

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

Part IV Management Companies and Joint Ventures

(owned 10% or more by officers, directors, trustees, key employees, and physicians - see instructions)

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

Part V Facility Information

Section A. Hospital Facilities

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

How many hospital facilities did the organization operate during the tax year? 2

Name, address, primary website address, and state license number (and if a group return, the name and EIN of the subordinate hospital organization that operates the hospital facility)	Licensed hospital	Gen. medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (describe)	Facility reporting group
1 St. Luke's Magic Valley Regional Medic 801 Pole Line Road Twin Falls, ID 83301 www.stlukesonline.org State of Idaho License #14	X	X					X			A
2 St. Luke's Jerome 709 N. Lincoln Jerome, ID 83308 www.stlukesonline.org State of Idaho License #08	X	X			X		X			A

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 Facility Reporting Group - A

Line number of hospital facility, or line numbers of hospital facilities in a facility reporting group (from Part V, Section A): 1,2

		Yes	No
Community Health Needs Assessment			
1 Was the hospital facility first licensed, registered, or similarly recognized by a state as a hospital facility in the current tax year or the immediately preceding tax year?	1		X
2 Was the hospital facility acquired or placed into service as a tax-exempt hospital in the current tax year or the immediately preceding tax year? If "Yes," provide details of the acquisition in Section C	2		X
3 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 12	3	X	
If "Yes," indicate what the CHNA report describes (check all that apply):			
a [X] A definition of the community served by the hospital facility			
b [X] Demographics of the community			
c [X] Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d [X] How data was obtained			
e [X] The significant health needs of the community			
f [X] Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g [X] The process for identifying and prioritizing community health needs and services to meet the community health needs			
h [X] The process for consulting with persons representing the community's interests			
i [X] The impact of any actions taken to address the significant health needs identified in the hospital facility's prior CHNA(s)			
j [ ] Other (describe in Section C)			
4 Indicate the tax year the hospital facility last conducted a CHNA: 20 15			
5 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	5	X	
6a Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C	6a	X	
b Was the hospital facility's CHNA conducted with one or more organizations other than hospital facilities? If "Yes," list the other organizations in Section C	6b		X
7 Did the hospital facility make its CHNA report widely available to the public?	7	X	
If "Yes," indicate how the CHNA report was made widely available (check all that apply):			
a [X] Hospital facility's website (list url): www.stlukesonline.org/about-st-lukes/supporting-the-community			
b [ ] Other website (list url):			
c [X] Made a paper copy available for public inspection without charge at the hospital facility			
d [ ] Other (describe in Section C)			
8 Did the hospital facility adopt an implementation strategy to meet the significant community health needs identified through its most recently conducted CHNA? If "No," skip to line 11	8	X	
9 Indicate the tax year the hospital facility last adopted an implementation strategy: 20 16			
10 Is the hospital facility's most recently adopted implementation strategy posted on a website?	10		X
a If "Yes," (list url):			
b If "No," is the hospital facility's most recently adopted implementation strategy attached to this return?	10b	X	
11 Describe in Section C how the hospital facility is addressing the significant needs identified in its most recently conducted CHNA and any such needs that are not being addressed together with the reasons why such needs are not being addressed.			
12a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	12a		X
b If "Yes" to line 12a, did the organization file Form 4720 to report the section 4959 excise tax?	12b		
c If "Yes" to line 12b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? **$**			

Part V Facility Information *(continued)*

Financial Assistance Policy (FAP)

Name of hospital facility or letter of facility reporting group Facility Reporting Group - A

			Yes	No
	Did the hospital facility have in place during the tax year a written financial assistance policy that:			
13	Explained eligibility criteria for financial assistance, and whether such assistance included free or discounted care?	13	X	
	If "Yes," indicate the eligibility criteria explained in the FAP:			
a	[X] Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of 200 % and FPG family income limit for eligibility for discounted care of 400 %			
b	[X] Income level other than FPG (describe in Section C)			
c	[X] Asset level			
d	[X] Medical indigency			
e	[X] Insurance status			
f	[X] Underinsurance status			
g	[ ] Residency			
h	[ ] Other (describe in Section C)			
14	Explained the basis for calculating amounts charged to patients?	14	X	
15	Explained the method for applying for financial assistance?	15	X	
	If "Yes," indicate how the hospital facility's FAP or FAP application form (including accompanying instructions) explained the method for applying for financial assistance (check all that apply):			
a	[X] Described the information the hospital facility may require an individual to provide as part of his or her application			
b	[X] Described the supporting documentation the hospital facility may require an individual to submit as part of his or her application			
c	[X] Provided the contact information of hospital facility staff who can provide an individual with information about the FAP and FAP application process			
d	[ ] Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications			
e	[ ] Other (describe in Section C)			
16	Was widely publicized within the community served by the hospital facility?	16	X	
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply):			
a	[X] The FAP was widely available on a website (list url): See Part V, Page 8			
b	[X] The FAP application form was widely available on a website (list url): See Part V, Page 8			
c	[X] A plain language summary of the FAP was widely available on a website (list url): See Part V, Page 8			
d	[X] The FAP was available upon request and without charge (in public locations in the hospital facility and by mail)			
e	[X] The FAP application form was available upon request and without charge (in public locations in the hospital facility and by mail)			
f	[X] A plain language summary of the FAP was available upon request and without charge (in public locations in the hospital facility and by mail)			
g	[X] 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	[X] Notified members of the community who are most likely to require financial assistance about availability of the FAP			
i	[X] The FAP, FAP application form, and plain language summary of the FAP were translated into the primary language(s) spoken by LEP populations			
j	[X] Other (describe in Section C)			

Part V Facility Information *(continued)*

Billing and Collections

Name of hospital facility or letter of facility reporting group Facility Reporting Group - A

			Yes	No
17	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained all of the actions the hospital facility or other authorized party may take upon nonpayment?	17	X	
18	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP:			
a	☐ Reporting to credit agency(ies)			
b	☐ Selling an individual's debt to another party			
c	☐ 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	☐ Actions that require a legal or judicial process			
e	☐ Other similar actions (describe in Section C)			
f	☒ None of these actions or other similar actions were permitted			
19	Did the hospital facility or other authorized party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP?	19		X
	If "Yes," check all actions in which the hospital facility or a third party engaged:			
a	☐ Reporting to credit agency(ies)			
b	☐ Selling an individual's debt to another party			
c	☐ 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	☐ Actions that require a legal or judicial process			
e	☐ 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	☒ 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			
b	☒ Made a reasonable effort to orally notify individuals about the FAP and FAP application process			
c	☒ Processed incomplete and complete FAP applications			
d	☒ Made presumptive eligibility determinations			
e	☐ Other (describe in Section C)			
f	☐ None of these efforts were made			

Policy Relating to Emergency Medical Care

21	Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that required the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?	21	X	
	If "No," indicate why:			
a	☐ The hospital facility did not provide care for any emergency medical conditions			
b	☐ The hospital facility's policy was not in writing			
c	☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Section C)			
d	☐ Other (describe in Section C)			

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 Facility Reporting Group - A

		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 ☐	The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service during a prior 12-month period		
b ☒	The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period		
c ☐	The hospital facility used a look-back method based on claims allowed by Medicaid, either alone or in combination with Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period		
d ☐	The hospital facility used a prospective Medicare or Medicaid method		
23	During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care? **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, 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.

Facility Reporting Group - A

Part V, line 16a, FAP website:

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

Facility Reporting Group - A

Part V, line 16b, FAP Application website:

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

Facility Reporting Group - A

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

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

Schedule H, Part V, Section B. Facility Reporting Group A

Facility Reporting Group A consists of:

- Facility 1: St. Luke's Magic Valley Regional Medical Cente

- Facility 2: St. Luke's Jerome

Group A-Facility 1 -- St. Luke's Magic Valley Regional Medical

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

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, 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.

each of these categories:

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

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

Category III: Additional people located in or serving our community including, but not limited to, health care advocates, nonprofit and community-based organizations, health care providers, community health centers, local school districts, and private businesses.

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

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, 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.

to be effective in addressing the needs.

Community Representatives Contacted

1. U.S. Department of Veterans Affairs & Boise VA Medical Center

2. Family Medicine Residency of Idaho

3. Idaho Department of Health and Welfare

4. Idaho Office of Refugees

5. Community Council of Idaho

6. Idaho Department of Labor

7. Idaho Health and Welfare

8. College of Southern Idaho

9. College of Southern Idaho - Office on Aging

10. Family Health Services

11. Jerome Recreation District

12. Jerome School District #261

13. Jerome Senior Center

14. Interfaith Association & Presbytery of the West - Jerome, ID

15. Wellness Tree Community Clinic

16. South Central Public Health

17. St. Jerome Catholic Church

18. St. Luke's Clinic Behavioral Health Services & Canyon View Health Services

19. St. Luke's Disease Management and Education

20. United Way of South Central Idaho

21. College of Southern Idaho - Refugee Center

22. Crisis Center of Magic Valley

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, 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.

23. Twin Falls School District

24. Twin Falls County

25. La Posada, Inc.

26. South Central Community Action Partnership (SCCAP)

27. Jerome County

28. City of Jerome

29. La Perrona Radio Station

30. Valley House Homeless Shelter

31. City of Twin Falls

32. St. Luke's Clinic Cardiology

33. The Church of Jesus Christ of Latter Day Saints

34. Boys and Girls Club of Magic Valley

Group A-Facility 1 -- St. Luke's Magic Valley Regional Medical

Part V, Section B, line 6a: St. Luke's Jerome Hospital

Group A-Facility 1 -- St. Luke's Magic Valley Regional Medical

Part V, Section B, line 11: We organized our significant health needs into the following groups:

Group #1: Improve the Prevention and Management of Obesity and Diabetes

Group #2: Improve Mental Health and Reduce Suicide

Group #3: Improve Access to Affordable Health Insurance

Next we looked at how to best address each significant health need. To make this determination, we focused on resources available and whether the health need was in alignment with St. Luke's mission and strengths. Where a significant health need was in alignment with our mission and strengths,

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, 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.

we developed our own programs and/or collaborated with community-based organizations to address the health need. We have provided a list of implementation plan programs designed to address our significant health needs below:

Group #1: Improve Prevention and Management of Obesity and Diabetes

1. BMI Screening (Adults & Children)

2. Times News Health Fair

3. KMVT Kids Fest

4. YEAH!

5. Walking Challenge

6. Diabetes Management

7. SLHS Healthy U

8. Community Health Improvement Fund

Group #2: Improve Mental Health and Reduce Suicide

9. Behavioral Health Program Expansion & Integration with Primary Care

10. Depression Screening

11. Community Health Improvement Fund

Group #3: Improve Access to Affordable Health Insurance

12. Improving Access to Affordable Health Care

13. Financial Assistance

Group A-Facility 1 -- St. Luke's Magic Valley Regional Medical

Part V, Section B, line 13b: Financial Care: Eligible applicants will receive the following assistance:

1. Full Discount: The full amount for eligible services will be covered

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, 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.

under the Financial Care Policy for any uninsured or underinsured patient or guarantor, whose combination of household income and assets is at or below 200 percent of the federal poverty level.2. Partial Discount: A sliding fee schedule will be used to determine the amount eligible for financial care assistance for any uninsured or underinsured patient or guarantor. For such applicants, assistance will be provided based on a combination of household income and assets. Partial discounts will be provided if the combination of income and assets is greater than 200 percent but equal to or less than 400 percent of the FPL. Assistance is granted only after all third-party reimbursement possibilities available to the applicant have been exhausted.

3. If the patient balance exceeds 30 percent of household income, patients will qualify for a one-time reduction.

Group A-Facility 1 -- St. Luke's Magic Valley Regional Medical

Part V, Section B, line 16j: A Financial Care application is provided to the patient which contains

Patient Financial Advocate contact information.

Group A-Facility 2 -- St. Luke's Jerome

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

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, 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.

distinct and varied backgrounds, we included multiple representatives from each of these categories:

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

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

Category III: Additional people located in or serving our community including, but not limited to, health care advocates, nonprofit and community-based organizations, health care providers, community health centers, local school districts, and private businesses.

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

Part V Facility Information *(continued)*

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

leaders to suggest programs, legislation, or other measures they believed

to be effective in addressing the needs.

Community Representatives Contacted

1. U.S. Department of Veterans Affairs & Boise VA Medical Center

2. Family Medicine Residency of Idaho

3. Idaho Department of Health and Welfare

4. Idaho Office of Refugees

5. Community Council of Idaho

6. Idaho Department of Labor

7. Idaho Health and Welfare

8. College of Southern Idaho

9. College of Southern Idaho - Office on Aging

10. Family Health Services

11. Jerome Recreation District

12. Jerome School District #261

13. Jerome Senior Center

14. Interfaith Association & Presbytery of the West - Jerome, ID

Group A-Facility 2 -- St. Luke's Jerome

Part V, Section B, line 6a: St. Luke's Magic Valley Medical Center

Group A-Facility 2 -- St. Luke's Jerome

Part V, Section B, line 11: We organized our significant health needs into

the following groups:

Group #1: Improve the Prevention and Management of Obesity and Diabetes

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, 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.

Group #2: Improve Mental Health and Reduce Suicide

Group #3: Improve Access to Affordable Health Insurance

Next we looked at how to best address each significant health need. To make this determination, we focused on resources available and whether the health need was in alignment with St. Luke's mission and strengths. Where a significant health need was in alignment with our mission and strengths, we developed our own programs and/or collaborated with community-based organizations to address the health need. We have provided a list of implementation plan programs designed to address our significant health needs below:

Group #1: Improve Prevention and Management of Obesity and Diabetes

1. BMI Screening (Adults & Children)

2. Times News Health Fair

3. KMVT Kids Fest

4. YEAH!

5. Walking Challenge

6. Diabetes Management

7. SLHS Healthy U

8. Community Health Improvement Fund

Group #2: Improve Mental Health and Reduce Suicide

9. Behavioral Health Program Expansion & Integration with Primary Care

10. Depression Screening

11. Community Health Improvement Fund

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, 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.

Group #3: Improve Access to Affordable Health Insurance

12. Improving Access to Affordable Health Care

13. Financial Assistance

Group A-Facility 2 -- St. Luke's Jerome

Part V, Section B, line 13b: Financial Care: Eligible applicants will receive the following assistance:

1. Full Discount: The full amount for eligible services will be covered under the Financial Care Policy for any uninsured or underinsured patient or guarantor, whose combination of household income and assets is at or below 200 percent of the federal poverty level.2. Partial Discount: A sliding fee schedule will be used to determine the amount eligible for financial care assistance for any uninsured or underinsured patient or guarantor. For such applicants, assistance will be provided based on a combination of household income and assets. Partial discounts will be provided if the combination of income and assets is greater than 200 percent but equal to or less than 400 percent of the FPL. Assistance is granted only after all third-party reimbursement possibilities available to the applicant have been exhausted.

3. If the patient balance exceeds 30 percent of household income, patients will qualify for a one-time reduction.

Group A-Facility 2 -- St. Luke's Jerome

Part V, Section B, line 16j: A Financial Care application is provided to the patient which contains

Patient Financial Advocate contact information.

Part V Facility Information *(continued)*

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

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

How many non-hospital health care facilities did the organization operate during the tax year? 19

Name and address	Type of Facility (describe)
1 St. Luke's Clinic 775 Pole Line Rd. W. Twin Falls, ID 83301	Family Medicine, Specialty Physician, Surgical Services, Rehabilitation.
2 St. Luke's Clinic 625 Pole Line Rd. W. Twin Falls, ID 83301	Specialty Physician Clinics, Imaging, Rehabilitation, Occupational Health
3 St. Luke's Clinic 2550 Addison Ave. E. Twin Falls, ID 83301	Family Medicine, Specialty Physician, and Pediatric Clinics
4 St. Luke's Clinic 714 N. College Rd. Twin Falls, ID 83301	Specialty Physician Clinics
5 St. Luke's Clinic 730 N. College Rd. Twin Falls, ID 83301	Physician Clinics and Lab Services
6 St. Luke's Clinic 738 N. College Rd. Twin Falls, ID 83301	Specialty Physician Clinics
7 St. Luke's Clinic 746 N. College Rd. Twin Falls, ID 83301	Specialty Physician Clinics
8 St. Luke's Clinic 980 Burley Ave. Buhl, ID 83316	Physician Clinics and Imaging
9 Buhl Medical Center Laboratory 709 Fair Ave. Buhl, ID 83316	Lab Services
10 St. Lukes Clinic 414 Shoup Ave. W. Suite B Twin Falls, ID 83301	Behavioral Health

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? 19

Name and address	Type of Facility (describe)
11 St. Luke's Clinic - Canyon View 228 Shoup Ave. W. Twin Falls, ID 83301	Behavioral Health
12 St. Luke's Clinic 1840 Canyon Crest Drive Twin Falls, ID 83301	Neurology, Physical Medicine, Rehabilitation
13 St. Luke's Clinic Family Medicine 550 Polk Street Suite B Twin Falls, ID 83301	Family Medicine
14 St. Luke's Clinic Family Medicine 132 5th Ave. W. Suites 1 and 2 Jerome, ID 83338	Family Medicine
15 St. Luke's Clinic Multispecialty 115 5th Avenue W. Jerome, ID 83338	Multiple Physician Specialty Clinics
16 St. Luke's Clinic 762 N. College Rd. Twin Falls, ID 83301	Imaging Services
17 St. Luke's Lab Services 120 5th Ave. W. Jerome, ID 83338	Lab Services
18 St. Luke's Magic Valley Sleep Inst 450 Falls Ave. Suite 202 Twin Falls, ID 83301	Sleep Medicine
19 St. Luke's Surgery Center 575 Pole Line Road W. Twin Falls, ID 83301	Surgery Center

Part VI Supplemental Information

Provide the following information.

