

Form **990**
Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)
Do not enter social security numbers on this form as it may be made public
Information about Form 990 and its instructions is at www.irs.gov/form990

OMB No 1545-0047
2017
Open to Public Inspection

A For the 2017 calendar year, or tax year beginning 10-01-2017, and ending 09-30-2018

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

C Name of organization
FIRSTHEALTH OF THE CAROLINAS INC

Doing business as

Number and street (or P O box if mail is not delivered to street address) Room/suite
155 MEMORIAL DRIVE

City or town, state or province, country, and ZIP or foreign postal code
PINEHURST, NC 28374

D Employer identification number
56-1936354

E Telephone number
(910) 715-1000

G Gross receipts \$ 778,458,949

F Name and address of principal officer
DAVID J KILARSKI
155 MEMORIAL DRIVE
PINEHURST, NC 28374

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.FIRSTHEALTH.ORG

K Form of organization Corporation Trust Association Other ▶

L Year of formation 1995

M State of legal domicile NC

Part I Summary

1 Briefly describe the organization's mission or most significant activities
TO SERVICE THE COMMUNITY'S TOTAL HEALTH CARE NEEDS

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) | 18 |
| 4 Number of independent voting members of the governing body (Part VI, line 1b) | 17 |
| 5 Total number of individuals employed in calendar year 2017 (Part V, line 2a) | 5,953 |
| 6 Total number of volunteers (estimate if necessary) | 894 |
| 7a Total unrelated business revenue from Part VIII, column (C), line 12 | 1,559,110 |
| 7b Net unrelated business taxable income from Form 990-T, line 34 | 0 |

| | Prior Year | Current Year |
|---|-------------|--------------|
| 8 Contributions and grants (Part VIII, line 1h) | 3,320,908 | 3,141,539 |
| 9 Program service revenue (Part VIII, line 2g) | 746,951,182 | 742,731,134 |
| 10 Investment income (Part VIII, column (A), lines 3, 4, and 7d) | 38,876,805 | 22,416,427 |
| 11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) | 8,291,642 | 7,656,446 |
| 12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12) | 797,440,537 | 775,945,546 |
| 13 Grants and similar amounts paid (Part IX, column (A), lines 1-3) | 296,365 | 265,615 |
| 14 Benefits paid to or for members (Part IX, column (A), line 4) | 0 | 0 |
| 15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) | 305,540,017 | 313,309,203 |
| 16a Professional fundraising fees (Part IX, column (A), line 11e) | 0 | 0 |
| b Total fundraising expenses (Part IX, column (D), line 25) ▶ | | |
| 17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e) | 426,295,467 | 424,987,710 |
| 18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25) | 732,131,849 | 738,562,528 |
| 19 Revenue less expenses Subtract line 18 from line 12 | 65,308,688 | 37,383,018 |

| | Beginning of Current Year | End of Year |
|---|---------------------------|---------------|
| 20 Total assets (Part X, line 16) | 1,035,703,468 | 1,055,888,192 |
| 21 Total liabilities (Part X, line 26) | 290,722,068 | 274,007,103 |
| 22 Net assets or fund balances Subtract line 21 from line 20 | 744,981,400 | 781,881,089 |

Part II Signature Block

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

Sign Here

Signature of officer
Date 2019-08-15

LYNN DEJACO CFO
Type or print name and title

Paid Preparer Use Only

| | | | | |
|--|-----------------------------------|------|---|-------------------|
| Print/Type preparer's name AMY BIBBY | Preparer's signature AMY BIBBY | Date | Check <input type="checkbox"/> if self-employed | PTIN P00445891 |
| Firm's name ▶ DIXON HUGHES GOODMAN LLP | | | Firm's EIN ▶ 56-0747981 | |
| Firm's address ▶ 500 RIDGEFIELD COURT ASHEVILLE, NC 28806 | | | Phone no (828) 254-2254 | |

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission

FIRSTHEALTH OF THE CAROLINAS, INC (FIRSTHEALTH) IS A COMPREHENSIVE HEALTH CARE CENTER ORGANIZED AND OPERATED TO SERVICE THE COMMUNITY'S TOTAL HEALTH CARE NEEDS FIRSTHEALTH PROVIDES NEEDED MEDICAL CARE TO THE COMMUNITY REGARDLESS OF A PERSON'S ABILITY TO PAY A VARIETY OF HEALTH CARE SERVICES ARE OFFERED IN SUPPORT OF THE ORGANIZATION'S CHARITABLE MISSION AS A COMMUNITY-BASED HEALTH CARE SYSTEM

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 \$ 582,723,348 including grants of \$ 265,615) (Revenue \$ 741,114,023)
 See Additional Data

4b (Code) (Expenses \$ including grants of \$) (Revenue \$)
 See Additional Data

4c (Code) (Expenses \$ including grants of \$) (Revenue \$)
 See Additional Data

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

4e Total program service expenses ▶ 582,723,348

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 | Yes | |
| 2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)? | 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 | | 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 | Yes | |
| 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 | | 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 | | 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 | | No |
| 8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III | | 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 | | No |
| 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 | | No |
| 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 | 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 | | 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 | | 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 | | No |
| e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X | 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 | Yes | |
| 12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII | | 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 | Yes | |
| 13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E | | No |
| 14a Did the organization maintain an office, employees, or agents outside of the United States? | | 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 | | 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 | | 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 | | 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) | | 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 | | 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 | | No |

Part IV Checklist of Required Schedules (continued)

Table with 3 columns: Question ID, Question Text, Yes, No. Rows include 20a through 38, covering various organizational requirements and schedules.

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

Table with columns for question ID, question text, and Yes/No response boxes. Includes sections for backup withholding, employee reporting, foreign accounts, prohibited transactions, charitable contributions, and organizational details.

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 [X]

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a (18), 1b (17), 2, 3, 4, 5, 6, 7a, 7b, 8a, 8b, 9.

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

Table with 3 columns: Question, Yes, No. Rows include: 10a, 10b, 11a, 11b, 12a, 12b, 12c, 13, 14, 15a, 15b, 16a, 16b.

Section C. Disclosure

Table with 3 columns: Question, Yes, No. Rows include: 17 (NC), 18 (checkboxes), 19, 20 (LYNN DEJACO CFO 155 MEMORIAL DRIVE PINEHURST, NC 28374 (910) 715-1568).

Part VIII Statement of Revenue

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

| | | | (A) Total revenue | (B) Related or exempt function revenue | (C) Unrelated business revenue | (D) Revenue excluded from tax under sections 512-514 | |
|--|---|--|----------------------|--|---|--|-----------|
| Contributions, Gifts, Grants and Other Similar Amounts | 1a Federated campaigns . . . | 1a | | | | | |
| | b Membership dues . . . | 1b | | | | | |
| | c Fundraising events . . . | 1c | | | | | |
| | d Related organizations | 1d | 2,297,150 | | | | |
| | e Government grants (contributions) | 1e | 236,171 | | | | |
| | f All other contributions, gifts, grants, and similar amounts not included above | 1f | 608,218 | | | | |
| | g Noncash contributions included in lines 1a-1f \$ _____ | | | | | | |
| | h Total. Add lines 1a-1f | | | 3,141,539 | | | |
| Program Service Revenue | | Business Code | | | | | |
| | 2a NET PATIENT SERVICE REVENUE | 621110 | 709,143,813 | 709,143,813 | | | |
| | b OTHER OPERATING REVENUE | 621110 | 17,455,277 | 16,220,570 | 1,234,707 | | |
| | c HEALTH AND FITNESS | 713940 | 5,578,730 | 5,203,356 | 375,374 | | |
| | d EMS REVENUE | 621110 | 5,282,770 | 5,282,770 | | | |
| | e PHARMACY INCOME | 621110 | 5,270,544 | 5,270,544 | | | |
| | f All other program service revenue | | | | | | |
| g Total. Add lines 2a-2f | | | 742,731,134 | | | | |
| Other Revenue | 3 Investment income (including dividends, interest, and other similar amounts) | | 19,909,912 | | 19,244 | 19,890,668 | |
| | 4 Income from investment of tax-exempt bond proceeds | | | | | | |
| | 5 Royalties | | | | | | |
| | 6a Gross rents | (i) Real | | | | | |
| | | | 1,461,186 | | | | |
| | | b Less rental expenses | 1,915,040 | | | | |
| | | c Rental income or (loss) | -453,854 | | | | |
| | d Net rental income or (loss) | | | -453,854 | | -70,215 | -383,639 |
| | 7a Gross amount from sales of assets other than inventory | (i) Securities | | | | | |
| | | | 1,590,479 | | 916,036 | | |
| | | b Less cost or other basis and sales expenses | 0 | | 0 | | |
| | | c Gain or (loss) | 1,590,479 | | 916,036 | | |
| | d Net gain or (loss) | | | 2,506,515 | | | 2,506,515 |
| | 8a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18 | a | | | | | |
| | | b Less direct expenses | b | | | | |
| c Net income or (loss) from fundraising events | | | | | | | |
| 9a Gross income from gaming activities See Part IV, line 19 | a | | | | | | |
| | b Less direct expenses | b | | | | | |
| | c Net income or (loss) from gaming activities | | | | | | |
| 10a Gross sales of inventory, less returns and allowances | a | | | | | | |
| | b Less cost of goods sold | b | 591,333 | | | | |
| | c Net income or (loss) from sales of inventory | | | -7,030 | -7,030 | | |
| Miscellaneous Revenue | | Business Code | | | | | |
| 11a FOOD SERVICE | | 722210 | 3,347,695 | | | 3,347,695 | |
| b DISCOUNTS AND REBATES | | 900099 | 2,652,673 | | | 2,652,673 | |
| c LAUNDRY | | 812300 | 2,116,962 | | | 2,116,962 | |
| d All other revenue | | | | | | | |
| e Total. Add lines 11a-11d | | | 8,117,330 | | | | |
| 12 Total revenue. See Instructions | | | 775,945,546 | 741,114,023 | 1,559,110 | 30,130,874 | |

