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Form 990

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

2019

Open to Public Inspection

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.

A For the 2019 calendar year, or tax year beginning 01-01-2019 , and ending 12-31-2019

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

C Name of organization
Bozeman Health Deaconess Hospital

D Employer identification number
47-4717998

E Telephone number
(406) 414-5000

F Name and address of principal officer:
Brad Ludford
915 Highland Blvd
Bozeman, MT 59715

G Gross receipts \$ 386,867,436

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

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

H(c) Group exemption number ▶

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

J Website: ▶ www.bozemanhealth.org

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

L Year of formation: 2015

M State of legal domicile: MT

Part I

Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities:
To improve community health and quality of life for residents and visitors of Southwest Montana.

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

4 Number of independent voting members of the governing body (Part VI, line 1b)2

5 Total number of individuals employed in calendar year 2019 (Part V, line 2a)2,062

6 Total number of volunteers (estimate if necessary)302

7a Total unrelated business revenue from Part VIII, column (C), line 122,792,793

b Net unrelated business taxable income from Form 990-T, line 390

Revenue

8 Contributions and grants (Part VIII, line 1h)473,226

9 Program service revenue (Part VIII, line 2g)316,753,481

10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)10,734,001

11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)999,036

12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)328,959,744

Expenses

13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)60,000

14 Benefits paid to or for members (Part IX, column (A), line 4)0

15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)92,757,558

16a Professional fundraising fees (Part IX, column (A), line 11e)0

b Total fundraising expenses (Part IX, column (D), line 25) ▶0

17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)219,251,409

18 Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)312,068,967

19 Revenue less expenses. Subtract line 18 from line 1216,890,777

Net Assets or Fund Balances

20 Total assets (Part X, line 16)435,688,580

21 Total liabilities (Part X, line 26)152,292,989

22 Net assets or fund balances. Subtract line 21 from line 20283,395,591

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
Brad Ludford CFO
Type or print name and title

2020-11-05
Date

Paid Preparer Use Only

Print/Type preparer's name
Firm's name ▶ Eide Bailly LLP
Firm's address ▶ 800 Nicollet Mall Ste 1300
Minneapolis, MN 554027033

Preparer's signature
Date 2020-10-20

Check ☐ if self-employed
Firm's EIN ▶ 45-0250958
Phone no. (612) 253-6500

PTIN P00484560

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

For Paperwork Reduction Act Notice, see the separate instructions.

Cat. No. 11282Y

Form 990 (2019)

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response or note to any line in this Part III ☒**1** Briefly describe the organization's mission:

To improve community health and quality of life.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O.

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

4a	(Code:) (Expenses \$	99,147,474	including grants of \$	215,000) (Revenue \$	98,147,315)
See Additional Data					

4b	(Code:) (Expenses \$	37,715,636	including grants of \$) (Revenue \$	111,933,297)
See Additional Data					










4c	(Code:) (Expenses \$	13,328,415	including grants of \$) (Revenue \$	37,765,021)
See Additional Data					

(Code:) (Expenses \$	122,355,317	including grants of \$) (Revenue \$	81,798,831)
Bozeman Health Deaconess Hospital operates an 86 bed hospital facility (Hospital), along with a 45 unit assisted living home and a 113 unit independent living home (Hillcrest Senior Living or HSL). All patient and resident service revenue from these operations are used to provide health care services, health care promotion, and health care education to Bozeman and the surrounding communities.				

4d	Other program services (Describe in Schedule O.)			
(Expenses \$	122,355,317	including grants of \$) (Revenue \$	81,798,831)

4e	Total program service expenses ▶	272,546,842
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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 Yes	
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)? 	2 Yes	
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	No
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	No
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	No
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	No
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	No
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III 	8	No
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 Yes	
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 Yes	
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 Yes	
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	No
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	No
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 Yes	
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X 	11e Yes	
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 Yes	
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII 	12a	No
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 Yes	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	No
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	No
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	No
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	No
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	No
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 (see instructions)	17	No
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	No
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	No
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H 	20a Yes	
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return? 	20b Yes	
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 Yes	

Part IV Checklist of Required Schedules (continued)

		Yes	No
22	Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	22	No
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	Yes
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	Yes
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	No
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	No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d	No
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	No
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	No
26	Did the organization report any amount on Part X, line 5 or 22 for receivables from or payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part II	26	No
27	Did the organization provide a grant or other assistance to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or employee thereof, a grant selection committee member, or to a 35% controlled entity (including an employee thereof) or family member of any of these persons? If "Yes," complete Schedule L, Part III	27	No
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, key employee, creator or founder, or substantial contributor? If "Yes," complete Schedule L, Part IV	28a	No
b	A family member of any individual described in line 28a? If "Yes," complete Schedule L, Part IV	28b	No
c	A 35% controlled entity of one or more individuals and/or organizations described in lines 28a or 28b? If "Yes," complete Schedule L, Part IV	28c	No
29	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	29	No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M	30	No
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	31	No
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	No
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	No
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	Yes
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	No
b	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	35b	
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	36	No
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	No
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	Yes

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

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a	79
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	Yes

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

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Part VI

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

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

Section A. Governing Body and Management

		Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year	1a 3		
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 2		
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		No
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		No
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4		No
5 Did the organization become aware during the year of a significant diversion of the organization's assets?	5		No
6 Did the organization have members or stockholders?	6	Yes	
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	Yes	
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	Yes	
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:			
a The governing body?	8a	Yes	
b Each committee with authority to act on behalf of the governing body?	8b		No
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		No

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	No
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	Yes
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	Yes
b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes
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	Yes
13 Did the organization have a written whistleblower policy?	13	Yes
14 Did the organization have a written document retention and destruction policy?	14	Yes
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	Yes
b Other officers or key employees of the organization	15b	Yes
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	No
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▶

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

☐ Own website ☐ Another's website ☒ Upon request ☐ Other (explain in Schedule O)

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

20 State the name, address, and telephone number of the person who possesses the organization's books and records:
▶Carrie Morasko 915 Highland Blvd Bozeman, MT 59715 (406) 414-1036

Part VII**Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**Check if Schedule O contains a response or note to any line in this Part VII ☐**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees****1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.

- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."

- List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.

- List all of the organization's **former** officers, key employees, or highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.

- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

See instructions for the order in which to list the persons above.

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted 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) John Hill Director & CEO	15.00 35.00	X		X				0	769,088	120,083
(2) Elizabeth Lewis COO	25.00 25.00				X			0	528,748	19,342
(3) Brad Ludford CFO (Sep-Dec)	35.00 15.00			X				0	358,874	55,932
(4) Darci Bentson CAO	25.00 25.00				X			0	346,456	68,011
(5) Gordon Davidson Former CFO	0.00 0.00						X	0	398,385	0
(6) Mike Bertagnolli Pharmacy System Manager	50.00 0.00					X		188,020	0	38,382
(7) Stewart Chumbley Nurse Practitioner	50.00 0.00					X		171,192	0	42,223
(8) Alan Brayton Pharmacy Supervisor	50.00 0.00					X		166,053	0	33,974
(9) LeRoy Wilson Senior Living Administrator	50.00 0.00					X		166,403	0	29,259
(10) Sara Vanuka Nurse Mgr of Surg Floor (Jan-Sep)	50.00 0.00					X		182,031	0	9,614
(11) Katie Daughenbaugh Chair	1.00 1.00	X		X				0	0	0
(12) Dennis Munson 1st Vice Chair	1.00 1.00	X		X				0	0	0