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

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

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

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

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

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

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

Part I, Line 7:

The cost to charge ratio was used to calculate the financial assistance provided to the community. Other Community benefits come from a data repository maintained by St. Luke's Employees that tracks community benefit costs and hours.

Part I, Line 7g:

Subsidized services represent unreimbursed costs incurred (excluding impact of unreimbursed Medicare and Medicaid) for the following services:

Home Care

Family Practice-Rural Health Training Track

Palliative Care and Medicine

Behavioral Health

Part I, Line 3c:

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

Part VI Supplemental Information *(Continuation)*

and expenses:

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

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

a. Expenses- The patients allowable medical expenses must be greater than 30% of the family income. Allowable medical expenses are the total of the family medical bills that, if paid, would qualify as deductible medical expenses for Federal income tax purposes without regard to whether the expenses exceed the IRS-required threshold for taking the deduction. Paid and unpaid bills may be included.

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

Part VI Supplemental Information *(Continuation)*

(B) Service Exclusions:

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

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

(C) Eligibility Approval Process:

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

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

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

Part VI Supplemental Information *(Continuation)*

4. St. Luke's verifies reported assets.

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

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

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

Part II, Community Building Activities:

St. Luke's is an active participant in the community, and provides support to address public health issues, and works with coalitions to address local health needs. St. Luke's takes on initiatives as need arises to help the long term development of the community particularly to shape and improve public health and access to medical services.

Part III, Line 2:

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

Part VI Supplemental Information *(Continuation)*

Part III, Line 3:

St. Luke's has a very robust financial assistance program, therefore, no estimate is made for bad debt attributable to patients eligible under the financial assistance policy.

Part III, Line 4:

Per the audited financial statements in footnote four, St. Luke's grants credit without collateral to its patients, most of whom are local residents and many of whom are insured under third-party agreements. The allowance for estimated uncollectible amounts is determined by analyzing both historical information (write-offs by payor classification), as well as current economic conditions.

Part III, Line 8:

Our community benefit reports the under-reimbursed services provided to patients by Medicare. St. Luke's Magic Valley Regional Medical Center,Ltd. provides medical care to all patients eligble for Medicare regardless of the shortfall and thereby relieves the Federal Government of the burden for paying the full cost of Medicare.

The source of the information is the Medicare Cost Report for fiscal year 2018. The amount is calculated by comparing the total Medicare apportioned costs (allowable costs) to reimbursements received during FY'18. It should be noted that the unreimbursed costs reported within this schedule are significantly less than the amount reported in the annual Community Benefit Report to Twin Falls County ("County"). In the report to the County, unreimbursed costs include program costs allocated to the Medicare

Part VI Supplemental Information *(Continuation)*

Advantage program, along with costs that offset the provider-based physician clinic operations; i.e. professional component billing for physician time and effort. The Medicare Cost Report does not include these components. In addition, the report to the County includes all allocated costs to the Medicare Programs, whereas the Medicare Cost Report reports allowable costs only.

Part III, Line 9b:

All subsidiaries within the St. Luke's Health System have policies in place to provide financial assistance to those who meet established criteria and need assistance in paying for the amounts billed for their provided health care services. In addition, the collection policies and practices in place within the St. Luke's Health System provide guidance to patients on how to apply for this assistance. Collection of amounts due may be pursued in cases where the patient is unable to qualify for charity care or financial assistance and the patient has the financial resources to pay for the billed amounts.

Part VI, Line 2:

A Community Health Needs Assessment (CHNA) was conducted for fiscal year ending 9/30/2015. Information related to the 2015 CHNA is shown in the responses to questions 3 and 7 of "Part V, Section B, Facility Policies and Practices".

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

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

Part VI Supplemental Information *(Continuation)*

Part VI, Line 3:

(A) St. Luke's Magic Valley Regional Medical Center, Ltd. provides notice of the availability of financial assistance via:

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

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

(C) St. Luke's provides individual notice of the availability of financial assistance to a patient expected to incur charges that may not be paid in full by third party coverage, along with an estimate of the patient's liability.

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

Part VI, Line 4:

St. Luke's Magic Valley Regional Medical Center provides services for eight counties of south central Idaho and Elko County, Nevada. The primary service area consists of Gooding, Jerome, and Twin Falls Counties. The

Part VI Supplemental Information *(Continuation)*

criteria used in selecting this area as the community served was to include the entire population of the counties where greater than 70% of the inpatients reside. The residents of these counties comprise about 79% of the inpatients with approximately 66% of the inpatients living in Twin Falls County, 13% in Jerome County, and 8% in Gooding County. All three counties are part of Idaho Health District 5.

Both Idaho and our service territory are comprised of about a 96% white population while the nation as a whole is 78% white. The Hispanic population in Idaho represents 12% of the overall population and about 19% of our defined service area. Jerome County is approximately 34% Hispanic, and Twin Falls County is 15% Hispanic.

Idaho experienced a 25% increase in population from 2000 to 2013, ranking it as one of fastest growing states in the country. 18 Twin Falls and Jerome Counties have followed that trend, experiencing a 24% increase in population within that timeframe. St. Luke's Magic Valley is working to manage the volume and scope of services in order to meet the needs of a growing population.

Over the past ten years the 45 to 64 year old age group was the fastest growing segment of our community. Currently, about 14% of the people in our community are over the age of 65.

The official United States poverty rate increased from 12.5% in 2003 to 15.6% in 2013. Our service area poverty rate is now about the same as the national average due to a substantial decrease over the last three years.

Part VI Supplemental Information *(Continuation)*

The poverty rate in our community for children under the age of 18 is also about the same as the national average. Although poverty has started declining in our service area, poverty rates are still above the levels they were at prior to the recession in 2008.

Median income in the United States has risen by 20% since 2003 and at approximately the same rate in our service area during that period. However, median income in our service area is well below the national median and lower than Idaho's median income.

Part VI, Line 5:

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

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

Part VI Supplemental Information *(Continuation)*

Also, St. Luke's Magic Valley Regional Medical Center, Ltd. maintains an open medical staff. Any physician can apply for practicing privileges as long as they meet the standards for St. Luke's Magic Valley Regional Medical Center, Ltd.

Part VI, Line 6:

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

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

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

--St. Luke's Boise Hospital

--St. Luke's Meridian Hospital

--St. Luke's Children's Hospital

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

Part VI Supplemental Information *(Continuation)*

--St. Luke's Eagle Urgent Care

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

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

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

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

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

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

--Canyon View-(Behavioral Health)

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

--Various Physician clinics in Jerome

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

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

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

Part VI Supplemental Information *(Continuation)*

only federally sponsored center for hemophilia, and only blood and marrow transplant program.

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

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

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

Part VI Supplemental Information *(Continuation)*

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

(1) Challis Area Health Center

(2) North Canyon Medical Center

(3) Salmon River Clinic

(4) Weiser Memorial Hospital

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

2017

Open to Public Inspection

Name of the organization: St. Luke's Magic Valley Regional Medical Center, Ltd.

Employer identification number: 56-2570686

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? ..... [X] Yes [ ] No

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

Part II Grants and Other Assistance to Domestic Organizations and Domestic Governments.

Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than $5,000. Part II can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section (if applicable)	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of noncash assistance	(h) Purpose of grant or assistance
Boys & Girls Club of Magic Valley Valley 999 Frontier RD Twin Falls, ID 83301	94-3176622	501(c)(3)	5,950.	0.			Operate boys and girls club for local youth with emphasis on youth at risk
Business Plus Inc PO Box 929 Twin Falls, ID 83303-0929	20-3898333	501(c)(6)	6,000.	0.			Support Business Plus Inc
College of Southern Idaho 315 Falls Ave, PO Box 1238 Twin Falls, ID 83303	82-0388193	501(c)(3)	142,380.	0.			Fundings for support of Health Occupations, Head Start/Early Head Start program, Foster
Family Health Services 794 Eastland Dr Twin Falls, ID 83301	82-0371093	501(c)(3)	8,000.	0.			Support Family Health Services
Hospice Visions Inc. 1770 Park View Dr Twin Falls, ID 83301	82-0483284	501(c)(3)	17,000.	0.			Funding for scholarships
ID Foodbank 3562 S TK Ave Boise, ID 83705	82-0425400	501(c)(3)	20,000.	0.			Support the Idaho Foodbank

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table ..... ▶ 17.

3 Enter total number of other organizations listed in the line 1 table ..... ▶ 2.

LHA **For Paperwork Reduction Act Notice, see the Instructions for Form 990.** **Schedule I (Form 990) (2017)**

See Part IV for Column (h) descriptions

Part II **Continuation of Grants and Other Assistance to Governments and Organizations in the United States** (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 non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
Interfaith Volunteer Caregivers of Magic Valley Inc 459 Twin Falls, ID 83301	84-1417706	501(c)(3)	18,800.	0.			Support Interfaith Volunteers
Jerome County Senior Citizens 520 N Lincoln Jerome, ID 83338	82-0313405	501(c)(3)	6,200.	0.			Support the Jerome County Senior Citizens
Living Independence Network 1878 W Overland Rd, Suite 101 Boise, ID 83705-3142	82-0426465	501(c)(3)	11,000.	0.			Support the Living Independence Network
Magic Valley Rehabilitation Services Inc 484 Eastland Dr S Twin Falls, ID 83301	82-0306179	501(c)(3)	5,080.	0.			Support Magic Valley Rehabilitation
Sleep in Heavenly Peace 911 Ballard Way Kimberly, ID 83341	46-4346568	501(c)(3)	10,000.	0.			Support of Sleep in Heavenly Peace
South Central District Health 1020 Washington St N Twin Falls, ID 83301	82-0335043	Government Entit	24,000.	0.			Support implementation of community health activities
Twin Falls County PO Box 126 ATTN: Kristina Glascock Twin Falls, ID 83303-0126	82-6000318	Government Entit	27,000.	0.			Funds were used to buy carseats for low income individuals
Twin Falls Optimist Club Inc PO Box 755 ATTN: Don Bohrn Presi Twin Falls, ID 83301	23-7058771	501(c)(4)	5,500.	0.			Support of the Twin Falls Optimist Club
Twin Falls Senior Citizens Federation - 530 Shoshone St W - Twin Falls, ID 83301	82-0342197	501(c)(3)	7,000.	0.			Support senior citizen center established to provide meals and activities for Twin Falls

Part II **Continuation of Grants and Other Assistance to Governments and Organizations in the United States** (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 non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
Voices Against Violence 212 2nd Avenue West, Ste 200 Twin Falls, ID 83301	82-0372006	501(c)(3)	15,000.	0.			Support of Voice Against Violence
Wellness Tree Community Clinic 173 Martin St Twin Falls, ID 83301	26-1249939	501(c)(3)	30,000.	0.			Provide funds for car seats for low income patients
YMCA Of Twin Falls Inc 1751 Elizabeth Blvd Twin Falls, ID 83301	82-0255460	501(c)(3)	5,500.	0.			Support Healthy Living Financial Assistance, Cancer Fitness Fundamentals, Moving for
St. Luke's Health Foundation 190 E. Bannock Street Boise, ID 83712-	81-0600973	501(c)(3)	631,986.	0.			Provide support for overall operational needs of St. Luke's Health Foundation, Ltd.

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

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 endeavors to monitor its grants to ensure that such grants are used for proper purposes and not otherwise diverted from their intended use. This is accomplished by requesting recipient organizations to affirm that funds must be used solely in accordance with the grant request and budget on which the grant was based and that funds not expended for the stated purpose are to be returned to the organization. Reports are requested from time to time as deemed appropriate.

Part IV Supplemental Information

Part II, line 1, Column (h):

Name of Organization or Government: College of Southern Idaho

(h) Purpose of Grant or Assistance: Fundings for support of Health Occupations, Head Start/Early Head Start program, Foster Grantparent Program, Dental Program, that are working to improve the health of people in the community

Name of Organization or Government: Twin Falls Senior Citizens Federation

(h) Purpose of Grant or Assistance: Support senior citizen center established to provide meals and activities for Twin Falls area senior citizens

Name of Organization or Government: YMCA Of Twin Falls Inc

(h) Purpose of Grant or Assistance: Support Healthy Living Financial Assistance, Cancer Fitness Fundamentals, Moving for Better Balance, Enhance Fitness and the YMCA Diabetes Prevention Program

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

2017

Open to Public Inspection

Name of the organization: St. Luke's Magic Valley Regional Medical Center, Ltd.

Employer identification number: 56-2570686

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.			
	☐ First-class or charter travel	☐ Housing allowance or residence for personal use		
	☐ Travel for companions	☐ Payments for business use of personal residence		
	☐ Tax indemnification and gross-up payments	☐ Health or social club dues or initiation fees		
	☐ Discretionary spending account	☐ Personal services (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	**1b**		
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked on line 1a?	**2**		
3	Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.			
	☐ Compensation committee	☐ Written employment contract		
	☐ Independent compensation consultant	☐ Compensation survey or study		
	☐ Form 990 of other organizations	☐ Approval by the board or compensation committee		
4	During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:			
a	Receive a severance payment or change-of-control payment?	**4a**		X
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	**4b**	X	
c	Participate in, or receive payment from, an equity-based compensation arrangement?	**4c**		X
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.			
	Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.			
5	For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:			
a	The organization?	**5a**		X
b	Any related organization?	**5b**		X
	If "Yes" 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?	**6a**		X
b	Any related organization?	**6b**		X
	If "Yes" on line 6a or 6b, describe in Part III.			
7	For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described on lines 5 and 6? If "Yes," describe in Part III	**7**		X
8	Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III	**8**		X
9	If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	**9**		

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

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

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) Banu Symington, MD	(i)	0.	0.	0.	0.	0.	0.	0.
Director	(ii)	336,276.	0.	1,660.	462.	0.	338,398.	0.
(2) David A. McClusky III, MD	(i)	0.	0.	0.	0.	0.	0.	0.
Director	(ii)	340,306.	27,749.	810.	4,128.	16,684.	389,677.	0.
(3) Ms. Kathy Moore	(i)	0.	0.	0.	0.	0.	0.	0.
CEO-St. Luke's West Reg	(ii)	634,773.	0.	70,624.	16,356.	20,384.	742,137.	0.
(4) Mr. Chris Roth	(i)	0.	0.	0.	0.	0.	0.	0.
SR VP, Chief Operating Officer	(ii)	654,694.	0.	66,868.	20,484.	19,948.	761,994.	0.
(5) Mr. Jeffrey S. Taylor	(i)	0.	0.	0.	0.	0.	0.	0.
SR VP/CFO/Treasurer	(ii)	637,583.	0.	456,084.	207,704.	22,168.	1,323,539.	0.
(6) Ms. Christine Neuhoff	(i)	0.	0.	0.	0.	0.	0.	0.
VP/Legal Affairs/Secretary	(ii)	540,972.	0.	25,238.	16,356.	17,156.	599,722.	0.
(7) Mr. Mike Fenello	(i)	0.	0.	0.	0.	0.	0.	0.
Site Administrator	(ii)	313,488.	0.	11,308.	8,256.	18,035.	351,087.	0.
(8) Jonathan D. Myers, MD	(i)	0.	0.	0.	0.	0.	0.	0.
Physician	(ii)	333,009.	125,806.	36,540.	16,356.	17,542.	529,253.	0.
(9) Randal L. Wraalstad, DPM	(i)	0.	0.	0.	0.	0.	0.	0.
Physician	(ii)	252,676.	257,005.	21,652.	16,356.	19,384.	567,073.	0.
(10) Thomas Dirocco, MD	(i)	0.	0.	0.	0.	0.	0.	0.
Physician	(ii)	180,423.	234,021.	18,540.	12,228.	7,597.	452,809.	0.
(11) Timothy A Enders, DO	(i)	0.	0.	0.	0.	0.	0.	0.
Physician	(ii)	331,658.	120,347.	540.	16,356.	16,116.	485,017.	0.
(12) Wilmer Jones, MD	(i)	0.	0.	0.	0.	0.	0.	0.
Physician	(ii)	390,589.	50,000.	21,169.	8,100.	11,469.	481,327.	0.
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

Part III Supplemental Information

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

Part I, Line 3:

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

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

Compensation Committee

Independent compensation consultant

Compensation survey or study

Approval by the board or compensation committee

Part I, Line 4b:

During CY'17, the following individual participated in a supplemental

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.

non-qualified executive retirement plan:

	SERP	SERP-Gross Up	Total
Jeffrey Taylor	$226,077	$183,112	$409,190

SCHEDULE L (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions With Interested Persons

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.
▶ Attach to Form 990 or Form 990-EZ.
▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2017

Open To Public Inspection

Name of the organization: St. Luke's Magic Valley Regional Medical Center, Ltd.