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. | 263,115 | 263,115 | | |
| 2 Grants and other assistance to domestic individuals. See Part IV, line 22. | 2,500 | 2,500 | | |
| 3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, line 15 and 16. | | | | |
| 4 Benefits paid to or for members. | | | | |
| 5 Compensation of current officers, directors, trustees, and key employees. | 10,462,730 | | 10,462,730 | |
| 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. | 241,856,656 | 193,315,300 | 48,541,356 | |
| 8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions). | 7,891,407 | 6,046,027 | 1,845,380 | |
| 9 Other employee benefits. | 34,586,053 | 26,498,214 | 8,087,839 | |
| 10 Payroll taxes. | 18,512,357 | 14,183,301 | 4,329,056 | |
| 11 Fees for services (non-employees) | | | | |
| a Management. | 2,841,003 | 989,498 | 1,851,505 | |
| b Legal. | 537,577 | | 537,577 | |
| c Accounting. | 221,202 | | 221,202 | |
| d Lobbying. | | | | |
| e Professional fundraising services. See Part IV, line 17. | | | | |
| f Investment management fees. | 205,686 | | 205,686 | |
| g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O). | 108,261,736 | 83,948,459 | 24,313,277 | |
| 12 Advertising and promotion. | 434,062 | 42,163 | 391,899 | |
| 13 Office expenses. | 28,687,359 | 18,883,532 | 9,803,827 | |
| 14 Information technology. | 116,678 | 116,363 | 315 | |
| 15 Royalties. | | | | |
| 16 Occupancy. | 11,032,349 | 3,558,425 | 7,473,924 | |
| 17 Travel. | 1,804,661 | 1,135,992 | 668,669 | |
| 18 Payments of travel or entertainment expenses for any federal, state, or local public officials. | | | | |
| 19 Conferences, conventions, and meetings. | 184,632 | 100,193 | 84,439 | |
| 20 Interest. | 4,040,672 | 4,040,672 | | |
| 21 Payments to affiliates. | | | | |
| 22 Depreciation, depletion, and amortization. | 35,975,382 | 2,694,220 | 33,281,162 | |
| 23 Insurance. | 58,383 | 58,383 | | |
| 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 | 124,914,099 | 124,914,099 | | |
| b BAD DEBT | 87,896,357 | 87,896,357 | | |
| c GAP ASSESSMENT | 12,800,439 | 12,800,439 | | |
| d DIETARY EXPENSE | 3,878,280 | 483,631 | 3,394,649 | |
| e All other expenses | 1,097,153 | 752,465 | 344,688 | |
| 25 Total functional expenses. Add lines 1 through 24e. | 738,562,528 | 582,723,348 | 155,839,180 | 0 |
| 26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720). | | | | |

Part X Balance Sheet

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

| | | (A) Beginning of year | | (B) End of year |
|---|---|--------------------------|---------------|--------------------|
| Assets | 1 Cash—non-interest-bearing | 21,203,163 | 1 | 36,488,790 |
| | 2 Savings and temporary cash investments | | 2 | |
| | 3 Pledges and grants receivable, net | | 3 | |
| | 4 Accounts receivable, net | 95,473,668 | 4 | 87,298,984 |
| | 5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L | | 5 | |
| | 6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L | | 6 | |
| | 7 Notes and loans receivable, net | | 7 | |
| | 8 Inventories for sale or use | 13,039,385 | 8 | 13,419,872 |
| | 9 Prepaid expenses and deferred charges | 5,732,460 | 9 | 8,246,307 |
| | 10a Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D | 954,606,418 | | |
| | b Less accumulated depreciation | 558,959,188 | | |
| | 11 Investments—publicly traded securities | 498,329,059 | 11c | 395,647,230 |
| | 12 Investments—other securities See Part IV, line 11 | | 12 | |
| | 13 Investments—program-related See Part IV, line 11 | 99,000 | 13 | 99,000 |
| | 14 Intangible assets | 10,246,827 | 14 | 11,017,255 |
| | 15 Other assets See Part IV, line 11 | 12,810,543 | 15 | 25,261,845 |
| 16 Total assets. Add lines 1 through 15 (must equal line 34) | 1,035,703,468 | 16 | 1,055,888,192 | |
| Liabilities | 17 Accounts payable and accrued expenses | 70,763,560 | 17 | 61,710,738 |
| | 18 Grants payable | | 18 | |
| | 19 Deferred revenue | | 19 | 4,416 |
| | 20 Tax-exempt bond liabilities | 205,915,790 | 20 | 201,112,370 |
| | 21 Escrow or custodial account liability Complete Part IV of Schedule D | | 21 | |
| | 22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L | | 22 | |
| | 23 Secured mortgages and notes payable to unrelated third parties | 567,835 | 23 | 446,856 |
| | 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 | 13,474,883 | 25 | 10,732,723 |
| | 26 Total liabilities. Add lines 17 through 25 | 290,722,068 | 26 | 274,007,103 |
| Net Assets or Fund Balances | 27 Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34. Unrestricted net assets | 742,768,313 | 27 | 780,574,253 |
| | 28 Temporarily restricted net assets | 2,213,087 | 28 | 1,306,836 |
| | 29 Permanently restricted net assets | | 29 | |
| | 30 Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34. Capital stock or trust principal, or current funds | | 30 | |
| | 31 Paid-in or capital surplus, or land, building or equipment fund | | 31 | |
| | 32 Retained earnings, endowment, accumulated income, or other funds | | 32 | |
| | 33 Total net assets or fund balances | 744,981,400 | 33 | 781,881,089 |
| | 34 Total liabilities and net assets/fund balances | 1,035,703,468 | 34 | 1,055,888,192 |

Part XI Reconciliation of Net Assets

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

| | | | |
|-----------|---|-----------|-------------|
| 1 | Total revenue (must equal Part VIII, column (A), line 12) | 1 | 775,945,546 |
| 2 | Total expenses (must equal Part IX, column (A), line 25) | 2 | 738,562,528 |
| 3 | Revenue less expenses Subtract line 2 from line 1 | 3 | 37,383,018 |
| 4 | Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) | 4 | 744,981,400 |
| 5 | Net unrealized gains (losses) on investments | 5 | 5,565,303 |
| 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 | -6,048,632 |
| 10 | Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B)) | 10 | 781,881,089 |

Part XII Financial Statements and Reporting

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

| | | Yes | No |
|---|-----------|-----|----|
| <p>1 Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____</p> <p>If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O</p> | | | |
| <p>2a Were the organization's financial statements compiled or reviewed by an independent accountant?</p> <p>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</p> <p><input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis</p> | 2a | | No |
| <p>b Were the organization's financial statements audited by an independent accountant?</p> <p>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</p> <p><input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis</p> | 2b | Yes | |
| <p>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?</p> <p>If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O</p> | 2c | Yes | |
| <p>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?</p> | 3a | | No |
| <p>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</p> | 3b | | |

Additional Data

Software ID:

Software Version:

EIN: 56-1936354

Name: FIRSTHEALTH OF THE CAROLINAS INC

Form 990 (2017)

Form 990, Part III, Line 4a:

SEE SCHEDULE O

Form 990, Part III, Line 4b:

SEE SCHEDULE O

Form 990, Part III, Line 4c:

SEE SCHEDULE O

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

| (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 | | | |
| CAROLYN HELMS CHAIR | 2 00 | X | | X | | | | 0 | 0 | 0 |
| SHERWOOD BLACKWOOD VICE CHAIR/SECRETARY | 2 00 | X | | X | | | | 0 | 0 | 0 |
| JIMMY PRESLAR TREASURER | 2 00 | X | | X | | | | 0 | 0 | 0 |
| DAVID COWHERD MD BOARD MEMBER | 1 00 | X | | | | | | 0 | 0 | 0 |
| JOHN ELLIS MD BOARD MEMBER | 1 00 | X | | | | | | 0 | 0 | 0 |
| HEW FULTON BOARD MEMBER | 2 00 | X | | | | | | 0 | 0 | 0 |
| NANCY KAESER BOARD MEMBER | 1 00 | X | | | | | | 0 | 0 | 0 |
| TRACY LEINBACH BOARD MEMBER | 1 00 | X | | | | | | 0 | 0 | 0 |
| BOB LOVELL BOARD MEMBER | 1 00 | X | | | | | | 0 | 0 | 0 |
| BRIAN MCMURRAY BOARD MEMBER | 1 00 | X | | | | | | 0 | 0 | 0 |

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

| (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 | | | |
| TOM PASHLEY BOARD MEMBER | 1 00 | X | | | | | | 0 | 0 | 0 |
| JOHN SHEPHERD MD BOARD MEMBER | 1 00 | X | | | | | | 0 | 0 | 0 |
| JIM TART MD BOARD MEMBER | 1 00 | X | | | | | | 0 | 0 | 0 |
| GARY VONCANNON BOARD MEMBER | 1 00 | X | | | | | | 0 | 0 | 0 |
| RAY WASHINGTON MD BOARD MEMBER | 1 00 | X | | | | | | 0 | 0 | 0 |
| ELLEN WILLARD MD BOARD MEMBER | 1 00 | X | | | | | | 0 | 0 | 0 |
| RUSTI WELCH BOARD MEMBER | 1 00 | X | | | | | | 0 | 0 | 0 |
| DAVID KILARSKI PRESIDENT/CEO | 48 00 2 00 | X | | X | | | | 1,182,049 | 0 | 151,888 |
| DANIEL BARNES DO PRESIDENT, PHYSICIANS GROUP | 50 00 | | | X | | | | 594,283 | 0 | 24,640 |
| SUSAN BEATY PRESIDENT, MRH HOKE CAMPUS | 50 00 | | | X | | | | 254,422 | 0 | 16,856 |