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Part VIII		Statement of Revenue								
Check if Schedule O contains a response or note to any line in this Part VIII <input type="checkbox"/>										
			(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	3,108,521						
	e	Government grants (contributions)	1e							
	f	All other contributions, gifts, grants, and similar amounts not included above	1f							
	g	Noncash contributions included in lines 1a - 1f:\$	1g							
	h	Total. Add lines 1a-1f ▶		3,108,521						
Program Service Revenue			Business Code							
	2a	Net Patient Revenue	621110	323,783,474	323,783,474					
	b	Pharmacy Revenue	446110	4,633,578	2,780,147	1,853,431				
	c	Cafeteria Revenue	722210	1,871,340	1,867,258	4,082				
	d									
	e									
	f	All other program service revenue.		6,736,735	5,801,455	935,280				
	g	Total. Add lines 2a-2f. ▶		337,025,127						
Other Revenue	3		Investment income (including dividends, interest, and other similar amounts) ▶		6,541,165		6,541,165			
	4		Income from investment of tax-exempt bond proceeds ▶							
	5		Royalties ▶							
	6a	Gross rents	(i) Real		(ii) Personal					
			6a	1,555,082						
			b	Less: rental expenses	6b				417,532	
			c	Rental income or (loss)	6c				1,137,550	
	d	Net rental income or (loss) ▶		1,137,550		1,137,550				
	7a	Gross amount from sales of assets other than inventory	(i) Securities		(ii) Other					
			7a	36,282,319	2,355,222					
			b	Less: cost or other basis and sales expenses	7b				34,769,281	2,412,443
			c	Gain or (loss)	7c				1,513,038	-57,221
	d	Net gain or (loss) ▶		1,455,817		1,455,817				
	8a	Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18	8a							
			b	Less: direct expenses					8b	
	c	Net income or (loss) from fundraising events . . . ▶								
	9a	Gross income from gaming activities. See Part IV, line 19	9a							
			b	Less: direct expenses					9b	
	c	Net income or (loss) from gaming activities . . . ▶								
	10a	Gross sales of inventory, less returns and allowances . . .	10a							
			b	Less: cost of goods sold . . .					10b	
	c	Net income or (loss) from sales of inventory . . . ▶								
Miscellaneous Revenue		Business Code								
11a										
b										
c										
d		All other revenue								
e		Total. Add lines 11a-11d ▶								
12		Total revenue. See instructions ▶		349,268,180	334,232,334	2,792,793	9,134,532			

Form 990 (2019)

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	215,000	215,000		
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	77,216,400	70,201,361	7,015,039	
8 Pension plan accruals and contributions (include section 401 (k) and 403(b) employer contributions)	3,390,967	3,082,901	308,066	
9 Other employee benefits	10,219,043	9,290,652	928,391	
10 Payroll taxes	5,816,782	5,288,333	528,449	
11 Fees for services (non-employees):				
a Management				
b Legal				
c Accounting				
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees	739,799		739,799	
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	18,684,974	11,432,608	7,252,366	
12 Advertising and promotion	204,720	185,827	18,893	
13 Office expenses	4,337,657	1,878,759	2,458,898	
14 Information technology				
15 Royalties				
16 Occupancy	2,828,019	627,925	2,200,094	
17 Travel	308,368	225,419	82,949	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	205,578	150,279	55,299	
20 Interest	2,175,917	2,175,917		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	12,756,844	12,756,844		
23 Insurance	872,837	744,308	128,529	
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 Medical Supplies	73,501,205	73,409,493	91,712	
b Health System Shared Se	50,405,069	36,998,633	13,406,436	
c Health System Physician	40,077,473	38,597,133	1,480,340	
d				
e All other expenses	11,784,170	5,285,450	6,498,720	
25 Total functional expenses. Add lines 1 through 24e	315,740,822	272,546,842	43,193,980	0
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720).				

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

				(A) Beginning of year		(B) End of year	
Assets	1	Cash—non-interest-bearing			1		
	2	Savings and temporary cash investments		4,175,770	2	5,259,170	
	3	Pledges and grants receivable, net			3		
	4	Accounts receivable, net		48,498,228	4	63,706,636	
	5	Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons			5		
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B)			6		
	7	Notes and loans receivable, net			7		
	8	Inventories for sale or use		7,942,424	8	9,337,813	
	9	Prepaid expenses and deferred charges		1,036,191	9	1,191,529	
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a	334,597,970			
	b	Less: accumulated depreciation	10b	166,676,207	132,934,306	10c	167,921,763
	11	Investments—publicly traded securities		189,909,378	11	181,774,535	
	12	Investments—other securities. See Part IV, line 11		1,019,760	12	1,503,403	
	13	Investments—program-related. See Part IV, line 11		2,103,756	13	2,028,188	
	14	Intangible assets		1,798,133	14	920,617	
	15	Other assets. See Part IV, line 11		46,270,634	15	50,723,763	
16	Total assets. Add lines 1 through 15 (must equal line 34)		435,688,580	16	484,367,417		
Liabilities	17	Accounts payable and accrued expenses		19,648,740	17	23,710,082	
	18	Grants payable			18		
	19	Deferred revenue		953,912	19	943,897	
	20	Tax-exempt bond liabilities		104,660,395	20	101,578,880	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D		6,614,317	21	6,172,849	
	22	Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons			22		
	23	Secured mortgages and notes payable to unrelated third parties		20,115,625	23	19,652,853	
	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		300,000	25	1,391,483	
	26	Total liabilities. Add lines 17 through 25		152,292,989	26	153,450,044	
Net Assets or Fund Balances	Organizations that follow FASB ASC 958, check here <input checked="" type="checkbox"/> and complete lines 27, 28, 32, and 33.						
	27	Net assets without donor restrictions		271,124,024	27	319,390,700	
	28	Net assets with donor restrictions		12,271,567	28	11,526,673	
	Organizations that do not follow FASB ASC 958, check here <input type="checkbox"/> and complete lines 29 through 33.						
	29	Capital stock or trust principal, or current funds			29		
	30	Paid-in or capital surplus, or land, building or equipment fund			30		
	31	Retained earnings, endowment, accumulated income, or other funds			31		
	32	Total net assets or fund balances		283,395,591	32	330,917,373	
33	Total liabilities and net assets/fund balances		435,688,580	33	484,367,417		

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	349,268,180
2	Total expenses (must equal Part IX, column (A), line 25)	2	315,740,822
3	Revenue less expenses. Subtract line 2 from line 1	3	33,527,358
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	283,395,591
5	Net unrealized gains (losses) on investments	5	15,632,686
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	-1,638,262
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	330,917,373

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

	Yes	No
1 Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		No
b Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	Yes	
c If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	Yes	
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?		No
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.		

Additional Data

Software ID:
Software Version:
EIN: 47-4717998
Name: Bozeman Health Deaconess Hospital

Form 990 (2019)

Form 990, Part III, Line 4a:

The Bozeman Health Deaconess Hospital clinics consists of our departments that provide physician services to outpatients. The number of Medicare and Medicaid patients seen increased by about 4% from 2018 to 2019. Revenue for these patients totaled 46% of all clinic revenue. Total net operating revenues were \$98,147,315 with associated operating expenses of \$99,147,474. The loss of \$1,000,159 is reflective of our commitment to provide access to all patients regardless of their ability to pay.

Form 990, Part III, Line 4b:

Bozeman Health Deaconess Hospital's Surgical Services strives to offer a wide array of surgical options using state of the art technology. Of the 9,052 inpatient and outpatient surgeries, about 54% were Medicare and Medicaid patients, which comprised 56% (\$62,591,260) of total revenue from these services (\$111,933,297). Over 60% of the Medicare/Medicaid revenues were unreimbursed (\$38,126,731) and written off, along with another \$8,202,557 from other payors. Our surgical services also recorded \$30,766,056 in operating expenses plus another \$6,949,580 of indirect overhead.

Form 990, Part III, Line 4c:

The Emergency Room at Bozeman Health Deaconess Hospital is one of the busiest departments in our organization, with over 32,000 visits in 2019. Approximately 48% of these visits were from Medicare and Medicaid patients, comprising \$18,260,259 of the \$37,765,021 gross revenue. Over 63% of the Medicare/Medicaid revenue were unreimbursed (\$11,646,108) and written off, along with 32% of the remaining revenue (\$6,324,666). Direct and indirect expenses incurred in supporting the operation of this emergency room accumulated to \$13,328,415.

SCHEDULE A
(Form 990 or 990EZ)

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

2019

Open to Public Inspection

Name of the organization
Bozeman Health Deaconess Hospital

Employer identification number
47-4717998

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 **170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land grant college of agriculture. See instructions. Enter the name, city, and state of the college or university:
- 10 ☐ An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)
- 11 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**
- 12 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2).** See **section 509(a)(3).** Check the box in lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g.
- a ☐ **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**
- b ☐ **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**
- c ☐ **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**
- d ☐ **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**
- e ☐ Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.
- f Enter the number of supported organizations
- g Provide the following information about the supported organization(s).