Employer identification number: 56-2570686

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

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

1 (a) Name of disqualified person	(b) Relationship between disqualified person and organization	(c) Description of transaction	(d) Corrected? Yes	(d) Corrected? 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.

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

Part III Grants or Assistance Benefiting Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of assistance	(d) Type of assistance	(e) Purpose of assistance

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
Southern Idaho Radiology	Board member has ow	5,609,204.	Southern Id		X
Magic Valley Sleep Institu	Board member has ow	273,916.	Magic Valle		X
Southern Idaho Vascular As	Board member has ow	1,117,125.	Southern Id		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: Southern Idaho Radiology

(b) Relationship Between Interested Person and Organization:

Board member has ownership interest in Southern Idaho Radiology

(d) Description of Transaction: Southern Idaho Radiology is under

contract with St. Luke's Health System, Ltd. To provide radiology

services.

(a) Name of Person: Magic Valley Sleep Institute

(b) Relationship Between Interested Person and Organization:

Board member has ownership interest in Magic Valley Sleep Institute

(d) Description of Transaction: Magic Valley Sleep Institute provides

sleep test services.

(a) Name of Person: Southern Idaho Vascular Associates

(b) Relationship Between Interested Person and Organization:

Board member has ownership interest in Southern Vascular Associates

(d) Description of Transaction: Southern Idaho Vascular Associates

provides vascular surgery services.

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

Services, Home Health and Hospice Care, Intensive Care and Newborn Intensive Care Units, Laboratory Services, Medical Library (open to the public), Maternal-Child Services OB, Pediatrics and Women's Services), Pharmacy, Occupational Health, Adult and Pediatric Rehabilitation (Speech, Occupational, Physical Therapy), Comprehensive Surgical Services, Magic Valley SAFE KIDS Coalition, Social Services and Pastoral Care, Volunteer Services and Auxiliary, and St. Luke's Foundation for gift-giving.

At St. Luke's Magic Valley Medical Center, we take great pride in the high quality, skilled, and compassionate care we provide to our patients. This focus on excellence has resulted in honors from national entities, such as Truven, Qualis Health and Solucient. These awards recognize that our commitment to safety and performance improvement means enhanced and safer care, and an overall better experience for you, your family, and everyone we serve. We have numerous clinical and regional designations including Trauma Designation - Level III, Stroke Designation - Level II, and STEMI Designation - Level I.

During FY'18, St. Luke's Magic Valley Regional Medical Center provided qualified inpatient care for 13,655 admissions covering 45,882 patient days. The hospital also provided care associated with 156,600 outpatient visits.

Services at St. Luke's Jerome include a 24-hour emergency department,

Name of the organization St. Luke's Magic Valley Regional Medical Center, Ltd.

Employer identification number 56-2570686

outpatient surgery, general surgery, diagnostics, maternity services, inpatient physical therapy, intensive care and medical/surgical units. During fiscal year 2018, St. Luke's Jerome provided patient care for 625 admissions covering 2,440 patient days. They also provided patient care associated with 17,073 outpatient visits.

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

The service is staffed with a diverse group of dedicated, caring professionals. Psychiatrists and other physicians, psychologists, social workers, nurses, technicians, and discharge planners work as a team to provide comprehensive, personalized care to each person. During FY'18, Canyon View had 1,243 admissions covering 5,663 patient days.

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

Our rehabilitation services are highly coordinated to optimize clinical outcomes and maximize a patient's independence. All members of the rehabilitation team (physicians, therapists, nurses, case workers.etc.) meet daily to ensure that treatments are tailored to each patient's specific diagnosis and unique needs. Our inpatient programs include:

--Spinal cord injury

--Stroke

--Brain injury

--Neuromuscular diseases,such as multiple sclerosis,Guilain-Barre syndrome, and cerebral palsy

--Orthopedics

--Major multiple trauma

Name of the organization St. Luke's Magic Valley Regional Medical Center, Ltd.

Employer identification number 56-2570686

--Amputation

--Arthritis

--Medically complex conditions

All 14 inpatient rehabilitation rooms at St. Luke's are private, and designed specifically to enhance the safety, comfort, and independence of patients recovering from and adapting to a variety of injuries and illnesses. Room features include ADA design, bed-side environmental controls (lights, nurse call light,window shades, etc.),free wireless, broadband internet access,pull-out couch and reclining chair for visiting family members, and video surveillance capability for patients with confusion due to brain injury, stroke, or other illness.

The rehabilitation gymnasium in the Gwen Neilson Anderson Rehabilitation Center contains state-of-the-art equipment and design features. The spacious gym includes private treatment rooms for one-on-one therapy sessions and a large,open space for wheelchair training, advanced mobility training, and group interaction.

The transitional apartment is a fully functional apartment in which patients can practice basic activities of daily living under the supervision of a trained therapist. The activity area offers a place for patients and their visitors to gather and engage in therapeutic recreation. During FY'18, the inpatient rehabilitation unit provided qualified inpatient care for 245 admissions covering 3,140 patient days.

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

Name of the organization St. Luke's Magic Valley Regional Medical Center, Ltd.

Employer identification number 56-2570686

St. Luke's Health System, Ltd. is the sole member of St. Luke's Magic Valley Regional Medical Center, Ltd.

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

The President and CEO of St. Luke's Magic Valley Regional Medical Center, Ltd., (Corporation) is cooperatively selected by the Corporation and St. Luke's Health System, Ltd. St. Luke's Health System is the sole member of the Corporation.

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

St. Luke's Regional Medical Center, Ltd. (Member) maintains approval and implementation authority over St. Luke's Magic Valley Regional Medical Center, Ltd. (Corporation).

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

(a) Amendment to the Articles of Incorporation;

(b) Amendment to the Bylaws of the Corporation;

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

(d) Removal of an individual from the Corporation's Board of Directors if and when removal is requested by the Corporation's Board of Directors,

Name of the organization St. Luke's Magic Valley Regional Medical Center, Ltd.

Employer identification number 56-2570686

which request may only be made if the Director is failing to meet the reasonable expectations for service on the Corporation's Board of Directors that are established by the Member and are uniform for the Corporation and for all of the other hospitals for which the Member then serves as the sole corporate member.

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

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

Implementation Authority means those actions which the Member may take without the approval or recommendation of the Corporation. This authority will not be utilized until there has been appropriate communication between the Member and the Corporation's Board of Directors and its Chief Executive Officer. Actions requiring implementation authority include:

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

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

Name of the organization St. Luke's Magic Valley Regional Medical Center, Ltd.

Employer identification number 56-2570686

Corporation's Board of Directors in order to change a decision made by the Corporation's Board of Directors;

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

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

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

(f) Sale, merger, consolidation, change of membership, sale of all or substantially all of the assets of the corporation, or closure of any facility operated by the Corporation;

(g) The dissolution of the Corporation;

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

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

Name of the organization St. Luke's Magic Valley Regional Medical Center, Ltd.

Employer identification number 56-2570686

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

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

Form 990 Part V, Line 1&2

Accounts payable and payroll process are consolidated at the supporting organization level (St. Luke's Health System, Ltd). Therefore, corresponding reporting for 1099's and W-2's occurs at that level.

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

The organization annually reviews the conflict of interest policy with each board member and also with new board members. Persons covered under the policy include officers, directors, senior executives, non-director members of Board committees, and others as identified by a senior executive. At all levels the board is responsible for assessing, reviewing, and resolving any conflicts of interest that have been disclosed by a covered person, or a conflict of interest disclosed by a covered person with respect to a covered person other than himself/herself. Where a conflict exists, the affected parties must recuse themselves from participating in any discussion related to the conflict.

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

Executive compensation is set by St. Luke's Board of Directors and is

Name of the organization St. Luke's Magic Valley Regional Medical Center, Ltd.

Employer identification number 56-2570686

reviewed annually. Compensation levels are based on an independent analysis of comparable pay packages offered at similar institutions across the country, with the goal of targeting overall compensation of the executive group at the 50th percentile of those surveyed. These surveys are usually done every two years, with the most recent compensation survey completed during calendar year 2017.

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

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

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

-Community need for medical specialty

-Experience

-Productivity

-Geography

-National surveys adjusted for local conditions

-Willingness to serve regardless of patients' ability to pay

-Duration of relationship and contractual terms

-Performance on quality metrics

Name of the organization St. Luke's Magic Valley Regional Medical Center, Ltd.

Employer identification number 56-2570686

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

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

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

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

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

Executive compensation is set by St. Luke's board of directors and is reviewed annually. Compensation levels are based on an independent analysis of comparable pay packages offered at similar institutions across the country, with the goal of placing executives in the 50th percentile of those surveyed. These surveys are usually done every two years, with the most recent compensation survey completed during calendar year 2017. St. Luke's Health System is committed to providing the highest quality medical care to all people regardless of their ability to pay.

Name of the organization St. Luke's Magic Valley Regional Medical Center, Ltd.

Employer identification number 56-2570686

To keep that commitment, St. Luke's puts a great deal of time and effort into recruiting and retaining the top physicians in a variety of medical fields. Our relationships with physicians range from having privileges at the hospital to full employment.

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

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

-Community need for medical specialty

-Experience

-Productivity

-Geography

-National surveys adjusted for local conditions

-Willingness to serve regardless of patients' ability to pay

-Duration of relationship and contractual terms

-Performance on quality metrics

To ensure physician compensation and benefits remain within industry standards and legal requirements for not-for-profit institutions, St. Luke's has a Physician Arrangements policy that specifies circumstances requiring a third-party valuation and also periodically uses third-party consulting firms to review St. Luke's physician compensation arrangements. Given the growing national shortage of physicians, recruiting and retaining physicians is more critical than ever to guarantee that people seeking care at St. Luke's will continue to have access to the physicians and specialists they need regardless of their insurance status or insurance

Name of the organization St. Luke's Magic Valley Regional Medical Center, Ltd.

Employer identification number 56-2570686

provider.

Form 990 Part VII Section A

Allocation of Compensation and Hours:

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

Brian Fortuin, M.D.:

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

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

Robert Wasserstrom, M.D.

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

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

David A. McClusky, M.D.

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

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

Jeff Taylor:

St. Luke's Health System, Ltd.

St. Luke's Regional Medical Center, Ltd.

Mountain States Tumor Institute, Inc.

St. Luke's McCall, Ltd.

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

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

Name of the organization St. Luke's Magic Valley Regional Medical Center, Ltd.

Employer identification number 56-2570686

St. Luke's Clinic Coordinated Care, Ltd

Christine Neuhoff:

St. Luke's Health System, Ltd.

St. Luke's Regional Medical Center, Ltd.

Mountain States Tumor Institute, Inc.

St. Luke's McCall, Ltd.

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

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

St. Luke's Clinic Coordinated Care, Ltd.

Kathy Moore:

St. Luke's Health System,Ltd.

St. Luke's Regional Medical Center,Ltd.

Mountain States Tumor Institute,Inc.

St. Luke's McCall,Ltd.

St. Luke's Health Foundation,Ltd

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

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

St. Luke's Clinic Coordinated Care,Ltd.

St. Luke's Nampa Medical Center, Ltd.

Pam Lindemoen:

St. Luke's Health System,Ltd.

St. Luke's Regional Medical Center,Ltd.

Mountain States Tumor Institute,Inc.

St. Luke's McCall,Ltd.

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

Name of the organization St. Luke's Magic Valley Regional Medical Center, Ltd.

Employer identification number 56-2570686

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

St. Luke's Clinic Coordinated Care,Ltd.

St. Luke's Nampa Medical Center, Ltd.

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

Form 990 Part VII Section A

Compensation of Physician Board Members

The following physician board members are members of various physician practices that contract with St. Luke's Magic Valley Regional Medical Center, Ltd. (SLMV) for the purpose of providing physician services to SLMV patients:

Brian Fortuin, M.D. Idaho Medicine Associates

Robert Wasserstrom, M.D. Southern Idaho Radiology

These physicians work at least 40 hours per week on behalf of these practices for physician services provided to St. Luke's patients.

During CY'17, SLMV made payments to these practices for the following amounts:

Physician Practice Amount Paid

Idaho Medicine Associates, LLC $3,549,353

Southern Idaho Radiology $5,609,204

Name of the organization	Employer identification number
St. Luke's Magic Valley Regional Medical Center, Ltd.	56-2570686

Dr. Fortuin is also a member of St. Luke's Magic Valley Sleep Institute, LLC (Sleep Institute), a physician practice that contracts with SLMV to provide physician services to SLMV patients. During CY'17 SLMV made payments totaling $273,916.

During CY'17, Dr. Fortuin was compensated directly by SLMV for serving as chair for the Magic Valley Physician Leadership Council. The amount paid for these services was $117,239 and is reported in Part VII, Section A.

During CY'17, Dr. Wasserstrom was compensated directly by SLMV for serving as chair for the Magic Valley Physician Leadership Council. The amount paid for these services was $3,550 and is reported in Part VII, Section A.

Form 990, Part XI, line 9, Changes in Net Assets:

Defined Benefit Plan Adjustment 5,468,829.

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

2017

Open to Public Inspection

Name of the organization: St. Luke's Magic Valley Regional Medical Center, Ltd.

Employer identification number: 56-2570686

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

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
St. Luke's Clinic, LLC - 82-0527710 P.O. Box 409 Twin Falls, ID 83301	Physician Clinic Services	Idaho	86,214,653.	8,182,784.	St. Luke's Magic Valley Regional Medical Center, Ltd.
Magic Valley Paramedics, LLC - 20-0997728 P.O. Box 409 Twin Falls, ID 83301	Paramedic Services	Idaho	5,262,088.	669,499.	St. Luke's Magic Valley Regional Medical Center, Ltd.

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	(g) Section 512(b)(13) controlled entity? No
Mountain States Tumor Institute, Inc - 82-0295026, 190 E. Bannock, Boise, ID 83712	Healthcare Services	Idaho	501(c)(3)	3	St. Luke's Regional Medical Center		X
St. Luke's Clinic Coordinated Care, Ltd. - 45-5195864, 190 E. Bannock, Boise, ID 83712	Accountable Care Organization	Idaho	501(c)(3)	10	St. Luke's Health System, Ltd.		X
St. Luke's Health Foundation, Ltd. - 81-0600973, 190 E. Bannock, Boise, ID 83712	Fundraising	Idaho	501(c)(3)	7	St. Luke's Health System, Ltd.		X
St. Luke's Health System, Ltd. - 56-2570681 190 E. Bannock Boise, ID 83712	Supporting Organization	Idaho	501(c)(3)	12C, III-FI	n/a		X

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization? Yes	(g) Section 512(b)(13) controlled organization? No
St. Luke's McCall, Ltd. - 27-3311774 190 E. Bannock Boise, ID 83712	Healthcare Services	Idaho	501(c)(3)	3	St. Luke's Health System, Ltd.		X
St. Luke's Nampa Medical Center, Ltd. - 82-1162805, 190 E. Bannock, Boise, ID 83712	Healthcare Services	Idaho	501(c)(3)	3	St. Luke's Health System, Ltd.		X
St. Luke's Regional Medical Center, Ltd. - 82-0161600, 190 E. Bannock, Boise, ID 83712	Healthcare Services	Idaho	501(c)(3)	3	St. Luke's Health System, Ltd.		X
St. Luke's Wood River Medical Center, Ltd. - 84-1421665, 190 E. Bannock, Boise, ID 83712	Healthcare Services	Idaho	501(c)(3)	3	St. Luke's Health System, Ltd.		X

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

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

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

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

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

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

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

	(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1)	St. Luke's Health Foundation, Ltd.	P	176,448.	Subsidy to SLHF
(2)	St. Luke's Health Foundation, Ltd.	C	594,204.	Donations Specified for SLMVRMC
(3)				
(4)				
(5)				
(6)				

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

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

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

Part VII Supplemental Information.

Provide additional information for responses to questions on Schedule R. See instructions.