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

| (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 | | | |
| DANIEL BIEDIGER VP HUMAN RESOURCES | 50 00 | | | X | | | | 377,423 | 0 | 28,340 |
| BRIAN CANFIELD SR VP CORPORATE COO | 50 00 | | | X | | | | 469,043 | 0 | 11,295 |
| JEFFREY CASEY VP FINANCE | 50 00 | | | X | | | | 478,323 | 0 | 26,835 |
| LYNN DEJACO SR VP CORPORATE CFO | 50 00 | | | X | | | | 677,271 | 0 | 26,880 |
| DAVID DILLEHUNT VP CORPORATE CIO | 50 00 | | | X | | | | 445,517 | 0 | 20,540 |
| AMY GRAHAM VP STRATEGY & INNOVATION | 50 00 | | | X | | | | 356,022 | 0 | 28,094 |
| JOHN JACKSON PRESIDENT, MRH RICHMOND CAMPUS | 50 00 | | | X | | | | 354,491 | 0 | 21,118 |
| JOHN KRAHNERT MD SR VP CORPORATE CMO | 50 00 | | | X | | | | 703,074 | 0 | 24,761 |
| CINDY MCNEILL-MCDONALD VP QUALITY | 50 00 | | | X | | | | 327,101 | 0 | 23,630 |
| KAREN ROBEANO VP / CNO | 49 00 1 00 | | | X | | | | 329,713 | 0 | 9,952 |

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

| (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 | | | |
| ELIZABETH WALKER PRESIDENT, MMH | 50 00 | | | X | | | | 270,778 | 0 | 19,898 |
| MARK LANDERS MD PHYSICIAN | 50 00 | | | | | X | | 972,145 | 0 | 23,520 |
| STEVEN FILBY MD PHYSICIAN | 50 00 | | | | | X | | 759,965 | 0 | 23,520 |
| WILLIAM HARRIS MD PHYSICIAN | 50 00 | | | | | X | | 699,542 | 0 | 23,520 |
| ARTHUR EDGERTON MD PHYSICIAN | 50 00 | | | | | X | | 607,635 | 0 | 10,070 |
| PETER ELLMAN MD PHYSICIAN | 50 00 | | | | | X | | 603,931 | 0 | 18,360 |

SCHEDULE A
(Form 990 or 990-EZ)

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.

2017

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

Name of the organization
FIRSTHEALTH OF THE CAROLINAS INC

Employer identification number

56-1936354

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

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

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

| (i) Name of supported organization | (ii) EIN | (iii) Type of organization (described on lines 1- 10 above (see instructions)) | (iv) Is the organization listed in your governing document? | | (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), 170(b)(1)(A)(vi), and 170(b)(1)(A)(ix)

(Complete only if you checked the box on line 5, 7, 8, or 9 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

| Calendar year (or fiscal year beginning in) ► | | (a) 2013 | (b) 2014 | (c) 2015 | (d) 2016 | (e) 2017 | (f) Total |
|--|---|----------|----------|----------|----------|----------|-----------|
| 1 | Gifts, grants, contributions, and membership fees received (Do not include any "unusual 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) 2013 | (b) 2014 | (c) 2015 | (d) 2016 | (e) 2017 | (f) Total |
|--|--|----------|----------|----------|----------|-----------|-----------|
| 7 | Amounts from line 4 | | | | | | |
| 8 | Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources | | | | | | |
| 9 | Net income from unrelated business activities, whether or not the business is regularly carried on | | | | | | |
| 10 | Other income Do not include gain or loss from the sale of capital assets (Explain in Part VI) | | | | | | |
| 11 | Total support. Add lines 7 through 10 | | | | | | |
| 12 | Gross receipts from related activities, etc (see instructions) | | | | | 12 | |

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

Section C. Computation of Public Support Percentage

| | | | |
|-----------|--|-----------|--|
| 14 | Public support percentage for 2017 (line 6, column (f) divided by line 11, column (f)) | 14 | |
| 15 | Public support percentage for 2016 Schedule A, Part II, line 14 | 15 | |

- 16a 33 1/3% support test—2017.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ►
- b 33 1/3% support test—2016.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ►
- 17a 10%-facts-and-circumstances test—2017.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part VI how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization ►
- b 10%-facts-and-circumstances test—2016.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part VI how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization ►
- 18 Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ►

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

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

Section A. Public Support

| Calendar year (or fiscal year beginning in) ► | | (a) 2013 | (b) 2014 | (c) 2015 | (d) 2016 | (e) 2017 | (f) Total |
|--|--|----------|----------|----------|----------|----------|-----------|
| 1 | Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.") | | | | | | |
| 2 | Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose | | | | | | |
| 3 | Gross receipts from activities that are not an unrelated trade or business under section 513 | | | | | | |
| 4 | Tax revenues levied for the organization's benefit and either paid to or expended on its behalf | | | | | | |
| 5 | The value of services or facilities furnished by a governmental unit to the organization without charge | | | | | | |
| 6 | Total. Add lines 1 through 5 | | | | | | |
| 7a | Amounts included on lines 1, 2, and 3 received from disqualified persons | | | | | | |
| b | Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year | | | | | | |
| c | Add lines 7a and 7b | | | | | | |
| 8 | Public support. (Subtract line 7c from line 6) | | | | | | |

Section B. Total Support

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

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

Section C. Computation of Public Support Percentage

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

Section D. Computation of Investment Income Percentage

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

19a 33 1/3% support tests—2017. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ►

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

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

Part IV Supporting Organizations

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

Part IV Supporting Organizations (continued)

| | | Yes | No |
|-----------|---|-----|----|
| 11 | Has the organization accepted a gift or contribution from any of the following persons? | | |
| a | A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization? | | |
| 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

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

| Section A - Adjusted Net Income | | (A) Prior Year | (B) Current Year (optional) |
|---|--|----------------|-----------------------------|
| 1 | Net short-term capital gain | 1 | |
| 2 | Recoveries of prior-year distributions | 2 | |
| 3 | Other gross income (see instructions) | 3 | |
| 4 | Add lines 1 through 3 | 4 | |
| 5 | Depreciation and depletion | 5 | |
| 6 | Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions) | 6 | |
| 7 | Other expenses (see instructions) | 7 | |
| 8 | Adjusted Net Income (subtract lines 5, 6 and 7 from line 4) | 8 | |
| Section B - Minimum Asset Amount | | (A) Prior Year | (B) Current Year (optional) |
| 1 | Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year) | 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 | <input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally-integrated Type III supporting organization (see instructions) | | |

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

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

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

Additional Data

Software ID:

Software Version:

EIN: 56-1936354

Name: FIRSTHEALTH OF THE CAROLINAS INC

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 C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities
For Organizations Exempt From Income Tax Under section 501(c) and section 527

▶Complete if the organization is described below. ▶Attach to Form 990 or Form 990-EZ.
▶Information about Schedule C (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2017

Open to Public Inspection

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

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

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

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

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

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

| | |
|--|--|
| Name of the organization FIRSTHEALTH OF THE CAROLINAS INC | Employer identification number 56-1936354 |
|--|--|

Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

- 1 Provide a description of the organization's direct and indirect political campaign activities in Part IV (see instructions for definition of "political campaign activities")
- 2 Political campaign activity expenditures (see instructions) ▶ \$ _____
- 3 Volunteer hours for political campaign activities (see instructions) _____

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

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

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

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

| (a) Name | (b) Address | (c) EIN | (d) Amount paid from filing organization's funds If none, enter -0- | (e) Amount of political contributions received and promptly and directly delivered to a separate political organization If none, enter -0- |
|----------|-------------|---------|---|--|
| 1 | | | | |
| 2 | | | | |
| 3 | | | | |
| 4 | | | | |
| 5 | | | | |
| 6 | | | | |

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

A Check if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures)

B Check if the filing organization checked box A and "limited control" provisions apply

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

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

| Lobbying Expenditures During 4-Year Averaging Period | | | | | |
|--|-----------|-----------|-----------|-----------|-----------|
| Calendar year (or fiscal year beginning in) | (a) 2014 | (b) 2015 | (c) 2016 | (d) 2017 | (e) Total |
| 2a Lobbying nontaxable amount | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 4,000,000 |
| b Lobbying ceiling amount (150% of line 2a, column(e)) | | | | | 6,000,000 |
| c Total lobbying expenditures | 42,125 | 38,193 | 45,213 | 51,680 | 177,211 |
| d Grassroots nontaxable amount | 250,000 | 250,000 | 250,000 | 250,000 | 1,000,000 |
| e Grassroots ceiling amount (150% of line 2d, column (e)) | | | | | 1,500,000 |
| f Grassroots lobbying expenditures | 49,333 | 49,792 | 54,504 | 54,504 | 208,133 |

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

For each "Yes" response on lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity

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

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

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

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

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

Part IV Supplemental Information

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

| Return Reference | Explanation |
|------------------|-------------|
|------------------|-------------|

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements
▶ Complete if the organization answered "Yes," on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
▶ Attach to Form 990.
Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047
2017
Open to Public Inspection

Name of the organization
FIRSTHEALTH OF THE CAROLINAS INC

Employer identification number
56-1936354

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? | | <input type="checkbox"/> Yes <input type="checkbox"/> 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? | | <input type="checkbox"/> Yes <input type="checkbox"/> 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 8/17/06, and not on a historic structure listed in the National Register | 2d | |

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- 3** Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)
- a** Public exhibition
 - b** Scholarly research
 - c** Preservation for future generations
 - d** Loan or exchange programs
 - e** Other
- 4** Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII
- 5** During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements.

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

- 1a** Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No
- b** If "Yes," explain the arrangement in Part XIII and complete the following table
- | | Amount |
|--|--------|
| c Beginning balance | |
| d Additions during the year | |
| e Distributions during the year | |
| f Ending balance | |
- 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 | | | | | |
| b Contributions | | | | | |
| c Net investment earnings, gains, and losses | | | | | |
| d Grants or scholarships | | | | | |
| e Other expenditures for facilities and programs | | | | | |
| f Administrative expenses | | | | | |
| g End of year balance | | | | | |

- 2** Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as
- a** Board designated or quasi-endowment ▶
 - b** Permanent endowment ▶
 - c** Temporarily restricted endowment ▶
- The percentages on lines 2a, 2b, and 2c should equal 100%
- 3a** Are there endowment funds not in the possession of the organization that are held and administered for the organization by
- | | Yes | No |
|--|---------------|----|
| (i) unrelated organizations | 3a(i) | |
| (ii) related organizations | 3a(ii) | |
| b If "Yes" on 3a(ii), are the related organizations listed as required on Schedule R? | 3b | |
- 4** Describe in Part XIII the intended uses of the organization's endowment funds

Part VI Land, Buildings, and Equipment.