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

Part II

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

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

Section A. Public Support							
	Calendar year (or fiscal year beginning in) ▶	(a) 2015	(b) 2016	(c) 2017	(d) 2018	(e) 2019	(f) Total
1	Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grant.") . . .						
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) 2015	(b) 2016	(c) 2017	(d) 2018	(e) 2019	(f) Total
7	Amounts from line 4. . .						
8	Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources. . . .						
9	Net income from unrelated business activities, whether or not the business is regularly carried on. .						
10	Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.). . .						
11	Total support. Add lines 7 through 10						
12	Gross receipts from related activities, etc. (see instructions)					12	
13	First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ▶ <input type="checkbox"/>						
Section C. Computation of Public Support Percentage							
14	Public support percentage for 2019 (line 6, column (f) divided by line 11, column (f))					14	
15	Public support percentage for 2018 Schedule A, Part II, line 14					15	
16a	33 1/3% support test—2019. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/>						
b	33 1/3% support test—2018. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/>						
17a	10%-facts-and-circumstances test—2019. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/>						
b	10%-facts-and-circumstances test—2018. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/>						
18	Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ▶ <input type="checkbox"/>						

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2015	(b) 2016	(c) 2017	(d) 2018	(e) 2019	(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) 2015	(b) 2016	(c) 2017	(d) 2018	(e) 2019	(f) Total
9 Amounts from line 6. . .						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources. .						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975.						
c Add lines 10a and 10b.						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on.						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.) . .						
13 Total support. (Add lines 9, 10c, 11, and 12.) . .						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here. ► <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2019 (line 8, column (f) divided by line 13, column (f))	15	
16 Public support percentage from 2018 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2019 (line 10c, column (f) divided by line 13, column (f))	17	
18 Investment income percentage from 2018 Schedule A, Part III, line 17	18	

19a 33 1/3% support tests—2019. 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—2018. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ► ☐

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

Part IV Supporting Organizations

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

Section A. All Supporting Organizations

	Yes	No
1 Are all of the organization's supported organizations listed by name in the organization's governing documents? <i>If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.</i>		
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)? <i>If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).</i>		
2		
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? <i>If "Yes," answer (b) and (c) below.</i>		
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)? <i>If "Yes," describe in Part VI when and how the organization made the determination.</i>		
3b		
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? <i>If "Yes," explain in Part VI what controls the organization put in place to ensure such use.</i>		
3c		
4a Was any supported organization not organized in the United States ("foreign supported organization")? <i>If "Yes" and if you checked 12a or 12b in Part I, answer (b) and (c) below.</i>		
4a		
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? <i>If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.</i>		
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)? <i>If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.</i>		
4c		
5a Did the organization add, substitute, or remove any supported organizations during the tax year? <i>If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed; (ii) the reasons for each such action; (iii) the authority under the organization's organizing document authorizing such action; and (iv) how the action was accomplished (such as by amendment to the organizing document).</i>		
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? <i>If "Yes," provide detail in Part VI.</i>		
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? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ) .</i>		
7		
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>		
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))? <i>If "Yes," provide detail in Part VI.</i>		
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? <i>If "Yes," provide detail in Part VI.</i>		
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? <i>If "Yes," provide detail in Part VI.</i>		
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)? <i>If "Yes," answer line 10b below.</i>		
10a		
b Did the organization have any excess business holdings in the tax year? <i>(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings).</i>		
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?		
b A family member of a person described in (a) above?		
c A 35% controlled entity of a person described in (a) or (b) above? <i>If "Yes" to a, b, or c, provide detail in Part VI.</i>		

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

Section C. Type II Supporting Organizations

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

Section D. All Type III Supporting Organizations

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

Section E. Type III Functionally-Integrated Supporting Organizations

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

Part V

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

<div>1</div> <div><input type="checkbox"/></div> <div>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.</div>			
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):	1	
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	<div><input type="checkbox"/></div> 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 2019 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-2019	(iii) Distributable Amount for 2019
1 Distributable amount for 2019 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2019 (reasonable cause required-- explain in Part VI). See instructions.			
3 Excess distributions carryover, if any, to 2019:			
a From 2014.			
b From 2015.			
c From 2016.			
d From 2017.			
e From 2018.			
f Total of lines 3a through e			
g Applied to underdistributions of prior years			
h Applied to 2019 distributable amount			
i Carryover from 2014 not applied (see instructions)			
j Remainder. Subtract lines 3g, 3h, and 3i from 3f.			
4 Distributions for 2019 from Section D, line 7:			
\$			
a Applied to underdistributions of prior years			
b Applied to 2019 distributable amount			
c Remainder. Subtract lines 4a and 4b from 4.			
5 Remaining underdistributions for years prior to 2019, if any. Subtract lines 3g and 4a from line 2. If the amount is greater than zero, explain in Part VI. See instructions.			
6 Remaining underdistributions for 2019. Subtract lines 3h and 4b from line 1. If the amount is greater than zero, explain in Part VI. See instructions.			
7 Excess distributions carryover to 2020. Add lines 3j and 4c.			
8 Breakdown of line 7:			
a Excess from 2015.			
b Excess from 2016.			
c Excess from 2017.			
d Excess from 2018.			
e Excess from 2019.			

Additional Data

Software ID:
Software Version:
EIN: 47-4717998
Name: Bozeman Health Deaconess Hospital

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).

Facts And Circumstances Test

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

2019

Open to Public Inspection

Name of the organization
Bozeman Health Deaconess Hospital

Employer identification number
47-4717998

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 an 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 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 ► \$

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

Cat. No. 52283D

Schedule D (Form 990) 2019

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:

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance

	Amount
1c	
1d	
1e	
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 in 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	16,272,305	16,828,400	14,747,913	13,928,221	
b Contributions	227,769	335,927	223,082	122,889	
c Net investment earnings, gains, and losses	3,135,666	-723,008	2,235,283	843,418	
d Grants or scholarships					
e Other expenditures for facilities and programs	1,205,532	169,014	377,878	146,615	
f Administrative expenses					
g End of year balance	18,430,208	16,272,305	16,828,400	14,747,913	

2

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

a

Board designated or quasi-endowment ▶ 68.470 %

b

Permanent endowment ▶ 15.840 %

c

Temporarily restricted endowment ▶ 15.680 %

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

3a

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

(i) unrelated organizations

(ii) related organizations

b

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

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

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		2,972,690		2,972,690
b Buildings		190,753,127	105,855,925	84,897,202
c Leasehold improvements				
d Equipment		87,525,988	57,237,307	30,288,681
e Other		53,346,165	3,582,975	49,763,190
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).) . . . ▶				167,921,763

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. (Column (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. (Column (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) Investment in Foundation	16,015,716
(2) Due from Affiliates	33,856,564
(3) Operating Lease ROU Assets	851,483
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col.(B) line 15.) ▶	50,723,763

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	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col.(B) line 25.) ▶	1,391,483

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

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

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

1	Total revenue, gains, and other support per audited financial statements		1	
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.

Return Reference	Explanation
See Additional Data Table	

Part XIII Supplemental Information *(continued)*

Return Reference	Explanation

Additional Data

Software ID:
Software Version:
EIN: 47-4717998
Name: Bozeman Health Deaconess Hospital

Supplemental Information

Return Reference	Explanation
Part IV, Line 2b:	The organization holds resident funds on behalf of its residents, as well as security deposits.

Supplemental Information

Return Reference	Explanation
Part V, Line 4:	<p>Each endowment fund is privy to a separate agreement. Donations made for each purpose shall be received, held, and invested by Bozeman Deaconess Foundation according to established policies governing gift acceptance, investment, and distribution. The principal of the fund shall be retained in perpetuity. The interest income is utilized for the greatest needs of the designated department. Policy says the organization can use a portion of interest for operations. The endowment fund reported in Line 1 is currently being held by a related organization, Bozeman Deaconess Foundation, and benefits Bozeman Health and related system entities listed on Schedule R. Due to this relationship the endowment fund is being reported all the Form 990, Schedule D, Part V for all three related entities.</p>

Supplemental Information	
Return Reference	Explanation
Part X, Line 2:	The Organization believes that it has appropriate support for any tax positions taken affecting its annual filing requirements, and as such, does not have any uncertain tax positions that are material to the consolidated financial statements. The Organization would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred.