Form **8868**
(Rev. January 2017)

Department of the Treasury
Internal Revenue Service

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

▶ **File a separate application for each return.**

▶ **Information about Form 8868 and its instructions is at *www.irs.gov/form8868* .**

OMB No. 1545-1709

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

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

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

		Enter filer's identifying number
Type or print File by the due date for filing your return. See instructions.	Name of exempt organization or other filer, see instructions. St. Luke's Magic Valley Regional Medical Center, Ltd.	Employer identification number (EIN) or 56-2570686
	Number, street, and room or suite no. If a P.O. box, see instructions. 190 E. Bannock	Social security number (SSN)
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. Boise, ID 83712	

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

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

- The books are in the care of ▶ Peter DiDio, Vice-President, Controller
  190 E. Bannock - Boise, ID 83712
  Telephone No. ▶ 208-706-9585 Fax No. ▶
- If the organization does not have an office or place of business in the United States, check this box ..... ▶ ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box ▶ ☐. If it is for part of the group, check this box ▶ ☐ and attach a list with the names and EINs of all members the extension is for.

1 I request an automatic 6-month extension of time until August 15, 2019, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

▶ ☐ calendar year _____ or
▶ ☒ tax year beginning OCT 1, 2017, and ending SEP 30, 2018.

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

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

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

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

Consolidated Financial Statements as of and for the Years Ended September 30, 2018 and 2017, and Independent Auditors' Report

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

Table of contents

Deloitte.

Deloitte & Touche LLP
800 West Main Street
Suite 1400
Boise, ID 83702-7734
USA

Tel: +1 208 342 9361
www.deloitte.com

INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying consolidated financial statements of St. Luke's Health System, Ltd. and its subsidiaries (the "Health System"), which comprise the consolidated balance sheets as of September 30, 2018 and 2017, and the related consolidated statements of operations and changes in net assets, and of cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Health System's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Health System's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of St. Luke's Health System, Ltd. and its subsidiaries as of September 30, 2018 and 2017, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Disclaimer of Opinion on Charity Care Schedule

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

Deloitte & Touche LLP

December 14, 2018

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

Consolidated Balance Sheets
As of September 30, 2018 and 2017
(In thousands)

	2018	2017
Assets		
Current assets		
Cash and cash equivalents	$ 121,358	$ 155,606
Receivables—net	319,592	315,335
Inventories	36,117	29,975
Prepaid expenses	24,028	24,229
Current portion of assets whose use is limited	45,103	68,368
Total current assets	546,198	593,513
Assets whose use is limited	669,689	545,010
Property, plant, and equipment—net	1,172,471	1,177,924
Other assets	91,653	93,486
Total assets	$2,480,011	$2,409,933
Liabilities and net assets		
Current liabilities		
Accounts payable and accrued liabilities	$ 179,045	$ 150,798
Compensation and related liabilities	222,503	195,967
Estimated payable to Medicare and Medicaid programs	60,473	70,060
Current portion of long-term debt and capital lease obligations	10,001	32,754
Total current liabilities	472,022	449,579
Long-term debt	842,761	798,183
Long-term capital lease obligations	49,620	68,836
Pension liabilities	57,699	69,714
Other liabilities	2,508	2,290
Net assets		
Unrestricted	1,001,227	972,134
Temporarily restricted	38,975	35,264
Permanently restricted	15,199	13,933
Total net assets	1,055,401	1,021,331
Total liabilities and net assets	$2,480,011	$2,409,933

See notes to consolidated financial statements.

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

Consolidated Statements of Operations and Changes in Net Assets
For the Years Ended September 30, 2018 and 2017
(In thousands)

	2018	2017
Revenues		
Patient service revenue (net of contractual allowances and discounts)	$1,821,612	$1,756,276
Less provision for bad debts	(87,597)	(89,633)
Net patient service revenue	1,734,015	1,666,643
Capitated revenue	763,289	601,018
Other revenue (including rental income)	111,146	63,767
Net assets released from restrictions—operating	(5,492)	(4,351)
Total revenues	2,602,958	2,327,077
Expenses		
Employee compensation and benefits	1,223,426	1,161,152
Supplies and drugs	381,076	338,525
Medical claims	360,785	302,171
Other operating expenses	436,043	375,576
Total operating expenses	2,401,330	2,177,424
Earnings before interest, depreciation and amortization	201,628	149,653
Depreciation and amortization	146,291	139,079
Interest	34,916	31,824
Net operating income (loss)	20,421	(21,250)
Investment income	13,771	8,974
Loss on early extinguishment of debt	(9,283)	-
Revenue in excess (deficit) of expenses from continuing operations	24,909	(12,276)
Noncontrolling loss	(413)	(533)
Revenue in excess (deficit) of expenses from continuing operations—net of noncontrolling interest	24,496	(12,809)
Loss from discontinued operations	-	(13,934)
Revenue in excess (deficit) of expenses	$ 24,496	$ (26,743)

See notes to consolidated financial statements.

	2018	2017
Unrestricted net assets		
Revenue in excess (deficit) of expenses from continuing operations	$ 24,909	$ (12,276)
Change in unrestricted net assets from noncontrolling interests	(1,699)	(843)
Change in net unrealized gains on investments	439	15,553
Net assets released from restrictions—capital	976	782
Other components of net periodic pension cost	(4,014)	(7,226)
Change in funded status of pension plan	8,482	22,351
Increase in unrestricted net assets before discontinued operations	29,093	18,341
Loss from discontinued operations	-	(13,934)
Increase in unrestricted net assets	29,093	4,407
Temporarily restricted net assets		
Contributions	10,249	8,862
Investment income	490	2,208
Change in net unrealized gains on investments	487	(505)
Other changes in net assets	(1,057)	(1,460)
Net assets released from restrictions	(6,458)	(5,115)
Increase in temporarily restricted net assets	3,711	3,990
Permanently restricted net assets		
Contributions	219	271
Other changes in net assets	1,057	1,460
Net assets released from restrictions	(10)	(18)
Increase in permanently restricted net assets	1,266	1,713
Increase in net assets	34,070	10,110
Net assets—Beginning of year	1,021,331	1,011,221
Net assets—End of year	$1,055,401	$1,021,331

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

Consolidated Statement of Cash Flows
For the Years Ended September 30, 2018 and 2017
(In thousands)

	2018	2017
Cash flows from operating activities:		
Increase in net assets	$ 34,070	$ 24,044
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation and amortization	146,291	139,079
Net realized (gain) loss on investments	(962)	1,673
Unrealized loss on investments	(926)	(15,048)
Equity earnings from investment in joint ventures	(374)	-
Amortization of deferred financing fees	4,053	673
Restricted contributions received	(10,467)	(9,133)
Loss on disposition of equipment and other assets	3,880	598
Change in other components of net periodic pension cost	4,014	7,226
Change in funded status of pension plans	(8,482)	(22,351)
Changes operating in assets and liabilities:		
Receivables	(5,017)	(4,171)
Inventories	(6,142)	(820)
Prepaid expenses and other current assets	200	1,627
Other assets	(15,629)	(13,372)
Accounts payable and accrued liabilities	25,193	14,570
Compensation and related liabilities	26,536	31,252
Payable to Medicare and Medicaid programs	(9,016)	(1,806)
Other liabilities	(6,947)	(6,120)
Net cash provided by operating activities	180,275	147,921
Cash flows from investing activities:		
Acquisition of property, plant, equipment and land	(162,243)	(184,777)
Proceeds from disposition of equipment and other assets	19,115	1,549
Purchase of investments (includes purchases with restricted funds)	(911,731)	(1,027,850)
Change in restricted funds	(33,353)	59,860
Proceeds from sale of investments	857,155	1,094,671
Distributions from joint ventures	3,700	-
Capital contributed to unconsolidated joint ventures	(14,816)	-
Net cash used in investing activities	(242,173)	(56,547)

See notes to consolidated financial statements.

	2018	2017
Cash flows from financing activities:		
Repayment of long-term debt	$ (30,909)	$ (16,946)
Advances on lines of credit	52,169	97,735
Repayment on lines of credit	(61,677)	(92,202)
Proceeds from contributions for temporarily restricted net assets	10,248	8,863
Proceeds from contributions for endowment funds	219	270
Proceeds from long term debt issuance	68,671	-
Proceeds from long term debt issuance premium	17,611	-
Cost of issuance on long term debt	(3,439)	-
Loss on early extinguishment of debt	(9,283)	-
Payments on notes payable	(15,960)	(3,993)
Net cash provided by (used in) financing activities	27,650	(6,273)
Cash flows from discontinued operations:		
Operating activities of discontinued operations	-	(2,032)
Investing activities of discontinued operations	-	(3,625)
Net cash used in discontinued operations	-	(5,657)
Net (decrease) increase in cash	(34,248)	79,444
Cash—Beginning of year	155,606	76,162
Cash—End of year	$ 121,358	$ 155,606
Supplemental cash flow information:		
Purchase of property, plant and equipment in accounts payable and accrued liabilities	$ 8,700	$ 6,027

1. Summary of Significant Accounting Policies

Organization—St. Luke's Health System, Ltd. and subsidiaries (the "Health System") is an Idaho-based not-for-profit organization providing comprehensive integrated healthcare services throughout the communities it serves.

The Health System provides patient services, including outpatient and inpatient, rehabilitation services and physician services. The Health System's primary hospitals and patient service areas are located within the State of Idaho in or surrounding the cities of Boise, Meridian, Nampa, Twin Falls, Mountain Home, McCall, Jerome, and Ketchum and have other facilities and operations throughout Southern Idaho and Eastern Oregon.

The Health System's wholly owned subsidiary, St. Luke's Health Partners, is a financially and clinically-integrated network that allows independent physicians and facilities to partner with the Health System. St. Luke's Health Partners is organized to assume financial and clinical accountability in capitated arrangements. These arrangements include governmental and commercial payers, as well as self-funded employers. Under these arrangements, St. Luke's Health Partners is accountable for the management of health outcomes and medical spend for defined populations through value-based agreements with payers.

The Health System's general offices and corporate functions are located in Boise, Idaho. The Health System is governed by volunteer boards made up of local citizens.

Basis of Presentation—The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America. Intercompany transactions have been eliminated. As of and for the years ended September 30, 2018 and 2017, certain line items within the consolidated financial statements have been either expanded or condensed for presentation purposes only. These changes were made consistently for both current and prior-year balances, thus maintaining comparative financial presentation.

Use of Estimates—The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates, assumptions and judgments that affect the amounts reported in the consolidated financial statements. The Health System considers critical accounting estimates to be those that require more significant judgments and estimates in the preparation of its consolidated financial statements, including the following: contractual allowances for uncollectible accounts receivable, provisions for bad debt and charity care; useful lives of depreciable assets; liabilities associated with employee benefit programs; self-insured professional liability risks not covered by insurance; medical claims incurred but not yet reported; and potential settlements with the Medicare and Medicaid programs.

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

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

Discontinued Operations—The Health System reports financial results for discontinued operations separately from continuing operations to distinguish the financial impact of disposal transactions from ongoing operations. During the year ended September 30, 2017 the Health System completed the sales transaction of a certain medical practice. Accordingly, the assets and liabilities, operating results and operating and investing cash flows for the medical practice are presented as discontinued operations separate from the Health System's continuing operations and the results for all periods presented in these consolidated financial statements and the notes to the consolidated financial statements, unless otherwise noted. Refer to Note 2 for further information regarding the Health System's discontinued operations.

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

Donor Restricted Gifts—Unconditional promises to give cash, pledges receivable and other assets are recorded at fair value at the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of operations and changes in net assets as net assets released from restrictions. Total pledges receivable, net of allowances, as of September 30 are as follows:

	2018	2017
Less than one year	$ 2,340	$ 2,348
One to five years	1,498	1,114
More than five years	-	5
	3,838	3,467
Less allowance for estimated uncollectible accounts	85	70
Total pledges receivable	$ 3,753	$ 3,397

Cash and Cash Equivalents—Cash and cash equivalents represents cash on hand and cash in banks, excluding amounts whose use is limited, and consists primarily of cash and highly liquid investments with original maturities of three months or less. As of September 30, 2018 and 2017, the Health System had book overdrafts of $7,147 and $6,824, respectively, that is included in accounts payable and accrued liabilities.

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

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

The Health System's long-term and short term investment portfolios are managed according to investment policies adopted by the Health System and based on overall investment objectives. Board designated funds are investments established by the Board for strategic future capital or operating expenditures intended to expand or preserve services provided to the communities it serves. All investments are classified as available for sale and recorded at fair value using settlement date accounting. Realized gains (losses) on investments whose use has not been restricted by the donor, including unrestricted income from endowment funds, are reported as part of investment income. Investment income and gains (losses) on investments whose income has been restricted by the donor are recorded as increases (decreases) to temporarily or permanently restricted net assets.

The Health System's investments primarily include mutual funds and debt securities that are carried at fair value. The Health System evaluates whether securities are other-than-temporarily impaired (OTTI) based on criteria that include the extent to which cost exceeds market value, the intent to sell, the duration of the market decline, the credit rating of the issuer or security, the failure of the issuer to make scheduled principal or interest payments and the financial health and prospects of the issuer or security. Any declines in the value of investment securities determined to be OTTI are recognized in earnings and reported as OTTI losses. The Health System determined that no securities were OTTI as of September 30, 2018 and 2017.

Equity Method Investment—The Health System owns a membership interest of 49.5% in Broadway Park Holdings, LLC. The Health System accounts for its investment in this entity using the equity method and records the investment at cost. The Health System's investment in this entity was $11,554 as of September 30, 2018. The Health System's investment in the entity is increased by additional contributions to the entity as well as its proportionate share of earnings in the entity. Conversely, the Health System's investment is decreased by distributions made to the Health System and by its proportionate share of losses. During the year ended September 30, 2018, the Health System recognized equity earnings from the investment in this entity of $438.

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

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

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

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

Other Assets—Other assets includes land and buildings held for future investment or future expansion, goodwill and other non-limited use assets.

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

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

Our annual impairment test was performed as of June 30, 2018. In addition, impairment reviews are performed whenever circumstances indicate a possible impairment may exist.

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

Net Patient Service Revenue—Net patient service revenue before provision for bad debts is reported at the estimated net realizable amounts from patients, third-party payors, and others, including estimated adjustments under reimbursement agreements with third-party payors when services are rendered. As final settlements are made and estimates are revised, the differences are reflected in current operations.

Charity Care—The Health System provides services to all patients regardless of their ability to pay in accordance with its charity care policy. The estimated cost of providing these services was $45,135 and $44,030 in 2018 and 2017, respectively, calculated by multiplying the ratio of cost to gross charges for the Health System by the gross compensated charges associated with providing care to charity patients.

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

	Unaudited	
	2018	**2017**
Estimated unpaid costs of services provided under Medicare, Medicaid, and county indigency programs	$ 325,395	$ 330,980
Estimated benefit of services to support broader community needs	52,709	51,742

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

Unrelated Business Income—The Health System is subject to federal excise tax on its unrelated business taxable income (UBTI). As of September 30, 2018, the Health System had approximately $8,701 of UBTI net operating losses from operating losses incurred from 1999 to 2018, which expire in years 2019 to 2039. The Health System does not believe that it is more likely than not they will utilize these losses prior to their expiration and as such has provided a full valuation allowance against these losses.

Capitated Revenue—Capitated revenue represents contractual revenue from value-based arrangements at St. Luke's Health Partners, where financial responsibility is assumed for services provided to enrollees by other institutional health care providers. In these arrangements, a settlement amount is calculated based on medical claims experience as compared to budget targets based on contractual terms. Capitated revenue is recognized during the period for which institutional providers are obligated to provide health services to enrollees. Settlements are accrued during the period in which the related services are rendered. Losses expected under the contract period in value-based arrangements are recognized when it is probable that expected medical claim expense exceeds future capitated revenue.

Reserves for incurred but not reported medical claims have been established for the unpaid costs of health care services covered under the value-based arrangements. The reserves are estimated based on actuarial analysis, historical experience, and payment trends. Subsequent actual claims experience will differ from the estimated reserve due to variances in estimated and actual utilization of health care services. As final settlements are made and estimates are revised, the differences are reflected in current operations.

St. Luke's Health Partners bears full performance exposure on all significant value-based arrangements, with the exception of the Next Generation ACO program which is capped at plus or minus 10% of the capitated funding. St. Luke's Health Partners purchased provider excess loss coverage for this program. All other value-based arrangements include reinsurance purchased by the sponsoring payer, and is netted within medical claims expense related to the arrangement.

Adopted Accounting Pronouncements—On October 1, 2017, the Health System early adopted ASU No. 2017-07, "*Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost*." This guidance requires entities to present the newly defined service costs within income from operations, and all other net periodic benefit costs as a change in unrestricted net assets. The adoption of this guidance requires retrospective presentation, which resulted in a decrease in employee compensation and benefits and a corresponding increase in other components of net periodic pension cost on the Consolidated Statements of Operations and Changes in Net Assets for the years ended September 30, 2018 and 2017 in the amounts of $4,014 and $7,226, respectively. For comparability, the changes for both years were also reflected in the Consolidated Statement of Cash Flows.

On October 1, 2017, the Health System adopted ASU No. 2017-02, "*Not-for-profit Entities-Consolidations."* This guidance clarifies when a not-for-profit entity that is a general partner or a limited partner should consolidate a for-profit limited partnership or similar entity. This guidance amends ASU No. 2015-02, *"Consolidation* (*Topic 810*)." Adoption of this amended guidance did not impact the consolidated financial statements.