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

| Description of property | (a) Cost or other basis (investment) | (b) Cost or other basis (other) | (c) Accumulated depreciation | (d) Book value |
|---|--------------------------------------|---------------------------------|------------------------------|----------------|
| 1a Land | | 16,501,713 | | 16,501,713 |
| b Buildings | | 469,212,862 | 224,948,317 | 244,264,545 |
| c Leasehold improvements | | 883,191 | 196,881 | 686,310 |
| d Equipment | | 430,001,231 | 321,284,613 | 108,716,618 |
| e Other | | 38,007,421 | 12,529,377 | 25,478,044 |
| Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c)) . . . ▶ | | | | 395,647,230 |

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) | |
| (2) | |
| (3) | |
| (4) | |
| (5) | |
| (6) | |
| (7) | |
| (8) | |
| (9) | |
| Total. (Column (b) must equal Form 990, Part X, col (B) line 15.) | |

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

| (a) Description of liability | (b) Book value |
|--|----------------|
| (1) Federal income taxes | |
| PROFESSIONAL LIABILITY RESERVE | 10,732,723 |
| (2) | |
| (3) | |
| (4) | |
| (5) | |
| (6) | |
| (7) | |
| (8) | |
| (9) | |
| Total. (Column (b) must equal Form 990, Part X, col (B) line 25.) | 10,732,723 |

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 |
|------------------|-------------|
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Additional Data

Software ID:

Software Version:

EIN: 56-1936354

Name: FIRSTHEALTH OF THE CAROLINAS INC

Supplemental Information

| Return Reference | Explanation |
|------------------|---|
| PART X, LINE 2 | FIRSTHEALTH OF THE CAROLINA, INC IS AN ORGANIZATION EXEMPT FROM FEDERAL INCOME TAX UNDER INTERNAL REVENUE CODE SECTION 501(A) AS ORGANIZATIONS DESCRIBED IN SECTION 501(C)(3) RELATED INCOME IS GENERALLY NOT SUBJECT TO FEDERAL OR STATE TAXES FIRSTHEALTH ADOPTED THE INCOME TAX STANDARD REGARDING THE RECOGNITION AND MEASUREMENT OF UNCERTAIN TAX POSITIONS, WHICH CLARIFIES THE ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES RECOGNIZED IN AN ORGANIZATION'S FINANCIAL STATEMENTS AND PRESCRIBES A RECOGNITION THRESHOLD AND MEASUREMENT PRINCIPLES FOR THE FINANCIAL STATEMENT RECOGNITION AND MEASUREMENT OF TAX POSITIONS TAKEN OR EXPECTED TO BE TAKEN ON A TAX RETURN THAT ARE NOT CERTAIN TO BE REALIZED THIS STANDARD HAS HAD NO SIGNIFICANT IMPACT ON THE CONSOLIDATED FINANCIAL STATEMENTS |

SCHEDULE H (Form 990)
 Department of the Treasury
 Internal Revenue Service
Name of the organization
 FIRSHEALTH OF THE CAROLINAS INC

Hospitals

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

Employer identification number
 56-1936354

OMB No 1545-0047
2017
Open to Public Inspection

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 type="checkbox"/> 150% <input checked="" 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 type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% <input checked="" type="checkbox"/> Other _____ 36000 0000000000 % | 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 Yes | |
| b If "Yes," did the organization make it available to the public? | 6b Yes | |

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) | | | 12,741,154 | 971,421 | 11,769,733 | 1 810 % |
| b Medicaid (from Worksheet 3, column a) | | | 73,487,671 | 39,805,248 | 33,682,423 | 5 180 % |
| c Costs of other means-tested government programs (from Worksheet 3, column b) | | | | | | |
| d Total Financial Assistance and Means-Tested Government Programs | | | 86,228,825 | 40,776,669 | 45,452,156 | 6 990 % |
| Other Benefits | | | | | | |
| e Community health improvement services and community benefit operations (from Worksheet 4) | | | 1,954,381 | 1,095,822 | 858,559 | 0 130 % |
| f Health professions education (from Worksheet 5) | | | | | | |
| g Subsidized health services (from Worksheet 6) | | | 1,334,626 | 0 | 1,334,626 | 0 210 % |
| h Research (from Worksheet 7) | | | 421,123 | 0 | 421,123 | 0 060 % |
| i Cash and in-kind contributions for community benefit (from Worksheet 8) | | | 1,191,771 | 0 | 1,191,771 | 0 180 % |
| j Total. Other Benefits | | | 4,901,901 | 1,095,822 | 3,806,079 | 0 580 % |
| k Total. Add lines 7d and 7j | | | 91,130,726 | 41,872,491 | 49,258,235 | 7 570 % |

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 | | | 400 | | 400 | 0 % |
| 6 Coalition building | | | | | | |
| 7 Community health improvement advocacy | | | | | | |
| 8 Workforce development | | | 382,698 | | 382,698 | 0 060 % |
| 9 Other | | | | | | |
| 10 Total | | | 383,098 | | 383,098 | 0 060 % |

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

| | | | | |
|---|---|---|------------|----|
| 1 | Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15? | 1 | Yes | No |
| 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 | 19,681,610 | |
| 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 | | |
| 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 | 164,054,283 |
| 6 | Enter Medicare allowable costs of care relating to payments on line 5. | 6 | 180,756,580 |
| 7 | Subtract line 6 from line 5. This is the surplus (or shortfall). | 7 | -16,702,297 |
| 8 | Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: <input type="checkbox"/> Cost accounting system <input checked="" type="checkbox"/> Cost to charge ratio <input type="checkbox"/> Other | | |

Section C. Collection Practices

| | | | | |
|----|--|----|-----|----|
| 9a | Did the organization have a written debt collection policy during the tax year? | 9a | Yes | No |
| 9b | 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 | No |

Part IV Management Companies and Joint Ventures

| (a) Name of entity | (b) Description of primary activity of entity | (c) Organization's profit % or stock ownership % | (d) Officers, directors, trustees, or key employees' profit % or stock ownership % | (e) Physicians' profit % or stock ownership % |
|--|---|--|--|---|
| 1 1 FIRST IMAGING OF THE CAROLINAS LLC | MOBILE IMAGING SERVICES | 50 000 % | | 50 000 % |
| 2 2 SURGERY CENTER OF PINEHURST LLC | AMBULATORY SURGERY CENTER | 40 000 % | | 40 000 % |
| 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?

5

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

| | Licensed hospital | General medical & surgical | Children's hospital | Teaching hospital | Critical access hospital | Research facility | ER—24 hours | ER—other | Other (describe) | 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)
 FACILITY REPORTING GROUP - A

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): _____

| | | Yes | No |
|--|--|-----|----|
| Community Health Needs Assessment | | | |
| 1 | Was the hospital facility first licensed, registered, or similarly recognized by a state as a hospital facility in the current tax year or the immediately preceding tax year? | | 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 | | 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) | 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 checked="" type="checkbox"/> Other (describe in Section C) | | |
| 4 | Indicate the tax year the hospital facility last conducted a CHNA 20 <u>16</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 | 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 | | No |
| 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 | | No |
| 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) | Yes | |
| a | <input checked="" type="checkbox"/> Hospital facility's website (list url) <u>SEE DISCLOSURE</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 | Yes | |
| 9 | Indicate the tax year the hospital facility last adopted an implementation strategy 20 <u>16</u> | | |
| 10 | Is the hospital facility's most recently adopted implementation strategy posted on a website? If "Yes" (list url) <u>SEE DISCLOSURE</u> | Yes | |
| a | | | |
| b | If "No," is the hospital facility's most recently adopted implementation strategy attached to this return? | | |
| 11 | Describe in Section C how the hospital facility is addressing the significant needs identified in its most recently conducted CHNA and any such needs that are not being addressed together with the reasons why such needs are not being addressed | | |
| 12a | Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)? | | No |
| 12b | If "Yes" on line 12a, did the organization file Form 4720 to report the section 4959 excise tax? | | |
| 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)

FACILITY REPORTING GROUP - A

Name of hospital facility or letter of facility reporting group _____

| | | Yes | No |
|-----------|---|-----|----|
| | Did the hospital facility have in place during the tax year a written financial assistance policy that | | |
| 13 | Explained eligibility criteria for financial assistance, and whether such assistance included free or discounted care? If "Yes," indicate the eligibility criteria explained in the FAP | Yes | |
| a | <input checked="" type="checkbox"/> Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of <u>200 000000000000</u> % and FPG family income limit for eligibility for discounted care of <u>360 000000000000</u> % | | |
| b | <input checked="" type="checkbox"/> Income level other than FPG (describe in Section C) | | |
| c | <input checked="" type="checkbox"/> Asset level | | |
| d | <input checked="" type="checkbox"/> Medical indigency | | |
| e | <input checked="" type="checkbox"/> Insurance status | | |
| f | <input type="checkbox"/> Underinsurance discount | | |
| g | <input type="checkbox"/> Residency | | |
| h | <input type="checkbox"/> Other (describe in Section C) | | |
| 14 | Explained the basis for calculating amounts charged to patients? | 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) | Yes | |
| a | <input checked="" type="checkbox"/> Described the information the hospital facility may require an individual to provide as part of his or her application | | |
| b | <input checked="" type="checkbox"/> Described the supporting documentation the hospital facility may require an individual to submit as part of his or her application | | |
| c | <input checked="" type="checkbox"/> Provided the contact information of hospital facility staff who can provide an individual with information about the FAP and FAP application process | | |
| d | <input type="checkbox"/> Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications | | |
| e | <input type="checkbox"/> Other (describe in Section C) | | |
| 16 | Was widely publicized within the community served by the hospital facility? If "Yes," indicate how the hospital facility publicized the policy (check all that apply) | Yes | |
| a | <input checked="" type="checkbox"/> The FAP was widely available on a website (list url) <u>SEE DISCLOSURE</u> | | |
| b | <input checked="" type="checkbox"/> The FAP application form was widely available on a website (list url) <u>SEE DISCLOSURE</u> | | |
| c | <input checked="" type="checkbox"/> A plain language summary of the FAP was widely available on a website (list url) <u>SEE DISCLOSURE</u> | | |
| d | <input checked="" type="checkbox"/> The FAP was available upon request and without charge (in public locations in the hospital facility and by mail) | | |
| e | <input checked="" type="checkbox"/> The FAP application form was available upon request and without charge (in public locations in the hospital facility and by mail) | | |
| f | <input checked="" type="checkbox"/> A plain language summary of the FAP was available upon request and without charge (in public locations in the hospital facility and by mail) | | |
| g | <input checked="" type="checkbox"/> Individuals were notified about the FAP by being offered a paper copy of the plain language summary of the FAP, by receiving a conspicuous written notice about the FAP on their billing statements, and via conspicuous public displays or other measures reasonably calculated to attract patients' attention | | |
| h | <input checked="" type="checkbox"/> Notified members of the community who are most likely to require financial assistance about availability of the FAP | | |
| i | <input 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 | | |
| j | <input type="checkbox"/> Other (describe in Section C) | | |