SCHEDULE H (Form 990) Department of the Treasury Internal Revenue Service	<h1 style="margin:0;">Hospitals</h1> <p>► Complete if the organization answered "Yes" on Form 990, Part IV, question 20. ► Attach to Form 990. ► Go to www.irs.gov/Form990EZ for instructions and the latest information.</p>	OMB No. 1545-0047 <div style="font-size: 2em; font-weight: bold; text-align: center;">2019</div> <div style="background-color: black; color: white; text-align: center; padding: 5px;"> Open to Public Inspection </div>
Name of the organization Bozeman Health Deaconess Hospital		Employer identification number 47-4717998

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	Yes	
b If "Yes," was it a written policy?	1b	Yes	
2 If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year. <input checked="" type="checkbox"/> Applied uniformly to all hospital facilities <input type="checkbox"/> Applied uniformly to most hospital facilities <input type="checkbox"/> Generally tailored to individual hospital facilities			
3 Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year. a Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing <i>free</i> care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care: <input type="checkbox"/> 100% <input checked="" type="checkbox"/> 150% <input type="checkbox"/> 200% <input type="checkbox"/> Other _____ %	3a	Yes	
b Did the organization use FPG as a factor in determining eligibility for providing <i>discounted</i> care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care: <input type="checkbox"/> 200% <input checked="" type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% <input type="checkbox"/> Other _____ %	3b	Yes	
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	Yes	
5a Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a	Yes	
b If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	5b	Yes	
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		No
6a Did the organization prepare a community benefit report during the tax year?	6a		No
b If "Yes," did the organization make it available to the public?	6b		
Complete the following table using the worksheets provided in the Schedule H instructions. Do not submit these worksheets with the Schedule H.			

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)			8,272,551	3,429,599	4,842,952	1.570 %
b Medicaid (from Worksheet 3, column a)			35,568,205	21,094,595	14,473,610	4.690 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d Total Financial Assistance and Means-Tested Government Programs			43,840,756	24,524,194	19,316,562	6.260 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4).			32,551		32,551	0.010 %
f Health professions education (from Worksheet 5)			3,289		3,289	0 %
g Subsidized health services (from Worksheet 6)			38,995,333	28,545,084	10,450,249	3.390 %
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)			153,958		153,958	0.050 %
j Total. Other Benefits			39,185,131	28,545,084	10,640,047	3.450 %
k Total. Add lines 7d and 7j			83,025,887	53,069,278	29,956,609	9.710 %

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

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1 Physical improvements and housing						
2 Economic development						
3 Community support						
4 Environmental improvements						
5 Leadership development and training for community members						
6 Coalition building			2,330		2,330	0 %
7 Community health improvement advocacy						
8 Workforce development						
9 Other						
10 Total			2,330		2,330	0 %

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	Yes	
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	7,380,663	
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	66,936,878
6 Enter Medicare allowable costs of care relating to payments on line 5	6	68,699,938
7 Subtract line 6 from line 5. This is the surplus (or shortfall)	7	-1,763,060
8 Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used:		
<input type="checkbox"/> Cost accounting system	<input type="checkbox"/> Cost to charge ratio	<input checked="" type="checkbox"/> Other

Section C. Collection Practices

9a Did the organization have a written debt collection policy during the tax year?	9a	Yes	
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	Yes	

Part IV Management Companies and Joint Ventures

(a) Name of entity (owned 10% or more by officers, directors, trustees, key employees, and physicians—see instructions)	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				

Part V Facility Information**Section A. Hospital Facilities**

(list in order of size from largest to smallest—see instructions)

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

1

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

	Other (describe)	ER-other	ER-24 hours	Research facility	Critical access hospital	Teaching hospital	Children's hospital	General medical & surgical	Licensed hospital	Facility reporting group
See Additional Data Table										

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)
Bozeman Health Deaconess Hospital**Name of hospital facility or letter of facility reporting group** _____**Line number of hospital facility, or line numbers of hospital facilities in a facility reporting group (from Part V, Section A):** _____**1****Community Health Needs Assessment**

	Yes	No
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	No
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	No
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. If "Yes," indicate what the CHNA report describes (check all that apply):	3	Yes
a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
b <input checked="" type="checkbox"/> Demographics of the community		
c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d <input checked="" type="checkbox"/> How data was obtained		
e <input checked="" type="checkbox"/> The significant health needs of the community		
f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
i <input checked="" type="checkbox"/> The impact of any actions taken to address the significant health needs identified in the hospital facility's prior CHNA(s)		
j <input type="checkbox"/> Other (describe in Section C)		
4 Indicate the tax year the hospital facility last conducted a CHNA: 20 <u>17</u>		
5 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	5	Yes
6 a 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	Yes
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	Yes
7 Did the hospital facility make its CHNA report widely available to the public? If "Yes," indicate how the CHNA report was made widely available (check all that apply):	7	Yes
a <input checked="" type="checkbox"/> Hospital facility's website (list url): <u>See Part V, Section B, Line 7d</u>		
b <input type="checkbox"/> Other website (list url): _____		
c <input checked="" type="checkbox"/> Made a paper copy available for public inspection without charge at the hospital facility		
d <input type="checkbox"/> Other (describe in Section C)		
8 Did the hospital facility adopt an implementation strategy to meet the significant community health needs identified through its most recently conducted CHNA? If "No," skip to line 11.	8	Yes
9 Indicate the tax year the hospital facility last adopted an implementation strategy: 20 <u>17</u>		
10 Is the hospital facility's most recently adopted implementation strategy posted on a website? If "Yes" (list url): <u>See Part V, Section B, Line 10a</u>	10	Yes
a		
b If "No," is the hospital facility's most recently adopted implementation strategy attached to this return?	10b	
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	No
b If "Yes" on line 12a, did the organization file Form 4720 to report the section 4959 excise tax?	12b	
c If "Yes" on 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)

Bozeman Health Deaconess Hospital			
Name of hospital facility or letter of facility reporting group			
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? If "Yes," indicate the eligibility criteria explained in the FAP: <div><div>a</div><div><input checked="" type="checkbox"/> Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of 150.000000000000% and FPG family income limit for eligibility for discounted care of 250.000000000000%</div><div>b</div><div><input type="checkbox"/> Income level other than FPG (describe in Section C)</div><div>c</div><div><input type="checkbox"/> Asset level</div><div>d</div><div><input checked="" type="checkbox"/> Medical indigency</div><div>e</div><div><input checked="" type="checkbox"/> Insurance status</div><div>f</div><div><input checked="" type="checkbox"/> Underinsurance discount</div><div>g</div><div><input type="checkbox"/> Residency</div><div>h</div><div><input checked="" type="checkbox"/> Other (describe in Section C)</div></div>	13	Yes
14	Explained the basis for calculating amounts charged to patients?	14	Yes
15	Explained the method for applying for financial assistance? 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): <div><div>a</div><div><input checked="" type="checkbox"/> Described the information the hospital facility may require an individual to provide as part of his or her application</div><div>b</div><div><input checked="" type="checkbox"/> Described the supporting documentation the hospital facility may require an individual to submit as part of his or her application</div><div>c</div><div><input checked="" type="checkbox"/> Provided the contact information of hospital facility staff who can provide an individual with information about the FAP and FAP application process</div><div>d</div><div><input type="checkbox"/> Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications</div><div>e</div><div><input type="checkbox"/> Other (describe in Section C)</div></div>	15	Yes
16	Was widely publicized within the community served by the hospital facility? If "Yes," indicate how the hospital facility publicized the policy (check all that apply): <div><div>a</div><div><input checked="" type="checkbox"/> The FAP was widely available on a website (list url): See Part V, Page 8</div><div>b</div><div><input checked="" type="checkbox"/> The FAP application form was widely available on a website (list url): See Part V, Page 8</div><div>c</div><div><input checked="" type="checkbox"/> A plain language summary of the FAP was widely available on a website (list url): See Part V, Page 8</div><div>d</div><div><input checked="" type="checkbox"/> The FAP was available upon request and without charge (in public locations in the hospital facility and by mail)</div><div>e</div><div><input checked="" type="checkbox"/> The FAP application form was available upon request and without charge (in public locations in the hospital facility and by mail)</div><div>f</div><div><input checked="" type="checkbox"/> A plain language summary of the FAP was available upon request and without charge (in public locations in the hospital facility and by mail)</div><div>g</div><div><input checked="" type="checkbox"/> Individuals were notified about the FAP by being offered a paper copy of the plain language summary of the FAP, by receiving a conspicuous written notice about the FAP on their billing statements, and via conspicuous public displays or other measures reasonably calculated to attract patients' attention</div><div>h</div><div><input checked="" type="checkbox"/> Notified members of the community who are most likely to require financial assistance about availability of the FAP</div><div>i</div><div><input checked="" type="checkbox"/> The FAP, FAP application form, and plain language summary of the FAP were translated into the primary language(s) spoken by LEP populations</div><div>j</div><div><input checked="" type="checkbox"/> Other (describe in Section C)</div></div>	16	Yes

Part V Facility Information (continued)**Billing and Collections**

Bozeman Health Deaconess Hospital

Name of hospital facility or letter of facility reporting group

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

Policy Relating to Emergency Medical Care

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

Part V Facility Information *(continued)***Charges to Individuals Eligible for Assistance Under the FAP (FAP-Eligible Individuals)**

Bozeman Health Deaconess Hospital

Name of hospital facility or letter of facility reporting group _____**22** Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care.