Forthcoming Accounting Pronouncements—In January 2016, Financial Accounting Standards Board ("FASB") issued ASU No. 2016-01, "*Recognition and Measurement of Financial Assets and Financial Liabilities,*" as well as amended technical guidance through ASU No. 2018-03, "*Technical Corrections and improvements of financial Instruments-Overall (Subtopic 825-10)."* These updates revise accounting related to (1) the classification and measurement of investments in equity securities and (2) the presentation and certain fair value changes for financial liabilities measured at fair value. They also amend certain disclosure requirements associated with the fair value of financial instruments. This guidance is effective for the Health System beginning October 1, 2019. The Health System is still evaluating the impact this guidance may have on its consolidated financial statements.

In February 2016, the FASB issued ASU No. 2016-02, "*Leases*." This guidance introduces a lessee model that brings substantially all leases onto the consolidated balance sheet. In July 2018, FASB issued ASU No. 2018-10 "*Codification Improvements to Topic 842, "Leases*". This guidance effects narrow aspects of the guidance issued in ASU No. 2016-02. In July 2018, FASB issued ASU No. 2018-11 "*Leases (Topic 842)."* This guidance provides targeted improvements to the guidance issued in ASU No. 2016-02. This guidance provides entities with an additional (and optional) transition method to adopt the new lease standard. The guidance will be effective for the Health System beginning October 1, 2019. The Health System is still evaluating the impact this guidance may have on its consolidated financial statements.

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

In May 2016, FASB issued ASU No. 2016-12, *"Revenue From Contracts with Customers: Narrow-Scope Improvements and Practical Expedients,"* which amends certain aspects of the FASB's revenue standard ASU 2014-09, "*Revenue From Contracts with Customers."* In March 2016, the FASB issued ASU No. 2016-08, *"Revenue From Contracts with Customers: Principal Versus Agent Considerations (Reporting Revenue Gross Versus Net)."* This guidance amends the principal versus agent implementation guidance and illustrations in the FASB's revenue standard, ASU No. 2014-09. In July 2015, the FASB issued ASU No. 2015-14, *"Revenue From Contracts with Customers (Topic 606): Deferral of the Effective Date,"* which defers the effective date of the FASB's revenue standard, ASU 2014-09, by one year for all entities and permits early adoption on a limited basis. In May 2014, the FASB issued ASU No. 2014-09. This guidance outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. After the deferral of the effective date, this guidance is effective for the Health System for fiscal year 2019. The Health System established a cross-functional implementation team consisting of representatives from various departments. Extensive analysis has been completed as to the impact of the standard on our various revenue streams, including the review of current contracts, accounting policies, and business practices to identify potential differences that would result from applying the requirements of the new standard. The Health System is in the process of making appropriate changes to business processes and controls to support recognition and disclosure under the new standard. The Health System is substantially complete with the analysis, but is still evaluating the impact this guidance will have on the consolidated financial statements.

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

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

In November 2016, the FASB issued ASU No. 2016-18 "*Restricted Cash*" which adds and clarifies guidance in the presentation of changes in restricted cash on the statement of cash flows requiring restricted cash to be included with cash and cash equivalents in the statement of cash flows. This guidance does not provide a definition of restricted cash. This guidance is effective for the Heath System beginning October 1, 2019. The Health System is still evaluating the impact this guidance may have on the consolidated statements of cash flows.

In June 2018, the FASB issued ASU No. 2018-08 "*Not-for-Profit Entities (Topic 958)."* This guidance provides clarification for not-for-profit entities on the accounting for contributions received and contributions made. Specifically, providing guidance on evaluating contributions versus exchange transactions and determining whether a contribution is conditional. This guidance is effective for the Health System beginning October 1, 2018. The Health System is still evaluating the impact this guidance may have on its consolidated financial statements.

In August 2018, FASB issued No. 2018-13 "*Fair Value Measurement (Topic 820).*" This guidance provides changes to the disclosure requirements for fair value measurements in "*Topic 820, Fair Value Measurement*" to improve the effectiveness of the disclosures. This guidance will be effective for the Health System beginning October 1, 2020. The Health System is still evaluating the impact this guidance may have on its consolidated financial statements.

In August 2018, FASB issued No. 2018-14 "*Compensation—Retirement Benefits—Defined Benefit Plans—General (Subtopic 715-20).*" This guidance modifies the disclosure requirements for employers that sponsor defined benefit pension or other postretirement plans. This guidance will be effective for the Health System beginning October 1, 2021, and allows for early adoption. The Health System is still evaluating the impact this guidance may have on its consolidated financial statements.

In August 2018, FASB issued No. 2018-15 "*Intangibles-Goodwill and Other-Internal-Use Software (Subtopic 350-40).*" The amendments in this update provide guidance to help evaluate the accounting for fees paid in a cloud computing arrangement. This guidance will be effective for the Health System beginning October 1, 2020, and allows for early adoption. The Health System is still evaluating the impact this guidance may have on its consolidated financial statements.

2. Discontinued Operations

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

On February 28, 2014, the Court entered a judgment permanently enjoining the transaction and ordering the Health System to unwind the transaction.

On December 10, 2015, the Court entered an order setting out the process to divest the medical practice from the Health System and appointing a Monitor and a Trustee to oversee the process. Based on the nature of the ruling associated with this medical practice, and due to the fact that the divestiture was completed in 2017, the Health System has determined to treat the operations related to the medical practice as discontinued operations in the financial statements.

On May 1, 2017, in accordance with the Court order the Health System completed the sales transaction to divest of the named medical practice. Operations and assets of the medical practice were transferred to the new ownership and all contingencies directly related to the sale were settled as of September 30, 2017. As of September 30, 2018, all judgements, fees and insurance settlements relating to this matter have been monetarily resolved.

The major components of discontinued operations presented in the Consolidated Statement of Operations and Changes in Net Assets include the following:

	2017
Net patient service revenue (net of contractual allowances and discounts)	$ 13,336
Less provision for bad debts	(23)
Net patient service revenue	13,359
Other revenue	49
Total unrestricted revenues, gains, and other support	13,408
Operating expenses	15,904
Net loss from discontinued operations	(2,496)
Net loss from divestiture	(11,438)
Total net loss	$ (13,934)

There were no assets and liabilities held for sale presented in the Consolidated Balance Sheets as of September 30, 2018 and 2017.

3. Net Patient Service Revenue

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

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

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

Centers for Medicare and Medicaid Services (CMS) has implemented a number of programs and requirements intended to transform Medicare from a passive payor to an active purchaser of quality goods and services. Hospitals that do not successfully participate in the Hospital Inpatient Quality Reporting Program are subject to an additional .25% reduction in fees. In addition, hospitals that do not demonstrate meaningful use of electronic health records (EHRs) are subject to an additional .75% reduction in fees.

Medicare Access and CHIP Reauthorization Act of 2015 (MACRA), requires the establishment of the Quality Payment Program (QPP), a payment methodology intended to reward high quality patient care. Beginning in 2017, physicians and certain other health care clinicians are required to participate in one of two QPP tracks. Under both tracks performance data in 2017 and 2018 will affect Medicare payments in 2019 and 2020, respectively.

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

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

Changes in prior year estimates for Medicare and Medicaid increased net patient service revenue by $38,292 and $10,708 for the years ended September 30, 2018 and 2017.

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

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

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

	2018	2017
Commercial payors, patients, and other	$ 1,151,062	$ 1,143,508
Medicare program	402,822	406,258
Medicaid program	267,728	206,510
	1,821,612	1,756,276
Less total provision for uncollectible accounts	87,597	89,633
	$ 1,734,015	$ 1,666,643

4. Accounts Receivable and Concentration of Credit Risk

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

	2018	2017
Commercial payors, patients, and other	$ 298,452	$ 279,333
Medicare program	79,729	77,599
Medicaid program	23,178	25,500
Non-patient	35,613	29,165
	436,972	411,597
Less total allowance	117,380	96,262
	$ 319,592	$ 315,335

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

5. Property, Plant, and Equipment

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

	2018	2017
Land	$ 56,210	$ 53,582
Buildings, land improvements, and fixed equipment	1,142,979	1,066,610
Major movable equipment and information technology	817,047	777,118
	2,016,236	1,897,310
Less accumulated depreciation:		
Buildings, land improvements, and fixed equipment	437,551	401,194
Major movable equipment and information technology	584,908	499,951
	1,022,459	901,145
	993,777	996,165
Construction in process	178,694	181,759
	$ 1,172,471	$ 1,177,924

Depreciation expense was $146,218 and $138,637 for the years ended September 30, 2018 and 2017, respectively.

6. Assets Whose Use is Limited

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

	2018	2017
Board designated funds:		
Cash and cash equivalents	$ 2,996	$ 15,368
Mutual funds	191,470	168,354
Corporate bonds, notes, mortgages and asset-backed securities	323,690	273,050
Government and agency securities	123,280	121,204
Interest receivable	1,972	1,783
Due to donor restricted and permanent endowment funds	(48,268)	(44,201)
	595,140	535,558
Less amounts classified as current assets	(45,103)	(68,368)
	$ 550,037	$ 467,190
Restricted funds:		
Cash and cash equivalents	$ 67,631	$ 13,231
Corporate bonds, notes, mortgages and asset-backed securities	-	3,550
Government and agency securities	-	13,440
	$ 67,631	$ 30,221
Permanent endowment funds—due from board designated funds	$ 15,199	$ 13,933
Donor restricted plant replacement and expansion funds and other specific purpose funds:		
Due from board designated funds	$ 33,069	$ 30,269
Pledges receivable	3,753	3,397
	$ 36,822	$ 33,666

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

	2018	2017
Investment income:		
Interest income	$ 12,809	$ 10,647
Realized gain (loss) on sales of securities	962	(1,673)
	$ 13,771	$ 8,974
Change in net unrealized gain on investments	$ 439	$ 15,553

Prior to August 9, 2018, the 2008A bond obligation required the Health System to maintain a debt reserve fund to be used for the payment of principal and interest at maturity. As part of the debt issuance on August 9, 2018 the debt service fund in the amount of $13,759 was released and applied towards the Series 2008A redemption on November 1, 2018.

Proceeds received from the Series 2014A Bonds are restricted to qualified expenditures related to projects of the Health System and are held by the Series 2014A Bond Trustee in a Construction Fund. Initial deposits into the Construction Fund were $174,947 and the remaining balance as of September 30, 2018 and 2017 was $0 and $3,570, respectively.

Proceeds from the Series 2018A and 2018B Bonds are restricted to qualified expenditures related to projects of the Health System. Funds are held by the Series 2018A Trustee in a Construction Fund with initial deposits of $82,844 and the remaining balance as of September 30, 2018 was $64,358.

7. Temporarily and Permanently Restricted Net Assets

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

	2018	2017
Equipment and expansion	$ 22,938	$ 21,536
Research and education	4,949	4,452
Charity and other	11,088	9,276
Total temporarily restricted net assets	38,975	35,264
Permanently restricted net assets	15,199	13,933
Total restricted net assets	$ 54,174	$ 49,197

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

	September 30, 2018		
	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment net assets	$ -	$ 15,199	$ 15,199
Board-designated endowment net assets	1,681	-	1,681
Total endowment net assets	$ 1,681	$ 15,199	$ 16,880

	September 30, 2017		
	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment net assets	$ -	$ 13,933	$ 13,933
Board-designated endowment net assets	2,326	-	2,326
Total endowment net assets	$ 2,326	$ 13,933	$ 16,259

Changes in endowment net assets during 2018 and 2017 are as follows:

	September 30, 2018		
	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets—beginning of period	$ 2,326	$ 13,933	$ 16,259
Investment returns	490	-	490
Unrealized losses	487	-	487
Contributions	5	219	224
Appropriation of endowment net assets for expenditure	-	(10)	(10)
Transfers to remove or add to board-designated endowment funds	(1,627)	1,057	(570)
Endowment net asset—end of period	$ 1,681	$ 15,199	$ 16,880

	September 30, 2017		
	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets—beginning of period	$ 2,538	$ 12,220	$ 14,758
Investment returns	2,208	-	2,208
Unrealized gains	(505)	-	(505)
Contributions	5	271	276
Appropriation of endowment net assets for expenditure	-	(18)	(18)
Transfers to remove or add to board-designated endowment funds	(1,920)	1,460	(460)
Endowment net asset—end of period	$ 2,326	$ 13,933	$ 16,259

8. Debt

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

	2018	2017
Obligations to Idaho Health Facilities Authority:		
Series 2018A Fixed Rate Bonds	$ 165,505	$ -
Series 2018A Fixed Rate Bond Premium	17,527	-
Series 2018B Taxable Fixed Rate Bonds	149,910	-
Series 2018C Variable Rate Revenue Bonds	73,760	-
Series 2018D Variable Rate Direct Purchase	70,000	-
Series 2018E Variable Rate Direct Purchase	63,090	-
Series 2014A Fixed Rate Bonds	165,395	165,705
Series 2014A Fixed Rate Bond Premium	9,146	9,505
Series 2012A Fixed Rate Bonds	75,000	75,000
Series 2012A Fixed Rate Bond Premium	613	658
Series 2012B Variable Rate Direct Purchase	-	61,365
Series 2012CD Variable Rate Direct Purchase	-	150,000
Series 2008A Fixed Rate Bonds	-	119,240
Series 2008A Fixed Rate Bond Discount	-	(2,803)
Series 2005 Fixed Rate Bonds	-	96,940
Series 2000 Fixed Rate Bonds	-	65,400
Series 2000 and Series 2005 Fixed Rate Bond Premium	-	3,851
Banc of America Public Capital Corp Equipment Financing	39,502	44,219
Capital lease obligations	51,210	72,309
Notes payable	26,017	34,791
Lines of credit and other short term borrowings	1,497	11,006
Total debt and capital leases	908,172	907,186
Less current portion	10,001	32,754
Total long term debt, excluding deferred financing costs	898,171	874,432
Deferred financing costs	(5,790)	(7,413)
Total long term debt and capital leases	$ 892,381	$ 867,019

As of September 30, 2018, the maturity schedule of long-term debt, excluding deferred financing costs, is as follows:

Years Ending September 30	Long-Term Debt	Capital Lease	Total
2019	$ 8,410	$ 3,608	$ 12,018
2020	8,878	3,327	12,205
2021	12,270	3,394	15,664
2022	12,687	3,462	16,149
2023	35,755	3,531	39,286
Thereafter	778,962	59,615	838,577
	$ 856,962	76,937	933,899
Less amount representing interest		(25,727)	(25,727)
		$ 51,210	$ 908,172

Obligations to Idaho Health Facility Authority

***Series 2000*—**Represents Fixed Rate Revenue Bonds, payable in annual payments ranging from $2,800 to $29,700, beginning July 2011 through July 2030. The Series 2000 Bonds bear interest at a fixed rate ranging from 2.00% to 5.00% per annum calculated on the basis of a 360 day year comprised on 12 30-day months and are payable on July 1 and January 1 of each year. The average interest rate (which includes amortization of costs of issuance) during 2018 was 4.68%.

The Series 2000 Bonds outstanding balance of $61,600 as of August 9, 2018, was refunded as part of the Series 2018A/B issuance with proceeds being deposited with the bond trustee to be used to defease bonds maturing on or prior to July 1, 2020; and to redeem, on July 1, 2020, all of the bonds maturing after July 1, 2020.

***Series 2005*—**Represents Fixed Rate Revenue Bonds, payable in annual payments ranging from $2,690 to $51,710, beginning July 2011 through July 2035. The Series 2005 Bonds bear interest at a fixed rate ranging from 2.00% to 5.00% per annum calculated on the basis of a 360 day year comprised on 12 30-day months and are payable on July 1 and January 1 of each year. The average interest rate (which includes amortization of costs of issuance) during 2018 was 4.68%.

The Series 2005 Bonds outstanding balance of $76,595 as of August 9, 2018, was refunded as part of the Series 2018A/B issuance with proceeds being deposited with the bond trustee to be used to defease bonds maturing on or prior to July 1, 2020; and to redeem, on July 1, 2020, all of the bonds maturing after July 1, 2020.

***Series 2008A*—**Represents Fixed Rate Revenue Bonds, payable in annual payments ranging from $1,130 to $21,655 beginning November 2009 through 2037. The Series 2008A Bonds bear interest at a fixed rate ranging from 4.00% to 6.75% per annum calculated on the basis of a 360 day year comprised of 12 30-day months and are payable on May 1 and November 1 of each year. The average interest rate (which includes amortization of costs of issuance) during 2018 was 6.67%.

The Series 2008A Bonds outstanding balance of $117,540 as of August 9, 2018, was refunded as part of the Series 2018A/B issuance with proceeds being deposited with the bond trustee to be used to defease the Series 2008A Bonds maturing on November 1, 2018; and to redeem, on November 1, 2018, all of the bonds maturing on and after November 1, 2019.