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

FACILITY REPORTING GROUP - A

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? If "Yes," check all actions in which the hospital facility or a third party engaged | 19 | | No |
| 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 | | | |
| b | <input checked="" type="checkbox"/> Made a reasonable effort to orally notify individuals about the FAP and FAP application process | | | |
| c | <input checked="" type="checkbox"/> Processed incomplete and complete FAP applications | | | |
| d | <input checked="" type="checkbox"/> Made presumptive eligibility determinations | | | |
| 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? If "No," indicate why | 21 | Yes | |
| 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)

FACILITY REPORTING GROUP - A

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 |
|-----------|-----|----|
| 23 | | No |
| 24 | | No |

Part V Facility Information *(continued)*

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

| Form and Line Reference | Explanation |
|-------------------------|-------------|
| See Add'l Data | |
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| | |

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? _____

| Name and address | Type of Facility (describe) |
|------------------|-----------------------------|
| 1 | |
| 2 | |
| 3 | |
| 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 7 | THE ORGANIZATION USED WORKSHEET 2 OF THE 2017 SCHEDULE H INSTRUCTIONS TO COMPUTE A COST-TO-CHARGES RATIO USED TO CALCULATE CHARITY CARE AND UNREIMBURSED MEDICAID AT COST |
| PART I, LN 7 COL(F) | TOTAL EXPENSES REPORTED ON FORM 990, PART IX, LINE 25 CONTAINS A BAD DEBT EXPENSE OF \$87,896,357 THAT HAS BEEN REMOVED FOR PURPOSES OF COMPUTING PERCENTAGE OF TOTAL EXPENSE ON COLUMN (F) |

990 Schedule H, Supplemental Information

| Form and Line Reference | Explanation |
|--|--|
| PART II, COMMUNITY BUILDING ACTIVITIES | FIRSTHEALTH OF THE CAROLINAS WORKS WITH THE COMMUNITIES WE SERVE TO CREATE OPPORTUNITIES TO IMPROVE THE PHYSICAL ENVIRONMENT FOR BETTER HEALTH FIRSTHEALTH PERSONNEL WORK IN COLLABORATION WITH VARIOUS COMMUNITY GROUPS AND CIVIC ORGANIZATIONS TO PROMOTE THE HEALTH AND WELLNESS OF OUR REGION AND THE LOCAL COMMUNITIES WE SERVE FIRSTHEALTH ACCOMPLISHES THESE GOALS BY OBTAINING PUBLIC AND PRIVATE GRANTS TO INCREASE ACCESS TO WALKING TRAILS AND SIDEWALKS, BUILDING COMMUNITY GARDENS, PROMOTING HEALTH AND WELLNESS THROUGH LOCAL BUSINESSES, SCHOOLS, AND THE CHAMBER OF COMMERCE, AND FACILITATING OF AND PARTICIPATING ON COMMUNITY-BASED COMMITTEES CONSISTING OF KEY LEADERS IN THE HEALTH FIELD TO HELP CREATE A HEALTHIER COMMUNITY AND REGION |
| PART III, LINE 4 | THE ORGANIZATION'S FINANCIAL STATEMENTS DO NOT INCLUDE FOOTNOTE ON BAD DEBT EXPENSE WORKSHEET 2 OF THE 2017 SCHEDULE H INSTRUCTIONS WAS USED TO COMPUTE A COST-TO-CHARGES RATIO USED TO CALCULATE BAD DEBT EXPENSE AT COST FOR PURPOSES OF LINE PART III, LINE 2 |

990 Schedule H, Supplemental Information

| Form and Line Reference | Explanation |
|-------------------------|--|
| PART III, LINE 8 | THE MEDICARE COST REPORT WAS USED TO CALCULATE THE OVERALL SHORTFALL THE ORGANIZATION BELIEVES THE ENTIRE SHORTFALL SHOULD BE CONSIDERED COMMUNITY BENEFIT |
| PART VI, LINE 2 | FIRSTHEALTH OF THE CAROLINAS CONDUCTS A PERIODIC COMMUNITY TELEPHONE SURVEY (EVERY 3 -4 YEARS) TO ASSESS THE HEALTH CONDITION OF THE POPULATION OF OUR PRIMARY SERVICE AREA (MOORE, MONTGOMERY, RICHMOND, AND HOKE COUNTIES) AS WELL AS SCOTLAND AND ROBESON COUNTIES, AND TRACKS THIS INFORMATION OVER TIME THE FIRST SURVEY WAS CONDUCTED IN 1999 AND THE MOST RECENT SURVEY WAS CONDUCTED IN 2016 THE SURVEY AND ANALYSIS OF DATA IS CONDUCTED BY PRC ASSOCIATES ADDITIONALLY, FIRSTHEALTH OF THE CAROLINAS CONVENES COMMUNITY VISION GROUPS THROUGHOUT OUR PRIMARY SERVICE AREA TO OBTAIN AN "ON THE GROUND PERSPECTIVE" OF THE POPULATION'S HEALTH STATUS AND DEVELOP ACTION PLAN TO ADDRESS IDENTIFIED HEALTH ISSUES THE GROUPS CONSIST OF KEY COMMUNITY HEALTH LEADERS IN EACH COUNTY |

990 Schedule H, Supplemental Information

| Form and Line Reference | Explanation |
|-------------------------|--|
| PART VI, LINE 3 | ANYONE WHO VISITS A FIRSTHEALTH HOSPITAL FOR MEDICAL CARE IS TREATED REGARDLESS OF HIS/HER ABILITY TO PAY ALTHOUGH AN EFFORT IS MADE TO COLLECT A PORTION OF THE BILL ON ADMISSION OR AT DISCHARGE, THE FIRSTHEALTH STAFF IS TRAINED TO IDENTIFY THOSE WHO MAY NEED FINANCIAL ASSISTANCE FOR SOME, THIS COULD SIMPLY INVOLVE ESTABLISHING A PAYMENT PLAN THAT FITS WITH THE FAMILY BUDGET FOR OTHERS, THE HELP IS MORE COMPLEX WHEN PATIENTS ARE UNABLE TO HELP WITH MEDICAL EXPENSES, FINANCIAL COUNSELORS MEET WITH THEM ONE ON ONE TO IDENTIFY ANY PROGRAM FOR WHICH THEY MIGHT QUALIFY THESE INCLUDE MEDICAID, VOCATIONAL REHABILITATION AND NORTH CAROLINA PURCHASE OF CASE SERVICES WHEN NECESSARY, THE HOSPITAL ITSELF ABSORBS SOME OR ALL OF THE COST OF CASE FOR THOSE THAT MEET DESIGNATED CRITERIA THE AMOUNT OF ASSISTANCE DEPENDS ON FAMILY INCOME PATIENTS AT OR BELOW 200% OF THE FEDERAL POVERTY GUIDELINES QUALIFY FOR 100% FINANCIAL ASSISTANCE FOR THE FIRSTHEALTH FINANCIAL ASSISTANCE PROGRAM PATIENTS WHOSE INCOME EXCEEDS 200% MAY STILL QUALIFY FOR ASSISTANCE DEPENDING ON THEIR INDIVIDUAL FINANCIAL CIRCUMSTANCES INFORMATION ABOUT FEDERAL, STATE, AND LOCAL PROGRAMS, AS WELL AS FIRSTHEALTH'S FINANCIAL AID PROGRAM IS OFFERED TO ALL PATIENTS IN THE FIRSTHEALTH OF THE CAROLINAS PATIENT HANDBOOK AND CAN BE FOUND ON OUR CORPORATE WEBSITE, WWW.FIRSTHEALTH.ORG |
| PART VI, LINE 4 | FIRSTHEALTH OF THE CAROLINAS OWNS AND OPERATES A HEALTH CARE DELIVERY SYSTEM THAT PROVIDES HEALTH CARE SERVICES TO PATIENTS THROUGHOUT A 15-COUNTY SERVICE AREA IN SOUTH-CENTRAL NORTH CAROLINA AND NORTHWEST SOUTH CAROLINA FIRSTHEALTH OF THE CAROLINAS OPERATES FIVE ACUTE CARE HOSPITALS IN THIS SERVICE AREA FIRSTHEALTH DRAWS APPROXIMATELY 65.4% OF ITS PATIENTS FROM MOORE, MONTGOMERY AND RICHMOND COUNTIES IN NORTH CAROLINA AND APPROXIMATELY 18.2% OF ITS PATIENTS FROM THE THREE SURROUNDING COUNTIES OF HOKE, LEE AND SCOTLAND THESE SIX COUNTIES COLLECTIVELY COMPRISE FIRSTHEALTH'S PRIMARY SERVICE AREA FIRSTHEALTH'S PRIMARY SERVICE AREA REFLECTS A POPULATION BASE OF APPROXIMATELY 314,679 THE POPULATION BASE OF FIRSTHEALTH'S TOTAL SERVICE AREA IS APPROXIMATELY 1,272,745 |