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

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

If "Yes," explain in Section C.

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

If "Yes," explain in Section C.

	Yes	No
22		
23		No
24	Yes	

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

[illegible]

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? **3**

Name and address	Type of Facility (describe)
1 1 - Hillcrest Senior Living 1201 Highland Blvd Bozeman, MT 59715	Independent and assisted living facility
2 2 - Bozeman Health Belgrade Clinic 206 Alaska Frontage Rd Belgrade, MT 59714	Ambulatory healthcare services
3 3 - Bozeman Health Clinical Research 950 Stoneridge Dr 1 Bozeman, MT 59715	Outpatient healthcare research
4	
5	
6	
7	
8	
9	
10	

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.

990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
Part I, Line 3c:	Any individual and their dependents who are at 150% of the Federal Poverty income level or below will be eligible to receive a 100% write-off of the self-pay portion of incurred charges, upon completion of an application. Completion of the Financial Assistance application will be required. Catastrophic Financial Assistance is available to individuals who have a large balance remaining after all third party payments have been taken into account. The balance under consideration is that amount which is deemed to be the patient's financial responsibility. If such responsibility is greater than 50% of the family's annual household income, the excess amount will be treated as Catastrophic Financial Assistance and written off of the patient's account. This assistance is available without respect to the FPG, but they must follow the same process as all other patients seeking financial assistance based upon FPG. Asset tests are not used for determining any level of financial assistance. Prior to providing services, BH will make an effort to notify the patient regarding their eligibility for financial assistance.
Part I, Line 7:	The cost to charge ratio from Worksheet 2 was used to obtain the costs related to Charity Care, Medicaid, and Other Means-Tested Programs. All net benefit expenses were calculated using direct costs and revenue with reasonable indirect overhead allocation methods. Benefits are allocated at 23% of payroll dollars. For Subsidized Services, other indirect overhead costs are allocated based on historical reasonableness of 15% of total expenses. Our internal system does record patient revenues based on type (inpatient vs. outpatient vs. emergency) and payor (Medicaid, Medicare, Commercial, Self-Pay, etc.). Related costs are then determined based on the pro-rated share as a percentage of the total. For example, if Medicaid comprises 7% of a department's revenue, Medicaid expenses are calculated at 7% of the total as well. Lines 7e, 7f, 7i are based on actual expenses.

990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
Part I, Line 7g:	Amount of cost attributable to a physician clinic is \$38,995,333. All costs associated with a provider-based clinic operational department were considered part of this total.
Part I, Line 7, Column (f):	The Bad Debt expense included on Form 990, Part IX, Line 25, Column (A), but subtracted for purposes of calculating the percentage in this column is \$ 7,380,663.

990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
Part II, Community Building Activities:	BHDH is represented through participation in the Bozeman Kiwanis Club, an organization dedicated to community service and improving the holistic health of children.
Part III, Line 2:	Bad debt is reported at charges as recorded by the organization. The bad debt reported on line two is considered to be all due to implicit price considerations.

990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
Part III, Line 4:	The footnote to the organization's financial statements that describes bad debt expense is located in Footnote 1 on page 11 of the attached financial statements.
Part III, Line 8:	The entire amount of shortfall should be considered a community benefit. The Medicare shortfall represents costs absorbed by the Hospital as a result of providing care to Medicare patients. The contract driving this loss is a nondiscretionary contract, as is providing the services to this population of individuals. The cost of providing this benefit to the community should be reportable as such. Medicare allowable costs of care are based on the Medicare cost report. The Medicare cost report is completed based on the rules and regulations set forth by Centers for Medicare and Medicaid Services.

990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
Part III, Line 9b:	<p>Bozeman Health's Financial Assistance Policy explains the patient notification practice that includes providing the patient, either directly or through its contracted collection agency with at least one written notice informing the patient about the Extraordinary Collection Actions that we intend to take if the patient does not submit an Application for Financial Assistance or pay the amount due by at least thirty days following the date of the notice. The notice will include a copy of the plain language summary and will not be mailed or delivered to a patient earlier than 30 days prior to the end of the Notification Period. No Extraordinary Collection Actions will be undertaken during the 120 day Notification Period, during which time we will take reasonable efforts to determine whether the patient is eligible for Financial Assistance. After the 120 day Notification Period, an Extraordinary Collection Action will be undertaken only if the patient has received the 30 day written notice described above. Extraordinary Collection Actions are defined as those actions that may be taken in the event of non-payment following the expiration of the notification period. These may include the reporting of adverse information about the individual to consumer credit reporting agencies or credit bureaus, garnishment of an individual's wages, and/or commencement of a legal civil action against an individual. As part of Bozeman Health collection practices, any patient account placed in collections will be pulled back from collections should that patient apply for financial assistance within 240 days of receiving their initial patient statement.</p>
Part VI, Line 2:	<p>In addition to the CHNA, Bozeman Health Deaconess Hospital (BHDH) assesses community health care needs in a number of ways. The Hospital sends representatives to community meetings and conversations related to health and health care to hear directly from community members - patients, clients, stakeholders, etc. - about their needs. In a related fashion, the Hospital also convenes community members - patients, clients, stakeholders, etc. - to solicit feedback about health and health care needs. Finally, the Hospital looks at and considers 3rd party projections about health care needs and available local and national trend data when making health care delivery and health improvement decisions.</p>

990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
Part VI, Line 3:	<p>Bozeman Health Deaconess Hospital (BHDH) is deeply committed to providing financial assistance to patients needing, but unable to afford, medically necessary health care services. BHDH posts notice of its Financial Assistance Policy in all admitting areas, as well as on the website. At the earliest feasible time, BHDH will attempt to determine whether a patient has third party coverage for any part of the hospital services provided. If a patient does not have third party coverage, a patient advocate from the Medical Advocacy Services in Healthcare (MASH) program will screen all inpatient cases and any outpatient cases exceeding \$1,000 in total charges to determine if the patient qualifies for third party funding. If not, the patient advocate will explain the Financial Assistance Policy and give the patient an application if desired. In circumstances where payment in full will cause financial hardship that will significantly harm the patient or patient's family, the applicant may be asked to visit with Consumer Credit Counseling Services to further review their financial situations. Upon request, patients may be asked to complete an application for Medicaid participation or for coverage by other governmental payment programs. Patient bills also contain billing information explaining financial options and provide contact information to the appropriate resources.</p>
Part VI, Line 4:	<p>Bozeman Health Deaconess Hospital (BHDH) primarily serves Gallatin, Park, and Madison Counties. 84.6% of 2018 inpatient admissions were of patients originating from these three counties (Gallatin: 77.28%, Park 4.68%, and Madison 3.67%). The population of the tri-county region was an estimated 133,274 in 2018 (IBM Watson Health). Bozeman (in Gallatin County) was listed in the 2017 ACS as a Micropolitan area whereas Belgrade (Gallatin County), Four Corners (Gallatin County), and Livingston (Park County) were listed as Urban Clusters in the 2010 Census. As of 2017, 12.9% of the population was below the poverty level in the tri-county region-ranging from 13.4% in Park County, 13.0% in Gallatin County, and 10.6% in Madison (2017 ACS 5yr estimates). Median household income was an estimated \$59,397 in Gallatin County followed by Madison (\$47,900) and Park (\$44,920) (2017 ACS 5 Year Estimates). Estimates suggest that about 13.4% of residents in the tri-county area were insured by Medicaid, roughly 14.1% were insured by Medicare, and about 6.67% were uninsured in 2018 (IBM Watson Health, 2018). About 17.3% of BHDH inpatients were insured under Medicaid in 2018. BHDH's tri-county service area houses five hospitals-of which, three are critical access hospitals (CAH): Bozeman Health Deaconess Hospital (Bozeman, MT), Bozeman Health Big Sky Medical Center (Big Sky, MT), Livingston HealthCare-CAH (Livingston, MT), Madison Valley Medical Center-CAH (Ennis, MT), and Ruby Valley Hospital-CAH (Sheridan, MT). As listed on the MT DPPHS webpage, low income populations in Gallatin and Park Counties and total geographic populations in Madison County are designated Mental Health Care Health Professional Shortage Areas (HPSAs). Additionally, low income populations in Gallatin, Park, and Madison Counties are designated Primary Care HPSAs as of 2019. (https://dphhs.mt.gov/publichealth/primarycare/-shortage-area-designations).</p>