***Series 2012A*—**Represents Fixed Rate Revenue Bonds payable in annual payments ranging from $23,780 to $26,220, beginning March 2045 through March 2047. The Series 2012A Bonds bear interest at a fixed rate ranging from 4.50% to 5.00% per annum calculated based on a 360 day calendar year comprised of 12 30-day months and are payable on March 1 and September 1 of each year. The average interest rate (which includes amortization of costs of issuance) during 2018 was 4.83%.

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

***Series 2012B*—**Represents Variable Rate Direct Purchases with Union Bank, N.A. in a privately placed transaction. The principal of the Series 2012B Bonds is payable in annual installments ranging from $1,700 to $5,160 between March 2013 and March 2032. The interest on the Series 2012B Bonds is currently payable monthly, as the Series 2012B Bonds are currently held in the Index Rate Mode (and the Health System has currently elected to use the one-month LIBOR Index Interest Period in connection with such Index Rate Mode). The interest payment dates, interest calculation methods, and terms, if any, upon which the Series 2012B Bonds may or must be tendered for purchase in each Mode, are more fully set forth in the bond documents. The average interest rate (which includes amortization of costs of issuance) during 2018 was 2.39%.

The Series 2012B Bonds outstanding balance of $57,145 as of August 9, 2018 was fully refunded as part of the Series 2018C/D/E issuance on August 9, 2018.

***Series 2012C*—**Represents Variable Rate Direct Purchases with Wells Fargo Bank, N.A. in a privately placed transaction. The Series 2012C Bonds principal is payable in annual payments ranging from $11,820 to $13,195, beginning November 2038 through November 2043. The Series 2012C Bonds interest is payable monthly, as the Series 2012C Bonds are currently held in the Index Rate Mode (with interest being calculated using the SIFMA Index Rate). The interest payments, interest calculations methods, and terms, if any, upon which the Series 2012C Bonds may or must be tendered for purchase in each Mode are more fully set forth in the bond documents. The average interest rate (which includes amortization of costs of issuance) during 2018 was 2.21%.

The Series 2012C Bonds outstanding balance of $75,000 as of August 9, 2018 was fully refunded as part of the Series 2018C/D/E issuance on August 9, 2018.

***Series 2012D*—**Represents Variable Rate Direct Purchases with Wells Fargo Municipal Capital Strategies, LLC in a privately placed transaction. The Series 2012D Bonds principal is payable in annual payments ranging from $11,810 to $13,220, beginning November 2038 through November 2043. The Series 2012D Bonds interest is payable monthly, as the Series 2012D Bonds are currently held in the Index Rate Mode (with interest being calculated using the LIBOR Index Rate). The interest payments, interest calculations methods, and terms, if any, upon which the Series 2012D Bonds may or must be tendered for purchase in each Mode are more fully set forth in the bond documents. The average interest rate (which includes amortization of costs of issuance) during 2018 was 2.07%.

The Series 2012D Bonds outstanding balance of $75,000 as of August 9, 2018 was fully refunded as part of the Series 2018C/D/E issuance on August 9, 2018.

Series 2014A—Represents Fixed Rate Revenue Bonds, payable in annual installments ranging from $170 to $16,080 beginning March 2016 through March 2044. The Series 2014A Bonds bear interest at a fixed rate ranging from 2.00% to 5.00% per annum calculated on the basis of a 360 day year comprised of 12 30-day months and are payable on March 1 and September 1 of each year. The average interest rate (which includes amortization of costs of issuance) during 2018 was 4.81%.

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

Series 2018A—Represents Fixed Rate Revenue Bonds, payable in annual installments ranging from $995 to $18,285 beginning March 2020 through March 2048. The Series 2018A Bonds bear interest at a fixed rate ranging from 4.00% to 5.00% per annum calculated on the basis of a 360 day year comprised of 12 30-day months and are payable on March 1 and September 1 of each year. The average interest rate during 2018 was 4.82%.

The Series 2018A Bonds maturing on or after March 1, 2029 are subject to redemption prior to maturity at the option of the Health System. On any date the Series 2018A Bonds are subject to optional redemption at par, they may be converted to another interest rate mode at the option of the Health System upon compliance with certain conditions set forth in the bond documents.

Series 2018B—Represents taxable Fixed Rate Revenue Bonds, payable in annual installments ranging from $7,705 to $49,160 beginning March 2039 through March 2048. The Series 2018B Bonds bear interest at a fixed rate of 5.02% per annum calculated on the basis of a 360 day year comprised of 12 30-day months and are payable on March 1 and September 1 of each year. The average interest rate during 2018 was 5.02%.

The Series 2018B Bonds are subject to redemption prior to maturity at the option of the Health System. The Series 2018B Bonds may be converted to another interest rate mode at the option of the Health System upon compliance with certain conditions set forth in the bond documents.

Series 2018C—Represents Variable Rate Revenue Bonds, payable in annual installments ranging from $600 to $6,000 beginning March 2026 through March 2048. The interest on the Series 2018C Bonds is payable monthly, as the Series 2018C Bonds are currently held in the Daily Mode and supported by an irrevocable direct pay letter of credit. At the option of the Health System, the Series 2018C Bonds may be converted to the Weekly Mode, Commercial Paper Mode, Adjustable Long Mode, Bank Loan Mode, Index Mode, FRN Rate Mode, Fixed Mode or another Daily Mode upon compliance with certain conditions set forth in the bond documents. The average interest rate during 2018 was 2.35%.

The Series 2018C Bonds are subject to redemption prior to maturity at the option of the Health System and, while in a Daily Mode or Weekly Mode, to optional tender by the bondholder. In the event of optional tender of the bonds, funds for repayment of the purchase price of the bonds are available from a letter of credit facility, which is scheduled to expire on August 8, 2023. As of September 30, 2018, the bonds were in the Daily Mode.

Series 2018D—Represents Variable Rate Direct Purchases, payable in annual installments ranging from $555 to $5,660 beginning March 2026 through March 2048. The interest on the Series 2018D Bonds is payable monthly, as the Series 2018D Bonds are currently held in the LIBOR Index Mode. At the conclusion of the initial LIBOR Index Mode (August 1, 2021) and at the

option of the Health System, the Series 2018D Bonds may be converted to the Daily Mode, Weekly Mode, Commercial Paper Mode, Adjustable Long Mode, Bank Loan Mode, another Index Mode, FRN Rate Mode, or the Fixed Mode upon compliance with certain conditions set forth in the bond documents. The average interest rate during 2018 was 2.58%.

***Series 2018E*—**Represents Variable Direct Purchases, payable in annual installments ranging from $500 to $5,110 beginning March 2026 through March 2048. The interest on the Series 2018E Bonds is payable monthly, as the Series 2018E Bonds are currently held in the LIBOR Index Mode. At the conclusion of the initial LIBOR Index Mode (August 1, 2025) and at the option of the Health System, the Series 2018E Bonds may be converted to the Daily Mode, Weekly Mode, Commercial Paper Mode, Adjustable Long Mode, Bank Loan Mode, another Index Mode, FRN Rate Mode, or the Fixed Mode upon compliance with certain conditions set forth in the bond documents. The average interest rate during 2018 was 2.84%.

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

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

Lines of Credit—In March 2017, the Health System entered into an unsecured credit agreement with Key Bank, N.A. The agreement allows for borrowings up to $60,000 and has a maturity date of March 1, 2021. In the event that principal amounts are outstanding, interest is incurred at a rate that is variable at the Prime Rate. The line of credit, among other things, contains a non-usage fee on the actual daily unborrowed portion of the principal amount available at the rate of one-fifth of 1% per annum. The outstanding balance as of September 30, 2018 and 2017 was $0 and $5,000, respectively.

The Health System carries insignificant unsecured credit balances with Wells Fargo Bank, N.A. for working capital strategy needs such as vendor payments and employee reimbursements. Principal amounts are paid in full on a monthly basis and no interest was incurred related to these balances for the years ended September 30, 2018 and 2017.

Interest Costs—During the years ended September 30, 2018 and 2017 the Health System incurred total interest costs of $37,330 and $36,445, respectively. During 2018 and 2017, $2,414 and $4,621, respectively, has been capitalized and is reflected as a component of property, plant, and equipment. During the years ended September 30, 2018 and 2017, the Health System made cash payments for interest of $39,125 and $36,380, respectively, and cash payments for bond fees of $279 and $408, respectively.

Covenants—Debt agreements held by the Health System include a range of required covenants, provisions and conditions. The primary convenants are related to minimum debt service coverage, unrestricted cash positions, minimum credit ratings, and maximum indebtedness to capitalization. At September 30, 2018, the Health System was in compliance with all covenants, provisions and conditions required by outstanding agreements.

9. Noncontrolling Interest

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

	Total Net Assets	Controlling Interest	Noncontrolling Interest
Net assets—October 1, 2016	$ 1,011,221	$ 1,011,426	$ (205)
Unrestricted net assets:			
Revenue in excess of expenses	(12,276)	(12,809)	533
Change in noncontrolling interests	(843)	-	(843)
Change in net unrealized gain on investments	15,553	15,553	-
Net assets released from restrictions—capital	782	782	-
Other components of net periodic pension costs	(7,226)	(7,226)	-
Change in funded status of pension plan	22,351	22,351	-
Increase in unrestricted net assets before discontinued operations	18,341	18,651	(310)
Loss from discontinued operations	(13,934)	(13,934)	-
Increase in unrestricted net assets	4,407	4,717	(310)
Increase in temporarily restricted net assets	3,990	3,990	-
Increase in permanently restricted net assets	1,713	1,713	-
Increase in net assets	10,110	10,420	(310)
Net assets—September 30, 2017	1,021,331	1,021,846	(515)
Unrestricted net assets:			
Revenue in excess of expenses	24,909	24,496	413
Change in noncontrolling interests	(1,699)	-	(1,699)
Change in net unrealized gain on investments	439	439	-
Net assets released from restrictions—capital	976	976	-
Other components of net periodic pension cost	(4,014)	(4,014)	-
Change in funded status of pension plans	8,482	8,482	-
Increase in unrestricted net assets before discontinued operations	29,093	30,379	(1,286)
Loss from discontinued operations	-	-	-
Increase in unrestricted net assets	29,093	30,379	(1,286)
Increase in temporarily restricted net assets	3,711	3,711	-
Increase in permanently restricted net assets	1,266	1,266	-
Increase in net assets	34,070	35,356	(1,286)
Net assets—September 30, 2018	$ 1,055,401	$ 1,057,202	$ (1,801)

10. Employee Retirement Plans

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

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

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

	SLRMC	SLMVRMC	Total 2018	Total 2017
Projected benefit obligation for service rendered to date	$ 174,501	$ 48,699	$ 223,200	$ 231,672
Plan assets—at fair value	139,345	46,349	185,694	181,195
Funded status	$ (35,156)	$ (2,350)	$ (37,506)	$ (50,477)
Employer contributions	$ 6,120	$ 4,000	$ 10,120	$ 10,000
Accrued pension liability (all noncurrent)	35,156	2,350	37,506	50,477
Change in funded status	7,529	5,469	12,998	19,586
Benefits paid	12,349	2,831	15,180	12,574
Accumulated benefit obligation	162,417	48,699	211,116	217,151

The following table presents the pension benefit costs:

	SLRMC	SLMVRMC	Total 2018	Total 2017
Service cost	$ 2,957	$ -	$ 2,957	$ 3,391
Interest cost	6,080	1,629	7,709	7,086
Expected return on plan assets	(7,683)	(2,404)	(10,087)	(8,896)
Amortization of prior service cost	80	-	80	80
Amortization of net loss	4,593	560	5,153	7,219
Net periodic pension cost	$ 6,027	$ (215)	$ 5,812	$ 8,880

Service cost is recorded on the Consolidated Statement of Operations, within the line item employee compensation and benefits. The other components of net periodic benefit cost are recorded in the Statement of Changes in Net Assets, as other components of net periodic pension cost.

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

	SLRMC	SLMVRMC	Total 2018	Total 2017
Prior service cost	$ 351	$ -	$ 351	$ 431
Net actuarial loss	(40,258)	(17,988)	(58,246)	(66,855)

The measurement date used to determine pension benefits is September 30. Contributions to the Plans for the year ending September 30, 2019, are expected to be approximately $9,880.

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

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

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

Expected long-term returns on the Plans' assets are estimated by asset classes, and are generally based on historical returns, volatilities and risk premiums. Based upon the Plans' asset allocation, composite return percentiles are developed upon which the Plans' expected long-term return is determined. As of September 30, 2018, the amounts and percentages of the fair value of Plans' assets are as follows:

	SLRMC		SLMVRMC	
Domestic equity	$ 52,742	38 %	$ 20,062	43 %
International equity	33,217	24	8,885	19
Fixed income	39,767	28	15,921	35
Other	13,619	10	1,481	3
Total	$ 139,345	100 %	$ 46,349	100 %

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

	SLRMC	SLMVRMC	Total
2019	$ 13,030	$ 2,867	$ 15,897
2020	13,366	3,052	16,418
2021	13,102	3,161	16,263
2022	13,260	3,227	16,487
2023	12,853	3,265	16,118
2024–2028	61,290	16,103	77,393
	$ 126,901	$ 31,675	$ 158,576

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

SLRMC	**2018**	**2017**
Spot discount rates	3.43–3.99 %	3.15–3.88 %
Rate of increase in future compensation levels	2.50–4.00	2.50–4.00
Expected long-term rate of return on assets	7.00	7.00
SLMVRMC		
Spot discount rates	3.26-3.78 %	2.94–3.63 %
Expected long-term rate of return on assets	6.75	7.00

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

SLRMC	**2018**	**2017**
Weighted average discount rate	4.34 %	3.86 %
Rate of increase in future compensation levels	2.50–4.00	2.50–4.00
SLMVRMC		
Weighted average discount rate	4.30 %	3.78 %

The principal cause of the change in the unfunded pension liability is an increase in the fair value of pension assets, employer contributions and overall market performance.

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

	2018	**2017**
Projected benefit obligation for service rendered to date	$ 21,421	$ 20,083
Plan assets—at fair value	-	-
Funded status	$ (21,421)	$ (20,083)
Employer paid benefits	$ 891	$ 891
Accrued pension liability (noncurrent)	20,193	19,237
Accrued pension liability (current)	1,228	846
Change in funded status	1,338	(2,227)
Accumulated benefit obligation	21,016	19,441

The following table presents the pension benefit costs:

	2018	**2017**
Service cost	$ 809	$ 846
Interest cost	648	648
Amortization of net loss	431	1,089
Net periodic pension cost	$ 1,888	$ 2,583

Service cost is recorded on the Consolidated Statement of Operations, within the line item employee compensation and benefits. The other components of net periodic benefit cost are recorded in the Statement of Changes in Net Assets, as other components of net periodic pension cost.

Due to its non-qualified status, the SERP is considered unfunded under the Employee Retirement Income Security Act, as disclosed above. The System has set aside funds in a Rabbi Trust for the purpose of funding the SERP. The Rabbi Trust plan asset balance at September 30, 2018 and 2017 was $4,485 and $4,177, respectively.

The measurement dates used to determine pension benefits is September 30. Expected contributions to the Plan for the year ending September 30, 2019, are expected to be approximately $1,228. The projected benefit obligation increase was primarily driven by participant movement, plan experience and the passage of time, off-set slightly by an increase in the discount rate.

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

	2018	2017
Prior service cost	$ (148)	$ -
Net actuarial loss	(3,916)	(3,723)

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

	Benefit Payments
2019	$ 1,228
2020	1,335
2021	1,327
2022	1,430
2023	1,458
2024–2028	7,090
	$ 13,868

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

	2018	2017
Spot discount rates	3.29–3.87 %	2.97–3.76 %
Rate of increase in future compensation levels	4.00	4.00

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

	2018	2017
Weighted average discount rate	4.31 %	3.78 %
Rate of increase in future compensation levels	4.00	4.00

Defined Contribution Plan—The Health System sponsors two defined contribution plans (the "contribution plans") that cover substantially all of its employees. The Health System's contributions to these contribution plans are at the discretion of the Health System's Board of Directors. Amounts contributed are allocated to participants based on individual compensation amounts, years of service, and the participant's level of participation in tax deferred annuity programs. During 2018 and 2017, contributions to these plans were $36,542 and $27,286, respectively.

11. Fair Value of Financial Instruments

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

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

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

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

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

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

The asset or liabilities fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. In instances where the inputs used to measure fair value fall into different levels of the hierarchy, the fair value measurement has been determined based on the lowest-level input that is significant to the fair value measurement in its entirety. The Health System's assessment of the significance of a particular item to the fair value measurement in its entirety requires judgment, including the consideration of inputs specific to the asset. Valuation techniques used maximize the use of observable inputs and minimize the use of unobservable inputs. The Health System's policy is to recognize transfers between all levels as of the beginning of the reporting period. There were no significant transfers to or from Level 1 or Level 2 during the years ended September 30, 2018 and 2017.