990 Schedule H, Supplemental Information

| Form and Line Reference | Explanation |
|--|---|
| PART VI, LINE 5 | FIRSTHEALTH OF THE CAROLINAS ALSO FURTHERS ITS EXEMPT PURPOSE BY PROMOTING THE HEALTH OF THE COMMUNITY BY EXTENDING MEDICAL STAFF PRIVILEGES TO QUALIFIED PHYSICIANS OF THE COMMUNITY IN ADDITION, A MAJORITY OF FIRSTHEALTH'S GOVERNING BODY IS COMPRISED OF PERSONS WHO RESIDE IN FIRSTHEALTH'S PRIMARY SERVICE AREA WHO ARE INDEPENDENT MEMBERS OF THE COMMUNITY |
| PART VI, LINE 7, REPORTS FILED WITH STATES | NC |

Schedule H (Form 990) 2017

Additional Data

Software ID:
Software Version:
EIN: 56-1936354
Name: FIRSTHEALTH OF THE CAROLINAS INC

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? 5 | | 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 | FIRSTHEALTH MOORE REGIONAL HOSPITAL 155 MEMORIAL DRIVE PO BOX 3000 PINEHURST, NC 28374 | X | X | | | | | X | | | A |
| 2 | FIRSTHEALTH MONTGOMERY MEMORIAL HOSPITAL 520 ALLEN STREET PO BOX 486 TROY, NC 37371 | X | X | | | X | | X | | | A |
| 3 | FIRSTHEALTH MOORE REGIONAL HOSPITAL RICHMOND CAMPUS 925 LONG DRIVE ROCKINGHAM, NC 28379 | X | X | | | | | X | | | A |
| 4 | FIRSTHEALTH MOORE REGIONAL HOSPITAL HOKE 6408 FAYETTEVILLE ROAD RAEFORD, NC 28376 | X | X | | | | | X | | | A |
| 5 | SANDHILLS REGIONAL MEDICAL CENTER 1000 W HAMLET AVENUE HAMLET, NC 28345 | X | X | | | | | X | | | A |

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 |
|--|---|
| PART V, SECTION B | FACILITY REPORTING GROUP A |
| FACILITY REPORTING GROUP A CONSISTS OF | - FACILITY 1 FIRSTHEALTH MOORE REGIONAL HOSPITAL, - FACILITY 2 FIRSTHEALTH MONTGOMERY MEMORIAL HOSPITAL, - FACILITY 3 FIRSTHEALTH MOORE REGIONAL HOSPITAL RICHMOND C, - FACILITY 4 FIRSTHEALTH MOORE REGIONAL HOSPITAL HOKE, - FACILITY 5 SANDHILLS REGIONAL MEDICAL CENTER |

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 |
|--|--|
| GROUP A-FACILITY 1 -- FIRSTHEALTH MOORE REGIONAL HOSPITAL PART V, SECTION B, LINE 5 | FIRSTHEALTH OF THE CAROLINAS HAS CONDUCTED COMMUNITY HEALTH NEEDS ASSESSMENT SURVEYS THESE SURVEYS ARE CONDUCTED VIA RANDOM-DIGIT DIAL PHONE CALLS WITH QUESTIONS THAT MIRROR THE BEHAVIORAL RISK FACTOR SURVEILLANCE SURVEY AT THE STATE AND NATIONAL LEVELS FIRSTHEALTH CONTRACTS WITH PROFESSIONAL RESEARCH CONSULTANTS FOR THIS SURVEY IN ADDITION, TO THE COMMUNITY HEALTH DATA COLLECTION, FIRSTHEALTH REALIZED THE NEED TO FORMALLY MEASURE COMMUNITY HEALTH INDICATOR GOALS AS PART OF THE FIRST-IN-HEALTH 2020 VISION AS SUCH, THE SYSTEM IN PARTNERSHIP WITH WAKE FOREST UNIVERSITY DEVELOPED A PROCESS FOR TRACKING AND MONITORING THE FIRST-IN-HEALTH GOALS THROUGH THE DESIGNATION OF NINE HEALTH CATEGORIES AND 58 HEALTH INDICATORS |
| GROUP A-FACILITY 2 -- FIRSTHEALTH MONTGOMERY MEMORIAL HOSPITAL PART V, SECTION B, LINE 5 | FIRSTHEALTH OF THE CAROLINAS HAS CONDUCTED COMMUNITY HEALTH NEEDS ASSESSMENT SURVEYS THESE SURVEYS ARE CONDUCTED VIA RANDOM-DIGIT DIAL PHONE CALLS WITH QUESTIONS THAT MIRROR THE BEHAVIORAL RISK FACTOR SURVEILLANCE SURVEY AT THE STATE AND NATIONAL LEVELS FIRSTHEALTH CONTRACTS WITH PROFESSIONAL RESEARCH CONSULTANTS FOR THIS SURVEY IN ADDITION, TO THE COMMUNITY HEALTH DATA COLLECTION, FIRSTHEALTH REALIZED THE NEED TO FORMALLY MEASURE COMMUNITY HEALTH INDICATOR GOALS AS PART OF THE FIRST-IN-HEALTH 2020 VISION AS SUCH, THE SYSTEM IN PARTNERSHIP WITH WAKE FOREST UNIVERSITY DEVELOPED A PROCESS FOR TRACKING AND MONITORING THE FIRST-IN-HEALTH GOALS THROUGH THE DESIGNATION OF NINE HEALTH CATEGORIES AND 58 HEALTH INDICATORS |

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 |
|--|--|
| GROUP A-FACILITY 3 -- FIRSTHEALTH MOORE REGIONAL HOSPITAL RICH PART V, SECTION B, LINE 5 | FIRSTHEALTH OF THE CAROLINAS HAS CONDUCTED COMMUNITY HEALTH NEEDS ASSESSMENT SURVEYS THESE SURVEYS ARE CONDUCTED VIA RANDOM-DIGIT DIAL PHONE CALLS WITH QUESTIONS THAT MIRROR THE BEHAVIORAL RISK FACTOR SURVEILLANCE SURVEY AT THE STATE AND NATIONAL LEVELS FIRSTHEALTH CONTRACTS WITH PROFESSIONAL RESEARCH CONSULTANTS FOR THIS SURVEY IN ADDITION, TO THE COMMUNITY HEALTH DATA COLLECTION, FIRSTHEALTH REALIZED THE NEED TO FORMALLY MEASURE COMMUNITY HEALTH INDICATOR GOALS AS PART OF THE FIRST-IN-HEALTH 2020 VISION AS SUCH, THE SYSTEM IN PARTNERSHIP WITH WAKE FOREST UNIVERSITY DEVELOPED A PROCESS FOR TRACKING AND MONITORING THE FIRST-IN-HEALTH GOALS THROUGH THE DESIGNATION OF NINE HEALTH CATEGORIES AND 58 HEALTH INDICATORS |
| GROUP A-FACILITY 4 -- FIRSTHEALTH MOORE REGIONAL HOSPITAL HOKE PART V, SECTION B, LINE 5 | FIRSTHEALTH OF THE CAROLINAS HAS CONDUCTED COMMUNITY HEALTH NEEDS ASSESSMENT SURVEYS THESE SURVEYS ARE CONDUCTED VIA RANDOM-DIGIT DIAL PHONE CALLS WITH QUESTIONS THAT MIRROR THE BEHAVIORAL RISK FACTOR SURVEILLANCE SURVEY AT THE STATE AND NATIONAL LEVELS FIRSTHEALTH CONTRACTS WITH PROFESSIONAL RESEARCH CONSULTANTS FOR THIS SURVEY IN ADDITION, TO THE COMMUNITY HEALTH DATA COLLECTION, FIRSTHEALTH REALIZED THE NEED TO FORMALLY MEASURE COMMUNITY HEALTH INDICATOR GOALS AS PART OF THE FIRST-IN-HEALTH 2020 VISION AS SUCH, THE SYSTEM IN PARTNERSHIP WITH WAKE FOREST UNIVERSITY DEVELOPED A PROCESS FOR TRACKING AND MONITORING THE FIRST-IN-HEALTH GOALS THROUGH THE DESIGNATION OF NINE HEALTH CATEGORIES AND 58 HEALTH INDICATORS |

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 |
|-----------------------------|--|
| PART V, SECTION B, LINE 7A | - HTTPS //WWW FIRSTHEALTH ORG/MEDIA/4456/MMHCHNA2017FINAL PDF- HTTPS //WWW FIRSTHEALTH ORG/MEDIA/4457/RMHCHNA2017FINAL PDF- HTTPS //WWW FIRSTHEALTH ORG/MEDIA/4454/MRHCHNA2016FINAL PDF |
| PART V, SECTION B, LINE 10A | - HTTPS //WWW FIRSTHEALTH ORG/MEDIA/4459/FIRSTHEALTH-MONTGOMERY-MEMORIAL- HOSPITAL-IMPLEMENTATION-PLAN-FINAL PDF- HTTPS //WWW FIRSTHEALTH ORG/MEDIA/4460/FIRSTHEALTH-RICHMOND-MEMORIAL-H OSPITAL-IMPLEMENTATION-PLAN-2016-FINAL PDF- HTTPS //WWW FIRSTHEALTH ORG/MEDIA/4458/FIRSTHEALTH-MOORE-REGIONAL-HOSPITAL-IMPLEMENTATION-PLAN-FINAL 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 |
|-----------------------------|---|
| PART V, SECTION B, LINE 16A | HTTPS //WWW FIRSTHEALTH ORG/POLICIES-AND-TERMS/FINANCIAL-ASSISTANCE#5 |
| PART V, SECTION B, LINE 16B | HTTPS //WWW FIRSTHEALTH ORG/MEDIA/2974/APPLICATION-FOR-FINANCIAL-ASSISTANCE 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 |
|-----------------------------|--|
| PART V, SECTION B, LINE 16C | HTTPS //WWW FIRSTHEALTH ORG/POLICIES-AND-TERMS/FINANCIAL-ASSISTANCE |
| PART V, SECTION B, LINE 22 | IF A PATIENT IS UNABLE TO PAY, FINANCIAL COUNSELORS ARE AVAILABLE TO HELP IDENTIFY PROGRAMS THEY MAY QUALIFY FOR, INCLUDING MEDICAID, VOCATIONAL REHABILITATION AND NORTH CAROLINA PURCHASE OF CARE SERVICES CRITERIA TO QUALIFY FOR FEDERAL OR STATE PROGRAMS ARE BASED ON SPECIFIC GUIDELINES FOR THE PROGRAM IN THE EVENT A PATIENT DOES NOT QUALIFY FOR ANY TYPE OF GOVERNMENT ASSISTANCE PROGRAM, THEY MAY QUALIFY FOR AID THROUGH FIRSTHEALTH'S FINANCIAL ASSISTANCE PROGRAM THE AMOUNT OF ASSISTANCE IS BASED ON A PERCENTAGE OF THE MOST RECENT FEDERAL POVERTY GUIDELINES PUBLISHED BY THE DEPARTMENT OF HEALTH AND HUMAN SERVICES, AVAILABLE ON-LINE AT HTTPS //ASPE HHS GOV/POVERTY-GUIDELINES, AS WELL AS THE GUIDELINES ESTABLISHED BY FIRSTHEALTH OF THE CAROLINAS, INC THE FINANCIAL AID PERCENTAGE DISCOUNT CONSIDERS THE "AMOUNT GENERALLY BILLED" BY FIRSTHEALTH OF THE CAROLINAS, INC THE AMOUNT IS CALCULATED ON AN ANNUAL BASIS BY THE VICE PRESIDENT OF FINANCE AND SUPPORT SERVICES, AND IS UPDATED IN CONJUNCTION WITH CHANGES TO THE FEDERAL POVERTY GUIDELINES THE "AMOUNT GENERALLY BILLED" IS AN ESTIMATE BASED ON A HISTORICAL REVIEW OF FIRSTHEALTH'S OVERALL ESTIMATE OF NET REVENUE DIVIDED BY TOTAL CHARGES THIS AMOUNT WILL ALSO BE THE FINANCIAL AID PERCENTAGE USED IN THE THIRD TIER OF THE FEDERAL POVERTY GUIDELINES TO ENSURE ANY PATIENT THAT QUALIFIES FOR FINANCIAL ASSISTANCE UNDER FIRSTHEALTH'S FINANCIAL ASSISTANCE PROGRAM WILL ONLY BE RESPONSIBLE FOR THE AMOUNT GENERALLY BILLED TO THE ENTIRE PATIENT POPULATION |