990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
Part VI, Line 5:	<p>The governing body of BHDH is comprised of individuals who represent our community and live in our primary service area, most of whom are independent of the organization. To ensure immediate access to care, BHDH has an open medical staff and requires each medical staff member to care for anyone presenting in the Emergency Department. As an organization, we devote a significant amount of surplus funds into maintaining a high level of patient care through quality initiatives as well as technology and community investments. Various employees, physicians, administrators, and board members of the Hospital are actively involved in volunteer roles including community board positions in numerous other activities, groups, and organizations that actively promote the health of the community. In 2017, Bozeman Health hired a FTE dedicated to community involvement. The System Program Manager for Community Health Improvement and Partnerships works to align Bozeman Health Deaconess Hospital health improvement initiatives with the needs and desires of the communities served by BHDH. This includes, among other things, representing BHDH at community meetings, and planning and implementing programs with community partners to address needs highlighted in the CHNA.</p>
Part VI, Line 6:	<p>Bozeman Health Deaconess Hospital is a nonprofit public benefit corporation with a sole corporate member, Bozeman Deaconess Health Services d/b/a Bozeman Health.</p>

Additional Data

Software ID:

Software Version:

EIN: 47-4717998

Name: Bozeman Health Deaconess Hospital

Form 990 Schedule H, Part V Section A. Hospital Facilities

Section A. Hospital Facilities (list in order of size from largest to smallest—see instructions) How many hospital facilities did the organization operate during the tax year? 1		Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER—24 hours	ER—other	Other (Describe)	Facility reporting group
1	Bozeman Health Deaconess Hospital 915 Highland Blvd Bozeman, MT 59715 www.bozemanhealth.org 12933	X	X					X			

Form 990 Part V Section C Supplemental Information for Part V, Section B.

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

Form and Line Reference	Explanation
Bozeman Health Deaconess Hospital	Part V, Section B, Line 5: To solicit feedback from key community stakeholders, we utilized an Online Key Informant Survey and collected responses in March and April of 2017. We asked the Key Informants to rate the degree to which various health issues are a problem in their community. Follow-up questions asked them to describe why they identify problem areas as such, and how theses might be better addressed. In total, we invited 284 Key Informants via email including physicians and advanced practice clinicians, public and community health representatives, health professionals, social service providers, and community leaders to participate. Of the 284 invited, 114 participated. Input was gathered from several individuals whose organizations work with low-income, minority populations, or other medically underserved populations. These populations include: abused children, African-Americans, Arabs, children, construction laborers, crime victims, disabled, domestic violence victims, elderly, English as a second language, geographic barriers, Head Start participants, high school dropouts, Hispanics, HIV patients, HMK (Healthy Montana Kids) patients, homeless, immigrants, international students and families, LGBT, low-income, Medicare/Medicaid, mentally ill, migrant workers, minority students, Native Americans, non-English speaking, nursing home residents, pre-release clients, recent arrivals to the community, rural population, seasonal workers, service workers, students, substance abusers, teenagers, undocumented immigrants, uneducated, unemployed, uninsured/underinsured, veterans, women
Bozeman Health Deaconess Hospital	Part V, Section B, Line 6a: Bozeman Health Big Sky Medical Center, LLC

Form 990 Part V Section C Supplemental Information for Part V, Section B.	
Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.	
Form and Line Reference	Explanation
Bozeman Health Deaconess Hospital	Part V, Section B, Line 6b: Community Health Partners (CHP)Gallatin City-County Health Department
Bozeman Health Deaconess Hospital	Part V, Section B, Line 7d: CHNA: https://www.bozemanhealth.org/media/1432/2017_prc_chna_report_bhdk.pdf

Form 990 Part V Section C Supplemental Information for Part V, Section B.

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

Form and Line Reference	Explanation
Bozeman Health Deaconess Hospital	<p>Part V, Section B, Line 11: The priority areas that emerged from our 2017 CHNA, and adopted by BHDH are: 1. Behavioral Health (Mental Health + Substance Abuse) 2. Access to Health Services 3. Healthy Lifestyles (Nutrition, Physical Activity & Weight + Heart Disease & Stroke) 4. Injury & Violence During 2019, BHDH worked in each priority area: 1. Behavioral Health - We continued to offer Mental Health First Aid community classes - We expanded our Youth Aware of Mental Health (YAM) to 9th grade youth in two schools - We planned for a community-wide education and stigma reduction campaign, Man Therapy 2. Access to Health Services - We realigned and relaunched our mobile screening program, HealthCare Connections, continuing to offer people in our services area free preventive health services - We hosted two health fairs to offer free and low cost preventive services and screenings to our community - We hosted screenings of Someone You Love: an HPV epidemic and provided resources and information on cancer prevention - We continued offering trainings to our care teams on providing LGBTQ+ affirming care to address disparities experienced by this community in our service area 3. Healthy Lifestyles - We continued to support GoNoodle for every middle school in our service area - We continued to work with community partners to offer cooking education classes to families, including low income families - We implemented the second year of our Tokens for Produce program, connecting Belgrade residents with fresh, local produce - We established the 5210+ Gallatin County Coalition, and launched a community-wide campaign around the national 5210 framework - We partnered to design and implement an innovative program to connect low income folks with healthy foods, the UnProcessed Pantry Project, to food banks in our service area 4. Injury and Violence - We completed the planning process for a Relationship Violence Symposium for community providers We also added a full-time staff member to help lead and expand our community benefit work.</p>
Bozeman Health Deaconess Hospital	<p>Part V, Section B, Line 13h: Any individual and their dependents who are at 150% of the Federal Poverty income level or below will be eligible to receive a 100% write-off of the self-pay portion of incurred charges, upon completion of an application. Completion of the Financial Assistance application will be required. Catastrophic Financial Assistance is available to individuals who have a large balance remaining after all third party payments have been taken into account. The balance under consideration is that amount which is deemed to be the patient's financial responsibility. If such responsibility is greater than 50% of the family's annual household income, the excess amount will be treated as Catastrophic Financial Assistance and written off of the patient's account. This assistance is available without respect to the FPG, but they must follow the same process as all other patients seeking financial assistance based upon FPG. Asset tests are not used for determining any level of financial assistance. Prior to providing services, BH will make an effort to notify the patient regarding their eligibility for financial assistance.</p>

Form 990 Part V Section C Supplemental Information for Part V, Section B.

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

Form and Line Reference	Explanation
Bozeman Health Deaconess Hospital	Part V, Section B, Line 16j: Medical Advocacy Services in Healthcare (MASH) will give out our financial application after determining patient is ineligible for federal and state programs. A summary of the financial assistance policy is attached to billing invoices, posted in patient admissions area, and provided to patient on admission to the hospital facility.
Bozeman Health Deaconess Hospital	Part V, Section B, Line 24: All individuals eligible under the hospital financial assistance policy are provided a discount for emergency and other medically necessary care. The financial assistance policy does not apply to elective procedures. Therefore, FAP-eligible patients without insurance may be billed gross charges on elective procedures.

Form 990 Part V Section C Supplemental Information for Part V, Section B.