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

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

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

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

For mutual funds the fair value is based on the value of the daily closing price as reported by the fund. Mutual funds held by the System are open-end mutual funds that are registered with the Securities and Exchange Commission. The mutual funds held by the System include funds that are traded on both active and inactive markets.

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

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

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

For debt securities, the fair value is measured using quoted market prices and/or other market data for the same or comparable instruments and transactions in establishing the prices, discounted cash flows, and other pricing models. These models are primarily industry standard models that consider various assumptions, including time value and yield curve as well as other relevant economic measures.

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

	Fair Value Measurements as of September 30, 2018, Using			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Investments:				
Cash and cash equivalents	$ 70,627	$ -	$ -	$ 70,627
Mutual funds	59,028	132,442	-	191,470
Government and agency securities	-	123,280	-	123,280
Corporate bonds, notes, mortgages and asset-backed securities	-	241,612	-	241,612
Subtotal	$ 129,655	$ 497,334	$ -	626,989
Investments measured at net asset value:				
Mortgages and asset-backed securities				82,078
Total assets				$ 709,067

	Fair Value Measurements as of September 30, 2017, Using			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Investments:				
Cash and cash equivalents	$ 28,599	$ -	$ -	$ 28,599
Mutual funds	44,534	123,820	-	168,354
Government and agency securities	-	134,644	-	134,644
Corporate bonds, notes, mortgages and asset-backed securities	-	201,512	-	201,512
Subtotal	$ 73,133	$ 459,976	$ -	533,109
Investments measured at net asset value:				
Mortgages and asset-backed securities				75,088
Total assets				$ 608,197

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

Mutual funds are valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-ended mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price.

Government obligations are valued at pricing models maximizing the use of observable inputs for similar securities.

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

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

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

	Fair Value Measurements as of September 30, 2018, Using			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**	**Total**
Pension assets:				
Cash and cash equivalents	$ 1,890	$ -	$ -	$ 1,890
Domestic mutual funds	43,051	-	-	43,051
International mutual funds	89,056	-	-	89,056
Government and agency securities	-	13,155	-	13,155
Limited partnerships and liability companies	-	-	7,367	7,367
Subtotal	$ 133,997	$ 13,155	$ 7,367	154,519
Investments measured at net asset value:				
Common collective trusts				25,331
Limited partnerships and liability companies				5,844
Total assets				$ 185,694

	Fair Value Measurements as of September 30, 2017, Using			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Pension assets:				
Cash and cash equivalents	$ 2,267	$ -	$ -	$ 2,267
Domestic mutual funds	83,796	-	-	83,796
International mutual funds	43,721	-	-	43,721
Government and agency securities	-	11,757	-	11,757
Limited partnerships and liability companies	-	-	8,015	8,015
Subtotal	$ 129,784	$ 11,757	$ 8,015	149,556
Investments measured at net asset value:				
Common collective trusts				26,490
Limited partnerships and liability companies				5,149
Total assets				$ 181,195

The Health System's use of Level 3 unobservable inputs account for 4.04% and 4.42%, respectively, of the total fair value of Pension Assets as of September 30, 2018 and 2017. The following table summarizes the changes in Level 3 assets measured at fair value as of September 30:

Beginning balance—September 30, 2016	$ 7,537
Allocation of net capital gain	43
Miscellaneous fees	(86)
Interest received	292
Change in net unrealized gains	229
Ending balance—September 30, 2017	8,015
Sales	(927)
Allocation of net capital gain	(4)
Miscellaneous fees	(63)
Interest received	220
Change in net unrealized gains	126
Ending balance—September 30, 2018	$ 7,367

The unrealized gains and losses on investment accounts at September 30, 2018 were determined to be temporary in nature as the change in market value for these assets was the result of fluctuating interest rates and market activity rather than the deterioration of the credit worthiness of the issuers. In the event that the Health System disposes of these securities before maturity, it is expected that the realized gains or losses, if any, will be immaterial both quantitatively and qualitatively to the statement of operations and financial position as of the Health System's fiscal year end.

The following tables show the Health System's investments' fair values and gross unrealized losses for individual securities that have been in a continuous loss position for 12 months or less as of September 30, 2018 and those that have been in a loss position for 12 months or more as of September 30, 2018. These investments are interest-yielding debt securities of varying maturities. The Health System has determined that the unrealized loss position for these securities is primarily due to market volatility. Generally, in a rising interest rate environment, the estimated fair value of fixed income securities would be expected to decrease; conversely, in a decreasing interest rate environment, the estimated fair value of fixed income securities would be expected to increase. These securities may also be negatively impacted by illiquidity in the market.

	In a Continuous Loss Position for Less than 12 Months		
	Estimated Fair Value	Unrealized Losses	Total Number of Positions
Corporate bonds, notes, mortgages and asset-backed securities	$ 128,505	$ (1,356)	344
Mutual funds	797	(35)	7
Government & agency securities	82,226	(723)	128
Total	$ 211,528	$ (2,114)	479

	In a Continuous Loss Position for more than 12 Months		
	Estimated Fair Value	Unrealized Losses	Total Number of Positions
Corporate bonds, notes, mortgages and asset-backed securities	$ 66,839	$ (1,143)	171
Mutual funds	8,772	(264)	23
Government & agency securities	36,037	(1,060)	65
Total	$ 111,648	$ (2,467)	259

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

The estimated fair value of the Fixed Rate Bonds as of September 30, 2018 and 2017 was $586,467 and $556,810, respectively, and are based on Level 2 inputs within the fair value hierarchy. The fair value was estimated by discounting the future cash flows using rates currently available for debt of similar terms and maturity.

The estimated fair value of the notes payable as of September 30, 2018 and 2017, was $25,252 and $43,301, respectively. The fair value is based on Level 2 inputs within the fair value hierarchy and was estimated by discounting the future cash flows using rates currently available for debt of similar terms and maturity.

The fair value estimates presented herein are based on pertinent information available to management as of September 30, 2018. Although management is not aware of any factors that would significantly affect the estimated fair value amounts, such amounts have not been comprehensively revalued for purposes of these financial statements since that date, and current estimates of fair value may differ significantly from the amounts presented herein.

12. Commitments and Contingencies

The Health System leases office space under operating leases, some of which contain renewal options. Rental expense on the operating leases during 2018 and 2017 were $20,387 and $16,867, respectively. The Health System also leases out space in medical office buildings under non-cancelable operating leases. Rental income on these leases during 2018 and 2017 were $5,557 and $2,753, respectively.

As of September 30, 2018, future minimum rental income and payments on operating leases are as follows:

Years Ending September 30	Minimum Rental Revenue	Minimum Rental Payments
2019	$ 7,649	$ 19,243
2020	5,117	16,042
2021	4,300	12,957
2022	1,295	11,522
2023	404	10,263
Thereafter	445	61,027
	$ 19,210	$ 131,054

Of the $131,054 total future minimum rental payments, $91,063 represents payments to be made to Broadway Park Holdings, LLC., an entity of which the Health System holds a 49.5% investment interest. As of September 30, 2018 and 2017, the Health System had commitments on construction contracts and equipment purchases totaling $36,621 and $25,775, respectively.

The Health System maintains professional liability coverage through a "claims made" insurance policy. The policy provides coverage for claims filed within the period of the policy term. The current policy period ends September 30, 2018, and includes provisions for purchase of tail coverage in the event a new carrier is selected. The Health System also maintains reserves based on actuarial estimates provided by an independent third party for the portion of its professional liability risks, including incurred but not reported claims, for which it does not have insurance coverage. Reserves for losses and related expenses are estimated using expected loss reporting patterns and are discounted to their present value using a discount rate of 4.0%. There can be no assurance that the ultimate liability will not exceed such estimates. Adjustments to the estimated reserves are included in results of operations in the periods when such amounts are determined. As of September 30, 2018 and 2017, the Health System had professional liability recorded in accounts payable and accrued liabilities in the amounts of $19,360 and $11,541, respectively.

In connection with the divestiture of the medical practice described in Note 2, on December 10, 2015, the Idaho Federal District Court entered an order setting out the process to divest the

practice from the Health System and appointing a Monitor and a Trustee to oversee the process. A transaction divesting the medical practice closed on May 1, 2017. As of September 30, 2018, all judgements, fees and insurance settlements relating to this matter have been monetarily resolved.

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

13. Functional Expenses

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

	2018	2017
Professional, nursing, and other patient care services	$ 2,205,506	$ 2,036,675
Fiscal and administrative support services	377,031	311,652
	$ 2,582,537	$ 2,348,327

14. Goodwill and Other Intangibles

The Health System considered various events and circumstances when it evaluated whether it's reporting unit fair values were less than their carrying value. Based on the Health System's assessment of relevant events and circumstances, the Health System has concluded that there was no impairment of goodwill for the fiscal years ended September 30, 2018 and 2017.

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

Other intangible assets as of September 30 consist of:

	2018	2017
Covenants not to compete	$ 46,849	$ 46,849
Less accumulated amortization	(46,849)	(46,776)
Total other intangible assets	$ -	$ 73

The Health System recorded amortization expense of $73 and $1,931 for the years ending September 30, 2018 and 2017, respectively.

15. Subsequent Events

The Health System has evaluated subsequent events through December 14, 2018. This is the date the financial statements were available to be issued.

* * * * * *

Implementation Plan Overview

St. Luke's will continue to collaborate with the people, leaders, and organizations in our community to carry out an implementation plan designed to address many of the most pressing community health needs identified in this assessment. Utilizing effective, evidence-based programs and policies, we will work together to improve community health outcomes and well-being toward the goal of attaining the healthiest community possible.

Future Community Health Needs Assessments

We intend to reassess the health needs of our community on an ongoing basis and conduct a full community health needs assessment once every three years. St. Luke's next Community Health Needs Assessment is scheduled to be completed in 2019.

History of Community Health Needs Assessments and Impact of Actions Taken

In our 2013 CHNA, St. Luke's Magic Valley identified five groups of significant health needs facing individuals and families in our community. Each of these groups is shown below, along with a description of the impact we have had on addressing these needs over the past three years.

Group 1: Weight Management, Nutrition, and Fitness Programs
One of the highest ranking health needs in our 2013 CHNA was weight management for obese children and adults. Nutrition and fitness programs were also ranked above the median. Because these needs reinforce one another, we grouped them together.

Over the last three years, St. Luke's Magic Valley has engaged hundreds of individuals in weight loss, nutrition, and fitness programs. These programs ranged from free body- mass index screenings for both community members and St. Luke's employees to YEAH!, a wellness program that promotes healthier lifestyles.

YEAH! (Youth Engaged in Activities for Health) is a wellness program that helps participating children and families create a healthier lifestyle. In 2015, 95% of YEAH! children showed improvement in at least one area of weight, waist circumference or BMI.

Also supporting youth weight management is the annual Kids Fest community event. St. Luke's provides information on eating well, moving more and maintaining a healthy weight. 292 children participated in the YEAH! Fun Run.

St. Luke's is a major sponsor of the Magic Valley Health Fair, an annual event that provides health education and screening and promotes healthy living.

As an example, in 2015, 138 skin cancer screenings were done with 32% of participants needing additional follow-up. By the end of our three-year CHNA cycle, we project over 1,500 people will have participated in this annual event.

Also effective in motivating people to lose weight and maintain weight loss are programs targeting employee populations:

- St. Luke's Healthy U, a program provided free of charge to our employees. Engagement in the program is high; in 2015, 96% of benefits-eligible employees (compared to 92% in 2014) and 83% of spouses (compared to 76% in 2014) enrolled in the health plan. In 2015, we saw a statistically significant improvement in BMI and, despite an aging population, St. Luke's is at a zero trend in blood pressure and we have seen a greater than 60% improvement in blood glucose among our employees.
- St. Luke's Wellness Program partners with the College of Southern Idaho to improve the health of their population by identifying those at risk and helping to mitigate that risk. This is done through 1:1 health coaching with a certified nurse health coach or registered dietitian, health-risk-specific webinars, nutrition classes, and continued on-site health coach visits. Data has been collected over the last three years: In 2015, an increase in the healthy weight and overweight populations with a decrease in the obese category was achieved; the healthy waist circumference category increased, and the pre-hypertension and hypertension groups improved.
- A partnership between Clear Springs Foods (CSF) and St. Luke's is providing classes to CSF high-risk populations, including an exercise/nutrition program for truck drivers. A certified diabetes educator provides an onsite class to individuals whose diabetes is not well controlled. An annual wellness walk provides the dual benefit of encouraging employee/spouse activity as well as community health improvement. Data has also been collected for the CSF group over the past three years, and they have seen the largest percent growth in their employee and spouse population, with 98% engagement. CSF has seen a significant reduction in pre-diabetes, from 15% to 6%. They have also seen a slight reduction in pre-hypertension from the previous year, while remaining significantly below the state and national standard. CSF just completed its annual screening; 2016 data is pending with continued improvement anticipated.

Through various programs and tactics tailored to children, adults, and employee populations, we are making a difference for our community when it comes to making lifestyle choices that support good health, and a strong commitment to our CHNA goals is helping us to continue down this important path.

Group 2: Diabetes

Within our CHNA, we have grouped together diabetes wellness and prevention, chronic condition management, and screening because we believe coordination of these programs will produce the best results.

Diabetes continues to be a nationwide health challenge for patients and medical practitioners alike, yet in the rural communities of southcentral Idaho, we are making a positive impact through a number of programs and by recruiting greatly needed physician specialists:

- In the primary care physician clinic setting, St. Luke's Clinics continue efforts to improve CMS MSSP composite scores for patients with diabetes, and have implemented a FY 2016 goal that 15% or fewer of their patients with diabetes will have a hemoglobin A1C >9. Clinics in the Magic Valley are currently at 18%. Further bolstering this effort is the implementation of a Team-Based Model of Care (physicians, nurse practitioners, certified RN diabetes educators, and dietitians) for patients diagnosed with diabetes and of scorecards that enable providers to measure their effectiveness in diabetes management and make improvements where indicated.
- Augmenting the above-mentioned health screenings (including blood glucose and hemoglobin A1c) estimated to be provided to 1,500+ participants over the three years of our CHNA implementation at the annual Magic Valley Health Fair is our partnership with the Magic Valley Diabetes Coalition. Beginning in 2014, this partnership has brought to the community a free, annual clinic called "Head to Toe." The clinic offers eye screenings, foot exams, blood pressure and hemoglobin A1c testing, and nutrition education to people with diabetes who are either newly diagnosed, have no insurance, or have high-deductible insurance.
- In partnership with our primary care clinic providers, our Diabetes Management team (diabetes educators and nurse practitioners) provides free, monthly community classes to individuals at high risk or who have been identified with having pre-diabetes. Through early identification, education, and behavior modification, individuals at risk for developing type II diabetes can be empowered with the tools to avoid the disease.
- Since 2012, the Magic Valley has been without local access to endocrinology services. In 2016, St. Luke's Magic Valley successfully recruited a full-time endocrinologist who began practice in April. Having this service locally will prevent community members from the need to travel outside our community for care.

Group 3: Behavioral Health Programs

Programs to address mental illness and availability of mental health services providers were identified as high-priority community health needs. Suicide prevention and substance abuse were ranked above the median. Programs designed to serve these needs have been grouped together because we believe they reinforce one another.

From depression screening to a new behavioral health clinic, St. Luke's Magic Valley is providing much-needed access to outpatient care for people with mental and behavioral health needs in our community:

- Over the past 18 months, St. Luke's Clinic Physician Center – Addison and St. Luke's Jerome Family Medicine have integrated an LCSW into their clinics, providing mental health therapy services to patients in both locations. This increased access to mental and behavioral health care to more than 400 patients during that timeframe. In 2016, a St. Luke's Clinic Behavioral Health Services psychologist was co-located into the Pain Medicine Clinic, to provide 1) psychological evaluation of patients and 2) individual and group therapy, an evidenced-based treatment for patients suffering from chronic pain.
- In 2015, a Bridge Clinic was established at Canyon View Behavioral Health Services to provide assessment, short-term therapy, and service coordination for patients in acute mental health crisis. This service helps provide the right care to the right patient at the right time, while also decreasing unnecessary and costly admissions and/or readmissions to Canyon View.
- A women's weight management group, overseen by an LCSW, employs group therapy as a powerful treatment strategy with dramatic and lasting results. The group has enabled women to lose weight by making lifelong behavioral changes that enhance their emotional well-being and reduce the effects of medical conditions such as diabetes. In addition, it has significantly increased access to care for patients seeking services.
- REACH (Resources for Advancing Children's Health) has provided mental health education and training to more than 75 primary care providers throughout southern Idaho over the past two years. This training helps providers assess, diagnose, and treat children with mental and behavioral health concerns, with a focus on early intervention.
- St. Luke's Clinic Behavioral Health Services providers developed a suicide education and prevention program and presented these standard protocols to counselors, teachers, and administrators in the Kimberly and Twin Falls school districts.
- LCSWs have participated in the annual St. Luke's Magic Valley and Jerome health fairs, providing attendees with depression and anxiety education.