**Schedule I
(Form 990)**

**Grants and Other Assistance to Organizations,
Governments and Individuals in the United States**

OMB No 1545-0047

2017

**Open to Public
Inspection**

Department of the
Treasury
Internal Revenue Service

Complete if the organization answered "Yes," on Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.

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

Name of the organization
FIRSTHEALTH OF THE CAROLINAS INC

Employer identification number
56-1936354

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) See Additional Data | | | | | | | |
| (2) | | | | | | | |
| (3) | | | | | | | |
| (4) | | | | | | | |
| (5) | | | | | | | |
| (6) | | | | | | | |
| (7) | | | | | | | |
| (8) | | | | | | | |
| (9) | | | | | | | |
| (10) | | | | | | | |
| (11) | | | | | | | |
| (12) | | | | | | | |

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table ▶ _____ 5

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

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 | FIRSTHEALTH OF THE CAROLINAS, INC ("FIRSTHEALTH") SUPPORTS VARIOUS COMMUNITY-BASED TAX-EXEMPT ORGANIZATIONS AND LOCAL GOVERNMENTAL UNITS THROUGH CASH DONATIONS FIRSTHEALTH DOES NOT RESTRICT THE USE OF THESE DONATIONS AND SUPPORT PAYMENTS THE RECEIVING EXEMPT ORGANIZATIONS OR GOVERNMENTAL UNITS MAY USE THE DONATION/SUPPORT PAYMENT AT WILL TO FURTHER THEIR EXEMPT PURPOSES |

Additional Data

Software ID:
Software Version:
EIN: 56-1936354
Name: FIRSTHEALTH OF THE CAROLINAS INC

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

| (a) Name and address of organization or government | (b) EIN | (c) IRC section if applicable | (d) Amount of cash grant | (e) Amount of non-cash assistance | (f) Method of valuation (book, FMV, appraisal, other) | (g) Description of non-cash assistance | (h) Purpose of grant or assistance |
|--|----------------|--------------------------------------|---------------------------------|--|--|---|---|
| MOORE COUNTY FREE CLINIC 211 TRIMBLE PLANT ROAD SOUTHERN PINES, NC 28387 | 01-0781234 | 501(C)(3) | 125,000 | | FMV | | GENERAL SUPPORT |
| COUNTY OF MOORE PO BOX 905 CARTHAGE, NC 28374 | 56-6000322 | 501(C)(3) | 45,635 | | FMV | | SUPPORT HEALTH & WELLNESS PROGRAMS |

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

| (a) Name and address of organization or government | (b) EIN | (c) IRC section if applicable | (d) Amount of cash grant | (e) Amount of non-cash assistance | (f) Method of valuation (book, FMV, appraisal, other) | (g) Description of non-cash assistance | (h) Purpose of grant or assistance |
|--|----------------|--------------------------------------|---------------------------------|--|--|---|---|
| VILLAGE OF PINEHURST 395 MAGNOLIA ROAD PINEHURST, NC 28374 | 56-1211319 | 501(C)(3) | 27,480 | | FMV | | SUPPORT HEALTH & WELLNESS PROGRAMS |
| MOORE COUNTY SCHOOLS PO BOX 1180 CARTHAGE, NC 28327 | 56-6001078 | 501(C)(3) | 60,000 | | FMV | | SUPPORT SCHOOL NURSE PROGRAM |

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

| (a) Name and address of organization or government | (b) EIN | (c) IRC section if applicable | (d) Amount of cash grant | (e) Amount of non-cash assistance | (f) Method of valuation (book, FMV, appraisal, other) | (g) Description of non-cash assistance | (h) Purpose of grant or assistance |
|--|----------------|--------------------------------------|---------------------------------|--|--|---|---|
| UNITED WAY OF MOORE COUNTY 780 NW BROAD ST STE 110 SOUTHERN PINES, NC 28387 | 23-7016427 | 501(C)(3) | 5,000 | | FMV | | GENERAL SUPPORT |

Schedule J
(Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 23.**
▶ **Attach to Form 990.**

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

OMB No 1545-0047

2017

Open to Public Inspection

Name of the organization
FIRSTHEALTH OF THE CAROLINAS INC

Employer identification number
56-1936354

Part I Questions Regarding Compensation

| | | Yes | No | | |
|--|--|--|----|--|--|
| <p>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.</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top;"> <input type="checkbox"/> First-class or charter travel <input type="checkbox"/> Travel for companions <input type="checkbox"/> Tax indemnification and gross-up payments <input type="checkbox"/> Discretionary spending account </td> <td style="width: 50%; vertical-align: top;"> <input type="checkbox"/> Housing allowance or residence for personal use <input type="checkbox"/> Payments for business use of personal residence <input type="checkbox"/> Health or social club dues or initiation fees <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) </td> </tr> </table> | <input type="checkbox"/> First-class or charter travel <input type="checkbox"/> Travel for companions <input type="checkbox"/> Tax indemnification and gross-up payments <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Housing allowance or residence for personal use <input type="checkbox"/> Payments for business use of personal residence <input type="checkbox"/> Health or social club dues or initiation fees <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) | | | |
| <input type="checkbox"/> First-class or charter travel <input type="checkbox"/> Travel for companions <input type="checkbox"/> Tax indemnification and gross-up payments <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Housing allowance or residence for personal use <input type="checkbox"/> Payments for business use of personal residence <input type="checkbox"/> Health or social club dues or initiation fees <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) | | | | |
| <p>b If any of the boxes in 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</p> | 1b | | | | |
| <p>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 in line 1a?</p> | 2 | Yes | | | |
| <p>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.</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top;"> <input checked="" type="checkbox"/> Compensation committee <input checked="" type="checkbox"/> Independent compensation consultant <input type="checkbox"/> Form 990 of other organizations </td> <td style="width: 50%; vertical-align: top;"> <input checked="" type="checkbox"/> Written employment contract <input checked="" type="checkbox"/> Compensation survey or study <input checked="" type="checkbox"/> Approval by the board or compensation committee </td> </tr> </table> | <input checked="" type="checkbox"/> Compensation committee <input checked="" type="checkbox"/> Independent compensation consultant <input type="checkbox"/> Form 990 of other organizations | <input checked="" type="checkbox"/> Written employment contract <input checked="" type="checkbox"/> Compensation survey or study <input checked="" type="checkbox"/> Approval by the board or compensation committee | | | |
| <input checked="" type="checkbox"/> Compensation committee <input checked="" type="checkbox"/> Independent compensation consultant <input type="checkbox"/> Form 990 of other organizations | <input checked="" type="checkbox"/> Written employment contract <input checked="" type="checkbox"/> Compensation survey or study <input checked="" type="checkbox"/> Approval by the board or compensation committee | | | | |
| <p>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:</p> <p>a Receive a severance payment or change-of-control payment?</p> | 4a | | No | | |
| <p>b Participate in, or receive payment from, a supplemental nonqualified retirement plan?</p> | 4b | Yes | | | |
| <p>c Participate in, or receive payment from, an equity-based compensation arrangement?</p> <p>If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.</p> | 4c | | No | | |
| <p>Only 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.</p> | | | | | |
| <p>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:</p> <p>a The organization?</p> | 5a | Yes | | | |
| <p>b Any related organization?</p> <p>If "Yes," on line 5a or 5b, describe in Part III.</p> | 5b | | No | | |
| <p>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:</p> <p>a The organization?</p> | 6a | | No | | |
| <p>b Any related organization?</p> <p>If "Yes," on line 6a or 6b, describe in Part III.</p> | 6b | | No | | |
| <p>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.</p> | 7 | | No | | |
| <p>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.</p> | 8 | | No | | |
| <p>9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?</p> | 9 | | | | |

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 4B | THE ORGANIZATION'S CEO PARTICIPATED IN A SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN (SERP). THE AMOUNT OF DEFERRED COMPENSATION ACCRUED DURING THE FISCAL YEAR FOR THE PLAN WAS \$128,247. |
| PART I, LINE 5 | PHYSICIANS ARE PAID UNDER A PRODUCTIVITY-BASED COMPENSATION MODEL, WHICH TIES TOTAL COMPENSATION TO A RELATIVE VALUE UNIT (RVU). AN RVU IS A DOLLAR AMOUNT ASSIGNED TO EACH PATIENT ENCOUNTER OR MEDICAL TEST/PROCEDURE PERFORMED. |