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

Form and Line Reference	Explanation
Schedule H, Part V, Section B, Line 16a-16c:	Line 16a: https://www.bozemanhealth.org/media/1572/financial-assistance.pdf Line 16b: https://www.bozemanhealth.org/media/1578/financial-assistance-application-2019-english-final.pdf Line 16c: https://www.bozemanhealth.org/media/1574/fa-policy-plain-language-summary.pdf
Schedule H, Part V, Section B, Line 10a	https://www.bozemanhealth.org/media/2043/20182020-bhdh-cbsp-final.pdf

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

Schedule I
(Form 990)

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

2019

Open to Public
Inspection

Department of the
Treasury
Internal Revenue Service

Name of the organization
Bozeman Health Deaconess Hospital

Employer identification number

47-4717998

Part I General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?

☒ Yes ☐ No

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

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

(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
(1) Cancer Support Community Montana 102 S 11th Ave Bozeman, MT 59715	81-0542266	501(c)(3)	15,000				Support cancer support services within our service area
(2) Bozeman Deaconess Foundation dba Bozeman Health Foundation 931 Highland Blvd Suite 3200 Bozeman, MT 59715	84-1407943	501(c)(3)	200,000				Employee Emergency Fund

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

3 Enter total number of other organizations listed in the line 1 table 0

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 noncash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of noncash assistance
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					

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

Return Reference	Explanation
Part I, Line 2:	Recipients of grants and assistance prepare informational reports substantiating the use of the funds that were earmarked to support community health programs. Involvement of Bozeman Deaconess Health Services staff and/or administration as volunteers in the activities being supported also ensures proper usage of funds.

Schedule J (Form 990)	Compensation Information	OMB No. 1545-0047
		2019
		Open to Public Inspection
Department of the Treasury Internal Revenue Service	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.	
Name of the organization Bozeman Health Deaconess Hospital		Employer identification number 47-4717998

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.			
<input type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use		
<input type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence		
<input type="checkbox"/> Tax idemnification and gross-up payments	<input type="checkbox"/> Health or social club dues or initiation fees		
<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)		
b If any of the boxes on Line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain		1b	
2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, 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.			
<input checked="" type="checkbox"/> Compensation committee	<input type="checkbox"/> Written employment contract		
<input checked="" type="checkbox"/> Independent compensation consultant	<input type="checkbox"/> Compensation survey or study		
<input type="checkbox"/> Form 990 of other organizations	<input checked="" type="checkbox"/> Approval by the board or compensation committee		
4 During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:			
a Receive a severance payment or change-of-control payment?		4a	Yes
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?		4b	Yes
c Participate in, or receive payment from, an equity-based compensation arrangement?		4c	No
If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.			
Only 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	No
b Any related organization?		5b	No
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	No
b Any related organization?		6b	No
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 in lines 5 and 6? If "Yes," describe in Part III.		7	No
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	No
9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?		9	

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.

[illegible]

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.

Return Reference	Explanation
Part I, Line 3	The CEO is paid by Bozeman Deaconess Health Services (BDHS), a related organization. The BDHS Board of Directors uses the methods selected in Line 3 to determine the CEO compensation. The Board of Directors of the filing organization also serves on the BDHS Board of Directors.
Part I, Lines 4a-b	Line 4a: In 2019, Gordon Davidson received severance payments in the amount of \$273,334, Elizabeth Lewis received severance payments in the amount of \$218,736, and Sara Vanuka received severance payments of \$100,090 . Part II, column (F) also reports a deferred compensation stock option payout of \$108,860 for Gordon Davidson and \$139,133 for Elizabeth Lewis that was previously reported as deferred compensation. Line 4b: Schedule J, Part II, column (c) reflects contributions paid by the organization into their individual 457(f) plan. The following contributions were made in 2019. John Hill: \$79,170 Brad Ludford: \$29,916 Darci Bentson: \$24,401

Additional Data

Software ID:

Software Version:

EIN: 47-4717998

Name: Bozeman Health Deaconess Hospital

Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(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				
1John Hill Director & CEO	(i)	0	0	0	0	0	0	0
	(ii)	605,053	121,753	42,282	95,970	25,493	890,551	0
1Elizabeth Lewis COO	(i)	0	0	0	0	0	0	0
	(ii)	136,793	32,644	359,311	15,411	4,175	548,334	139,133
2Brad Ludford CFO (Sep-Dec)	(i)	0	0	0	0	0	0	0
	(ii)	328,497	16,644	13,733	29,916	26,976	415,766	0
3Darci Bentson CAO	(i)	0	0	0	0	0	0	0
	(ii)	288,648	32,165	25,643	41,201	27,785	415,442	0
4Gordon Davidson Former CFO	(i)	0	0	0	0	0	0	0
	(ii)	0	16,191	382,194	0	0	398,385	108,860
5Mike Bertagnolli Pharmacy System Manager	(i)	170,536	0	17,484	11,805	27,322	227,147	0
	(ii)	0	0	0	0	0	0	0
6Stewart Chumbley Nurse Practioner	(i)	80,551	90,591	50	11,271	31,358	213,821	0
	(ii)	0	0	0	0	0	0	0
7Alan Brayton Pharmacy Supervisor	(i)	150,881	0	15,172	10,406	24,174	200,633	0
	(ii)	0	0	0	0	0	0	0
8LeRoy Wilson Senior Living Administrator	(i)	129,395	24,705	12,303	10,452	19,499	196,354	0
	(ii)	0	0	0	0	0	0	0
9Sara Vanuka Nurse Mgr of Surg Floor (Jan-Sep)	(i)	81,712	0	100,319	0	9,954	191,985	0
	(ii)	0	0	0	0	0	0	0

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

Schedule K
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization
Bozeman Health Deaconess Hospital

Supplemental Information on Tax-Exempt Bonds

► Complete if the organization answered "Yes" to Form 990, Part VI, line 24a. Provide descriptions, explanations, and any additional information in Part VI.
► Attach to Form 990.
► Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2019

Open to Public Inspection

Employer identification number
47-4717998

Part I Bond Issues											
(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pool financing	
						Yes	No	Yes	No	Yes	No
A Montana Facility Finance Authority	81-0302402	61204MAS6	09-28-2011	20,680,164	To fund structure and equipment of new ER, acquisition of Legacy condos		X		X		X
B Montana Facility Finance Authority	36-4615155	000000000	09-10-2015	19,522,471	Refinance 2005 bond issued 12/1/2015		X		X		X
C Montana Facility Finance Authority	36-4615155	000000000	01-09-2015	15,700,000	Portion for MOB V addition		X		X		X
D Montana Facility Finance Authority	36-4615155	61204MDA2	04-24-2018	74,139,881	Master Facility Plan, Lawson, DaVinci Surgical Robot		X		X		X

Part II		Proceeds							
		A		B		C		D	
1	Amount of bonds retired	6,526,818		3,664,274		1,070,865		1,431,382	
2	Amount of bonds legally defeased								
3	Total proceeds of issue	20,693,206		19,522,471		15,700,000		75,802,205	
4	Gross proceeds in reserve funds								
5	Capitalized interest from proceeds	11,797						2,160,619	
6	Proceeds in refunding escrows								
7	Issuance costs from proceeds	401,295		243,567		37,689		808,710	
8	Credit enhancement from proceeds								
9	Working capital expenditures from proceeds								
10	Capital expenditures from proceeds	20,278,869				15,662,311		72,832,876	
11	Other spent proceeds	1,246		19,278,904					
12	Other unspent proceeds								
13	Year of substantial completion	2013		2015		2016			
		Yes	No	Yes	No	Yes	No	Yes	No
14	Were the bonds issued as part of a current refunding issue of tax-exempt bonds (or, if issued prior to 2018, a current refunding issue)?		X	X			X		X
15	Were the bonds issued as part of an advance refunding issue of taxable bonds (or, if issued prior to 2018, an advance refunding issue)?		X		X		X		X
16	Has the final allocation of proceeds been made?	X		X		X			X
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X		X		X	

Part III Private Business Use												
					A		B		C		D	
					Yes	No	Yes	No	Yes	No	Yes	No
1	Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?					X		X		X		X
2	Are there any lease arrangements that may result in private business use of bond-financed property?					X		X		X		X

Part III Private Business Use (Continued)		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts that may result in private business use of bond-financed property?		X		X		X		X
b	If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?								
c	Are there any research agreements that may result in private business use of bond-financed property?		X		X		X		X
d	If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government	0 %		0 %		0 %		0 %	
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government	0 %		0 %		0 %		0 %	
6	Total of lines 4 and 5	0 %		0 %		0 %		0 %	
7	Does the bond issue meet the private security or payment test? . . .		X		X		X		X
8a	Has there been a sale or disposition of any of the bond-financed property to a nongovernmental person other than a 501(c)(3) organization since the bonds were issued?		X		X		X		X
b	If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of. . .								
c	If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2?								
9	Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2?	X		X		X		X	

Part IV Arbitrage		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Has the issuer filed Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate? . . .		X		X		X		X
2	If "No" to line 1, did the following apply?								
a	Rebate not due yet?		X		X		X		X
b	Exception to rebate?		X	X			X		X
c	No rebate due?	X			X		X		X
	If "Yes" to line 2c, provide in Part VI the date the rebate computation was performed								
3	Is the bond issue a variable rate issue?		X		X		X		X
4a	Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X		X		X		X
b	Name of provider								
c	Term of hedge								
d	Was the hedge superintegrated?								
e	Was the hedge terminated?								