Access to appropriate and effective inpatient mental and behavioral health care is also vital. St. Luke's Magic Valley Canyon View inpatient strategic goals focus on improved quality outcome measures by implementing the Quality Assurance and Performance Improvement (QAPI) program, a Hospital-Based Inpatient Psychiatric (HBIPS) core measures program, patient transitional coaching, and community outreach.

- QAPI Highlights:
    - Recruited a full-time psychologist for program development, midlevel provider oversight, and ensuring quality of offered therapy services.
    - QAPI implementation has been achieved in nursing, therapy, social services, and psychological services.
    - QAPI program implementation for therapeutic activities is 50% complete and slated to be deployed October 1, 2016.

- Psychiatric Core Measures:
    - Successfully developed and deployed screening instruments for trauma history, risk of violence, patient strengths, tobacco screening, and alcohol misuse screening.
- In 2015, exceeded the national average in Perfect Care for 6 consecutive months.
- Since 2014, readmission screening assessment has evolved and resulted in a decreased readmission rate from 8.8% to 4.5%.
- Community engagement has also been robust, with participation in local health fairs, completion of mental health education/presentations to the Idaho Trucker' Association, Twin Falls Probation and Parole, Wood River's Quarterly Community Mental Health meeting, and the Jerome Emergency Department.

Group 4: Barriers to Access
A number of barriers to access were ranked above the median, including: Unaffordable health care, dental care, and health insurance; lack of services for low-income children and families; inadequate numbers of primary care providers; and transportation to and from appointments. We are looking at these as a group so that we can provide a more comprehensive approach to the programs we have implemented to address these challenges.

To help ensure that everyone in our community can access the care they need when they need it, St. Luke's provides care to all patients with emergent conditions, regardless of their ability to pay. In FY 2014, $4,563,291 in charity care at cost was provided by St. Luke's Magic Valley; in FY 2015, the amount was $6,977,599.

Over the past three years, we have further supported access to care by decreasing transportation barriers and implementing an electronic health records system.

We are on target to achieve our FY 2016 goal to "go live" with *my*StLuke's, our integrated electronic health records (EHR) system by October 1, 2016. Across the St. Luke's Health System, we will invest approximately $175 million on this platform allowing providers from the outpatient and inpatient environments to collaboratively treat patients across the continuum. This $175 million investment will allow providers from the outpatient and inpatient environments to collaboratively treat patients across the continuum. This will introduce increased standardization on several fronts, such as order sets and workflows. This investment will help improve patient outcomes and lower costs by reducing avoidable errors and average length-of-stay, remediating medication conflicts, reducing adverse drug events, and reducing duplicate testing. Plus, an associated portal will allow patients to make appointments electronically and view diagnostic results and other parts of their medical record—all of which helps to provide access to care when and where it is needed.

Also meaningful are the patient assistance funds, which help individual patients travel to their appointments, provide mammography screening and medical care for children with special needs. Since 2013, $68,753 has been provided to patients receiving cancer treatment at Mountain States Tumor Institute for transportation and housing expenses. $13,989 was

provided for screening mammograms. The Children with Special Needs fund provided $47,222 in medical services for children.

Prevention is the best and least costly medicine, and free health screenings and lab tests at the Magic Valley Health Fair assist low-income families by providing education that will help them make informed lifestyle decisions that can help prevent the need to access healthcare services. Safe Kids Magic Valley is dedicated to educating low-income women, families, and caregivers on the importance of using the appropriate car seat, and partners with South Central Public Health to teach WIC (Women, Infants, Children) car seat safety classes. Approximately 19% of the people in our service area are Hispanic, and Safe Kids education is provided bilingually to support this substantial population. From October 2013 through June 2016, Safe Kids provided services to 987 clients.

To expand primary care access in our communities, we have implemented these strategies:

- A robust **primary care recruitment and retention program** to assess the needs for primary care physicians and develop strategies for recruitment and retention. In 2015 and 2016, we recruited 2 family medicine providers, 2 pediatricians, 3 PAs, and 2 NPs.
- A **team-based model of care** that integrates NPs, PAs, nurse midwives, and certified RN diabetes educators into our primary care clinics.
- St. Luke's has opened a **Quick Care urgent care clinic** in Twin Falls to provide a lower cost alternative for non-emergent medical conditions on a daily basis. St. Luke's Quick Care is the same cost as standard physician office visit, and a fraction of the cost of an emergency room visit.
- We are **enhancing the efficiency of our primary care clinics**, thus enabling our providers to see more patients per day. Strategies include space planning to improve patient flow, refining our scheduling process, and implementing ambulatory electronic health records.
- St. Luke's Magic Valley and St. Luke's Jerome **partner with the Family Medicine Residency of Idaho** to provide a rural training site for 4 residents, providing critical training for physicians while supporting patient care and expanding access to primary care services. From October 2013 through May 2016, the resident physicians cared for 936 patients at Magic Valley and we expect the numbers to increase through FY 2016. We have also hired an additional provider and are actively recruiting for another.

Program Group 5: Additional Health Screening and Education Programs Ranking Above the Median

We recognize the importance of affordable screenings for early detection and preventable health issues. St. Luke's Magic Valley is actively addressing these needs through:

- Reduced-cost lipid screening and information about affordable mammography at our annual Health Fair (see impact details Weight Management, Nutrition, and Fitness Programs section above).

- Preventing accidental childhood injuries, the leading cause of death in children aged 19 and under in the Magic Valley, with the Safe Kids program (see impact details in the Barriers to Access section above).
- Breast cancer and mammography screening. Idaho and the south-central region have the lowest mammography rates in the nation. In an effort to reverse this trend, partnerships with media, the regional health department, and community organizations were established. In the past 3 years, we have seen small victories, such as a mammography increase of 17% in Jerome. Regional collaboration to determine specific messaging will support increasing mammography screening rates, and relationships with Susan G. Komen and Twin Falls County Tough Enough to Wear Pink are making available community education and funds to help reduce the out-of-pocket costs of mammography.
- In an effort to reduce lung cancer and respiratory disease, tobacco education programs designed to influence pre-teens to live a tobacco-free life have been provided at no cost in south-central Idaho. The American Academy of Family Physicians Tar Wars program and American Lung Association Teens against Tobacco Use (TATU) program were provided in local schools. Since school year 2013-2014, fourteen schools and 2,205 fifth-graders participated in the Tar Wars program. In school year 2015-2016, two school districts received the TATU program for 252 high school and middle school students. Overall, 39 Tar Wars and 14 TATU presentations were provided.

St. Luke's Magic Valley's mission is to improve the health of people in our region and our Community Health Improvement Fund (CHIF) provides financial support for organizations that share our mission and align with our identified community health priorities. The total amount of CHIF grants awarded in FY 2014, FY 2015, and FY 2016 was $778,100.

As evidenced above, through programs, services, financial support, and collaborative partnerships, St. Luke's Magic Valley is making a substantial impact on the health and well-being of the communities we serve.

Implementation Plan Overview

St. Luke's will continue to collaborate with the people, leaders, and organizations in our community to carry out an implementation plan designed to address many of the most pressing community health needs identified in this assessment. Utilizing effective, evidence-based programs and policies, we will work together to improve community health outcomes and well-being toward the goal of attaining the healthiest community possible.

Future Community Health Needs Assessments

We intend to reassess the health needs of our community on an ongoing basis and conduct a full community health needs assessment once every three years. St. Luke's next Community Health Needs Assessment is scheduled to be completed in 2019.

History of Community Health Needs Assessments and Impact of Actions Taken

In our 2013 CHNA, St. Luke's Jerome identified five groups of significant health needs facing individuals and families in our community. Each of these groups is shown below, along with a description of the impact we have had on addressing these needs over the past three years.

Group 1: Weight Management, Nutrition, and Fitness Programs

One of the highest ranking health needs in our 2013 CHNA was weight management for obese children and adults. Nutrition and fitness programs were also ranked above the median. Because these needs reinforce one another, we grouped them together.

Over the last three years, St. Luke's Jerome has engaged hundreds of individuals in weight loss, nutrition, and fitness programs. These programs ranged from body mass index (BMI) screenings in clinics and at health fairs to YEAH!, a wellness program that helps participating children and their families to create healthier lifestyles. In 2015, 94% of YEAH! kids showed improvement in at least one area of weight--waist circumference or BMI. Also supporting youth weight management is the annual Sports Screening Night, a partnership between St. Luke's Clinic – Jerome Family Medicine and the Jerome School District, which provides middle school and high school students with the opportunity to receive reduced-cost screenings for health concerns.

Held annually, St. Luke's Jerome Health Fair helps address the challenges of obesity and obesity-related illness by promoting healthy lifestyles, strong exercise and eating habits, and

healthcare education, as well as providing access to discounted laboratory tests. Last year, more than 500 community members attended the Health Fair and by the end of our three-year CHNA cycle we project 1,500 people will have attended.

And, a program provided free of charge to our employees, St. Luke's Healthy U, has proved meaningful when it comes to motivating people to lose weight and maintain their weight loss: from 2014 to 2015, health measures for both the areas of obesity and waist circumference improved by 7% among St. Luke's Jerome employees.

Through a variety of tactics tailored to children and adults, we are making a difference for our community when it comes to making lifestyle choices that support good health, and a strong commitment to our CHNA goals is helping us to continue down this important path.

Group 2: Diabetes

Within our CHNA, we have grouped together diabetes wellness and prevention, chronic condition management, and screening because we believe coordination of these programs will produce the best results.

Diabetes continues to be a nationwide health challenge for patients and medical practitioners alike, yet in the rural community of Jerome, Idaho, we are making inroads:

- In the physician clinic setting, St. Luke's Jerome Family Medicine continues its efforts to improve CMS MSSP composite scores for patients with diabetes, and has implemented a FY 2016 goal that 15% or fewer of their patients with diabetes will have a hemoglobin A1C >9. In FY 2014 alone, Jerome Family Medicine patients with diabetes improved their CMS MSSP composite score from a baseline of 18% to a measurement of 21%. Further bolstering this effort is the implementation of a Team-Based Model of Care (physicians, nurse practitioners, certified RN diabetes educators, and dietitians) for patients diagnosed with diabetes and of scorecards that enable our providers to measure their effectiveness in diabetes management and make improvements where indicated.
- Augmenting the above-mentioned health screenings (including blood glucose and hemoglobin A1C) provided to 1,500+ participants at the St. Luke's Jerome Health Fair is St. Luke's Jerome's partnership with the Magic Valley Diabetes Coalition. This partnership brings to the community a free, annual clinic called "Head to Toe." The clinic offers eye screenings, foot exams, blood pressure and hemoglobin A1C testing, and nutrition education to people with diabetes who are either newly diagnosed, have no insurance, or have high-deductible insurance. By the end of our 3-year CHNA cycle, we project that more than 60 people will have taken advantage of this unique diabetes self-management opportunity.

Group 3: Behavioral Health Programs

Programs to address mental illness and availability of mental health services providers were identified as high priority community health needs. Suicide prevention and substance abuse were ranked above the median. Programs designed to serve these needs have been grouped together because we believe they reinforce one another.

From depression screening to a new behavioral health clinic, St. Luke's Jerome is helping to provide much-needed access to care for people with mental and behavioral health needs in our community:

- Over the past three years, St. Luke's Jerome Family Medicine has continued to screen its patients for depression, because early detection can result in decrease of acuity, patients can receive more appropriate and effective treatment, and ED visits and hospitalizations can be decreased. In FY 2014, the goal to screen >50% of patients was exceeded (62%), and this vital health screening continues today. In addition, REACH education for primary care providers continues, training providers to identify behavioral health issues vs. developmental concerns, with a focus on early intervention.
- In January 2015, St. Luke's Jerome Family Medicine added integrated behavioral health with the hiring of a licensed clinical social worker who provided bilingual services to more than 200 patients last year. This service has particularly important impact because not only is behavioral health a high-ranked need, but the Hispanic population in St. Luke's Jerome's service area is about 30% (the Hispanic population in Idaho represents 11% of the overall population).

  Idaho has one of the highest percentages (22.5%) of any mental illness (AMI) in the nation, and our service area is no exception. In FY 2016, in keeping with our commitment to addressing the greatest needs identified in our CHNA, the Family Medicine clinic will add a second behavioral health provider if our current patient capacity exceeds our ability to provide services.

Group 4: Barriers to Access

A number of barriers to access were ranked above the median including: Unaffordable health and dental care and health insurance; lack of services for low-income children and families; and inadequate numbers of primary care providers. We are looking at them as a group so that we can provide a more comprehensive picture of the programs required to address these challenges.

St. Luke's Jerome's service area poverty rate is above the national average. The poverty rate for children under age 18 is also above the national average. This means that the impact of providing affordable care and services for children and families cannot be overstated.

One way we are making a significant difference is the Smiles 4 Kids program, which provides local children with the dental care they need. While the average dental office sees 2,000

patients per year, Smiles 4 Kids has an active patient list of approximately 16,000. From FY 2013 through August 2015, 433 patients were treated at St. Luke's Jerome through the Smiles for Kids program. As the demand for Smiles 4 Kids services continues to grow, St. Luke's Jerome continues its commitment to provide access to the Operating Room and anesthesia for this purpose.

By decreasing transportation barriers, we are increasing access to care. From bus fare and taxi vouchers to gas cards, our Transportation Assistance program assists low-income patients with trips to and from medical appointments. In FYs 2014 and 2015 combined, more than $500 was allotted and additional resources have been allocated for FY 2016.

Prevention is the best and least costly medicine, and free health screenings and lab tests at St. Luke's Jerome Community Health Fair (see details in above sections), and free car-seat checks through Safe Kids, further assist low-income families by providing education and information that will help them make informed lifestyle decisions that can help prevent the need to access healthcare services. Safe Kids education is provided bilingually, further supporting our substantial Hispanic population. Through August 2015, Safe Kids provided services to 311 clients, with a FY 2016 goal to increase that number to at least 389.

We are also assisting patients through our Financial Care program. The impact from the program in helping patients using Medicare or Medicaid or who have low incomes in FY 2015 is estimated to have amounted to more than $1.5 million in charity care and bad debt.

In 2016, we will continue to promote accessible, affordable healthcare and individualized support for our patients, allowing improved access for thousands of patients with low incomes or those using Medicaid and Medicare.

Having sufficient primary care providers is critical to providing children and family services, and St. Luke's Jerome's primary care providers see patients of all ages. In support of ensuring an adequate number of healthcare providers for our community, St. Luke's Jerome Family Medicine partners with the Family Medicine Residency of Idaho to provide a rural training site for 3-4 resident physicians. This continuity program helps provide critical training for physicians and supports patient care. From October 2014 through August 2015, the resident physicians cared for 2,203 patients in Jerome and we expect the numbers to increase through FY 2016. We have also hired an additional provider and are actively recruiting for another.

Over the past three years, we have further supported access to care by:

- Implementing an electronic health record that has tools to improve health and wellness screening and assist with chronic disease and weight management. Our FY 2016 goal is to continue with Stage II Meaningful Use, along with implementation of a St. Luke's Health System-wide electronic health record system that encompasses both inpatient and outpatient records.
- Following a robust primary care provider recruitment and retention program to address the significant shortage of these providers in Jerome.

- Utilizing a Team Based Model of Care.
- Opening a 7-days-a-week urgent care clinic in the neighboring city of Twin Falls that provides a lower-cost alternative for non-emergent medical conditions.
- Making our primary care clinics more efficient, enabling our providers to see more patients per day. These strategies include space planning that improves patient flow, bettering our scheduling process, and, as noted above, implementing an electronic health records system.

Program Group 5: Additional Health Screening and Education Programs Ranking Above the Median

We recognize the importance of affordable screenings for early detection and preventable health issues. This is especially important in our service area, where a large portion of the population is low-income and lacking health insurance.

St. Luke's Jerome is actively addressing the remaining health needs that rank above the median--high cholesterol, mammography screening, respiratory disease, and safe sex education programs—by:

- Developing a survey tool that assists the consumer with healthcare activation and engagement activities to improve their health.
- Offering reduced-cost lipid screening and information about affordable mammography at our annual Health Fair (see impact details Weight Management, Nutrition, and Fitness Programs section above).
- Preventing accidental childhood injuries, the leading cause of death in children aged 14 and under in the Magic Valley, with the Safe Kids program (see impact details in the Barriers to Access section above).

Provision of digital mammography. In 2013, St. Luke’s Jerome installed a digital mammography unit at the hospital, which helps to provide early breast cancer detection with high resolution images and shorter wait times. Approximately 1,500 mammograms were provided in FYs 2013 and 2014 combined. Our goal for FYs 2015 and 2016 is to increase the number of annual mammograms provided by 5% and we are on track to accomplish this.