Part IV Arbitrage (Continued)

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
5a Were gross proceeds invested in a guaranteed investment contract (GIC)?		X		X		X		X
b Name of provider								
c Term of GIC								
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
6 Were any gross proceeds invested beyond an available temporary period?		X		X		X		X
7 Has the organization established written procedures to monitor the requirements of section 148?	X		X		X		X	

Part V Procedures To Undertake Corrective Action

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
Has the organization established written procedures to ensure that violations of federal tax requirements are timely identified and corrected through the voluntary closing agreement program if self-remediation is not available under applicable regulations?	X		X		X		X	

Part VI Supplemental Information. Provide additional information for responses to questions on Schedule K. (See instructions).

Return Reference	Explanation
Date Rebate Computation Performed	Issuer Name: Montana Facility Finance Authority Date the Rebate Computation was Performed: 06/01/2014

Return Reference	Explanation
Schedule K, Part IV, Arbitrage	The Series 2011 had no remaining proceeds as of the last computation dated June 1, 2014. Therefore, no future calculations are required.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury

Internal Revenue Service

Bozeman Health Deaconess Hospital

Supplemental Information to Form 990 or 990-EZ

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

▶ Attach to Form 990 or 990-EZ.

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

OMB No. 1545-0047

2019

**Open to Public
Inspection**

Employer identification number

47-4717998

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section A, line 6	Bozeman Deaconess Health Services, dba Bozeman Health, is the sole member of the organization.

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section A, line 7a	Bozeman Deaconess Health Services, dba Bozeman Health, is the sole member of BHDH. Bozeman Health appoints the board members. The Bozeman Health Board Chair, Vice Chair and CEO serve as the board members of BHDH. The Yellowstone Conference of the Methodist Church confirms the Board Members for Bozeman Health and has authority to appoint the clergy member of the board.

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section A, line 7b	<p>Bozeman Health has the authority over the following items: 1) approval of mission, vision and values 2) approval of the strategic plans 3) adoption of annual capital and operating budgets 4) oversight of financial operations, including the consolidated audit 5) incurrence of any long-term debt 6) establishment of policies specifying the level of internal authority 7) approval of annual quality plan and adoption of policies and procedures regarding healthcare services and law and regulation 8) appointment and removal of board members and officers 9) approval of any affiliations, mergers, and dissolutions 10) approval of closures of medical staffs and services 11) approval of any amendment of the Articles or Bylaws Due to Bozeman Health governing documents any changes in the Articles of Incorporation in relationship to the process of selecting board membership must be approved by the Yellowstone Conference of the United Methodist Church.</p>

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section A, line 8b	The organization does not have any committees with the authority to act on behalf of the governing body.

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section B, line 11b	The Planning and Finance Committee will review Form 990 in detail and will make a recommendation to the full Board for approval before filing of the Form 990. The CFO reviews the Form 990 at a higher level with the board before approval is granted.

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section B, line 12c	<p>Annual Disclosure Statement is obtained from the Board, Operating Committee, and Executive Team Members. Disclosures are reviewed with the Conflict of Interest (COI) Panel (Compliance Officer, Board Compliance Committee Chair, Chief Executive Officer, & Chief Legal Officer). The COI Panel assesses the disclosure, develops an acknowledgement and management plan. The management plan is reviewed with the affected member, if the COI Panel and the member are unable to resolve the disclosure, the disclosure is reported to the Board Compliance Committee for further review. Conflicts are addressed annually in writing and verbally during meetings. If a COI exists, the member shall not participate in any deliberations or vote regarding the transaction or arrangement at issues, and shall not be present in the meeting room for any part of the deliberations or vote relating to the transaction or arrangement.</p>

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section B, line 15	<p>Bozeman Deaconess Health Services, parent company and sole member of the BHDH, compensates the CEO and CFO. The Executive Compensation Committee receives a formal presentation by an independent compensation consultant (as selected by the Board) qualified to perform compensation reviews including usage of comparability data. This person presents recommendations to the Compensation Committee of the Board. The Compensation Committee makes recommendations to the full Board on an annual basis for Officers and Senior Administration. This annual process was performed in fall 2018 to determine 2019 compensation.</p>

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section C, line 19	<p>Governing documents, conflict of interest policy, and all tax related information required to be available for public inspection are available via walk-in, telephone call, e-mail, and/or mail-in request. The audited financial statements are required to be attached to the Form 990 and provided to the Municipal Securities Rulemaking Board, which is our tax-exempt bonds trustee, via an on-line, central filing location called Electronic Municipal Market Access (EMMA). The financial statements can be obtained by the general public at the EMMA website.</p>

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part XI, line 9:	Transfer of Net Assets From Related Party -893,368. Change in Temp & Perm Restricted Investment of Foundation -744,894.

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

2019

Open to Public Inspection

Name of the organization
Bozeman Health Deaconess Hospital

Employer identification number
47-4717998

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(1)Bozeman Deaconess Health Services (dba Bozeman Health) 915 Highland Blvd Bozeman, MT 59715 81-0232121	Hospital and Healthcare Services	MT	501(c)(3)	Line 3	N/A		No
(2)Bozeman Deaconess Foundation dba Bozeman Health Foundation 931 Highland Blvd Suite 3200 Bozeman, MT 59715 84-1407943	Raise Funds to Support Bozeman Deaconess Health Services	MT	501(c)(3)	Line 7	Bozeman Deaconess Health Services		No

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512- 514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) Deaconess Intercity Imaging LLC 915 Highland Blvd Bozeman, MT 59715 81-0666871	Healthcare - Imaging Services	MT	N/A									
(2) Rocky Mountain Surgical Center LLC 1450 Ellis St Suite 101 Bozeman, MT 59715 36-4462300	Healthcare - Surgical Services	MT	N/A									
(3) Spanish Peaks Plaza LLC 120 N 19th Ave Suite A Bozeman, MT 59718 81-0539803	Rental Real Estate for VA Med Clinic & Chiro	MT	N/A									

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of- year assets	(h) Percentage ownership	(i) Section 512(b) (13) controlled entity?	
								Yes	No
(1) Bozeman Deaconess Real Estate Development PO Box 10490 Bozeman, MT 59719 20-5496567	Sale of Real Estate Property and Residences to Seniors	MT	N/A	C					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.

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

No

b Gift, grant, or capital contribution to related organization(s)

1b

No

c Gift, grant, or capital contribution from related organization(s)

1c

Yes

d Loans or loan guarantees to or for related organization(s)

1d

No

e Loans or loan guarantees by related organization(s)

1e

No

f Dividends from related organization(s)

1f

No

g Sale of assets to related organization(s)

1g

No

h Purchase of assets from related organization(s)

1h

No

i Exchange of assets with related organization(s)

1i

No

j Lease of facilities, equipment, or other assets to related organization(s)

1j

Yes

k Lease of facilities, equipment, or other assets from related organization(s)

1k

No

l Performance of services or membership or fundraising solicitations for related organization(s)

1l

Yes

m Performance of services or membership or fundraising solicitations by related organization(s)

1m

Yes

n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)

1n

Yes

o Sharing of paid employees with related organization(s)

1o

Yes

p Reimbursement paid to related organization(s) for expenses

1p

Yes

q Reimbursement paid by related organization(s) for expenses

1q

Yes

r Other transfer of cash or property to related organization(s)

1r

Yes

s Other transfer of cash or property from related organization(s)

1s

No

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

Schedule R (Form 990) 2019

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.

[illegible]

Part VII

Supplemental Information

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

Return Reference	Explanation