Additional Data

Software ID:
Software Version:
EIN: 56-1936354
Name: FIRSTHEALTH OF THE CAROLINAS INC

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 | | | | |
| 1 DAVID KILARSKI PRESIDENT/CEO | (i) | 700,277 | 446,368 | 35,404 | 137,767 | 14,121 | 1,333,937 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 1 DANIEL BARNES DO PRESIDENT, PHYSICIANS GROUP | (i) | 405,278 | 140,355 | 48,650 | 10,640 | 14,000 | 618,923 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2 SUSAN BEATY PRESIDENT, MRH HOKE CAMPUS | (i) | 159,606 | 59,744 | 35,072 | 8,609 | 8,247 | 271,278 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3 DANIEL BIEDIGER VP HUMAN RESOURCES | (i) | 237,678 | 88,132 | 51,613 | 14,000 | 14,340 | 405,763 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4 BRIAN CANFIELD SR VP CORPORATE COO | (i) | 321,478 | 111,135 | 36,430 | 9,520 | 1,775 | 480,338 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5 JEFFREY CASEY VP FINANCE | (i) | 308,614 | 111,335 | 58,374 | 12,880 | 13,955 | 505,158 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 6 LYNN DEJACO SR VP CORPORATE CFO | (i) | 460,951 | 161,401 | 54,919 | 12,880 | 14,000 | 704,151 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 7 DAVID DILLEHUNT VP CORPORATE CIO | (i) | 298,203 | 104,479 | 42,835 | 11,760 | 8,780 | 466,057 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 8 AMY GRAHAM VP STRATEGY & INNOVATION | (i) | 231,699 | 84,897 | 39,426 | 14,000 | 14,094 | 384,116 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 9 JOHN JACKSON PRESIDENT, MRH RICHMOND CAMPUS | (i) | 234,144 | 85,563 | 34,784 | 12,801 | 8,317 | 375,609 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10 JOHN KRAHNERT MD SR VP CORPORATE CMO | (i) | 498,866 | 171,266 | 32,942 | 10,640 | 14,121 | 727,835 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 11 CINDY MCNEILL-MCDONALD VP QUALITY | (i) | 216,844 | 75,572 | 34,685 | 12,187 | 11,443 | 350,731 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 12 KAREN ROBEANO VP / CNO | (i) | 223,931 | 79,666 | 26,116 | 8,642 | 1,310 | 339,665 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 13 ELIZABETH WALKER PRESIDENT, MMH | (i) | 173,746 | 64,503 | 32,529 | 11,195 | 8,703 | 290,676 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 14 MARK LANDERS MD PHYSICIAN | (i) | 527,593 | 411,692 | 32,860 | 9,520 | 14,000 | 995,665 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 15 STEVEN FILBY MD PHYSICIAN | (i) | 514,521 | 217,906 | 27,538 | 9,520 | 14,000 | 783,485 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 16 WILLIAM HARRIS MD PHYSICIAN | (i) | 499,310 | 174,688 | 25,544 | 9,520 | 14,000 | 723,062 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 17 ARTHUR EDGERTON MD PHYSICIAN | (i) | 515,294 | 56,175 | 36,166 | 5,443 | 4,627 | 617,705 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 18 PETER ELLMAN MD PHYSICIAN | (i) | 537,066 | 56,175 | 10,690 | 4,360 | 14,000 | 622,291 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Schedule K (Form 990)

Supplemental Information on Tax-Exempt Bonds

OMB No 1545-0047

2017

Open to Public Inspection

Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part VI. Attach to Form 990. Information about Schedule K (Form 990) and its instructions is at www.irs.gov/form990.

Department of the Treasury Internal Revenue Service

Name of the organization FIRSTHEALTH OF THE CAROLINAS INC

Employer identification number 56-1936354

Part I Bond Issues

Table with 11 columns: (a) Issuer name, (b) Issuer EIN, (c) CUSIP #, (d) Date issued, (e) Issue price, (f) Description of purpose, (g) Defeased (Yes/No), (h) On behalf of issuer (Yes/No), (i) Pool financing (Yes/No). Rows include NORTH CAROLINA MEDICAL CARE COMMISSION with various bond issues.

Part II Proceeds

Table with 17 rows and 9 columns (A-D, Yes/No). Rows 1-13 list various proceeds categories like 'Amount of bonds retired', 'Total proceeds of issue', etc. Rows 14-17 are yes/no questions about bond issuance.

Part III Private Business Use

Table with 2 rows and 9 columns (A-D, Yes/No). Row 1: 'Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?'. Row 2: 'Are there any lease arrangements that may result in private business use of bond-financed property?'.

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? | X | | | | X | | | |
| 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 ▶ | 10 000 % | | | | 1 800 % | | 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 ▶ | 0 100 % | | | | 2 100 % | | 0 % | |
| 6 Total of lines 4 and 5 | 10 100 % | | | | 3 900 % | | 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 | |
| b Exception to rebate? | | X | | X | | | | X |
| c No rebate due? | | 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 |
|-------------------------------------|---|
| SCHEDULE K SUPPLEMENTAL INFORMATION | PART I, BOND B, COLUMN F REISSUANCE OF 29,400,000 OF BOND PROCEEDS ORIGINALLY ISSUED ON 2/27/2002, AND ISSUANCE OF 20,600,000 OF NEW MONEY FOR VARIOUS CAPITAL PROJECTS, PART II, LINE 14, COLUMN B THE REISSUANCE OF THE 2/27/2002 ISSUE WAS DEEMED A CURRENT REFUNDING FOR TAX PURPOSES PART II, LINE 1, COLUMN A 29,400,000 OF THE 2008A ORIGINAL PRINCIPAL AMOUNT WAS REFUNDED BY ISSUE DATED 1/6/2010 ONLY THE A PORTION OF THE ISSUE REMAINS OUTSTANDING AS OF FISCAL YEAR 2013 |

Schedule K (Form 990)

Supplemental Information on Tax-Exempt Bonds
 ▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part VI.
 ▶ Attach to Form 990.
 ▶ Information about Schedule K (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047
2017
Open to Public Inspection

Department of the Treasury
 Internal Revenue Service

Name of the organization
 FIRSTHEALTH OF THE CAROLINAS INC

Employer identification number
 56-1936354

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 | NORTH CAROLINA MEDICAL CARE COMMISSION | 52-1309402 | | 08-03-2017 | 38,090,000 | SERIES 2017A - REFUND PORTION OF ISSUE DATES 3/4/12 | | X | | X | | X |
| B | NORTH CAROLINA MEDICAL CARE COMMISSION | 52-1309402 | | 08-24-2017 | 29,630,000 | SERIES 2017B - REFUND PORTION OF ISSUE DATES 1/6/10 | | X | | X | | X |
| C | NORTH CAROLINA MEDICAL CARE COMMISSION | 52-1309402 | 65821DVR9 | 09-13-2017 | 28,590,000 | SERIES 2017D - REFUND PORTIO OF ISSUE DATE 10/3/12 | | X | | X | | X |

Part II Proceeds

| | | A | | B | | C | | D | |
|-----------|--|------------|-----------|------------|-----------|------------|-----------|------------|-----------|
| 1 | Amount of bonds retired | | | | | | | | |
| 2 | Amount of bonds legally defeased | 40,830,000 | | 29,535,000 | | 28,435,000 | | | |
| 3 | Total proceeds of issue | 38,090,000 | | 29,630,000 | | 28,590,000 | | | |
| 4 | Gross proceeds in reserve funds | | | | | | | | |
| 5 | Capitalized interest from proceeds | | | | | | | | |
| 6 | Proceeds in refunding escrows | | | | | | | | |
| 7 | Issuance costs from proceeds | 122,864 | | 92,803 | | 142,879 | | | |
| 8 | Credit enhancement from proceeds | | | | | | | | |
| 9 | Working capital expenditures from proceeds | | | | | | | | |
| 10 | Capital expenditures from proceeds | | | | | | | | |
| 11 | Other spent proceeds | 37,957,007 | | 29,535,000 | | 28,435,000 | | | |
| 12 | Other unspent proceeds | | | | | | | | |
| 13 | Year of substantial completion | | | | | | | | |
| | | Yes | No | Yes | No | Yes | No | Yes | No |
| 14 | Were the bonds issued as part of a current refunding issue? | X | | X | | X | | | |
| 15 | Were the bonds issued as part of an advance refunding issue? | | X | | X | | X | | |
| 16 | Has the final allocation of proceeds been made? | X | | X | | X | | | |
| 17 | Does the organization maintain adequate books and records to support the final allocation of proceeds? | 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 | | |
| 2 | Are there any lease arrangements that may result in private business use of bond-financed property? | | 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 | | |
| 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 | | |
| 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 % | | 2 100 % | | 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 % | | | |
| 6 Total of lines 4 and 5 | 0 % | | 2 100 % | | 0 % | | | |
| 7 Does the bond issue meet the private security or payment test? | | 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 | | |
| 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 | | | |

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 | | |
| 2 If "No" to line 1, did the following apply? | | | | | | | | |
| a Rebate not due yet? | X | | X | | X | | | |
| b Exception to rebate? | | X | | X | | X | | |
| c No rebate due? | | 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 | | | |
| 4a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue? | | 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 | | |
| 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 | | |
| 7 Has the organization established written procedures to monitor the requirements of section 148? | 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 | | | |

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

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Name of the organization
FIRSTHEALTH OF THE CAROLINAS INC

Supplemental Information to Form 990 or 990-EZ

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

▶ Attach to Form 990 or 990-EZ.

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

OMB No 1545-0047

2017

Open to Public Inspection

Employer identification number

56-1936354

990 Schedule O, Supplemental Information

| Return Reference | Explanation |
|----------------------------------|---|
| FORM 990, PAGE 2, PART III | <p>FIRSTHEALTH OF THE CAROLINAS, INC ("FIRSTHEALTH") PROVIDES A COMPREHENSIVE COMMUNITY BENE FITS PROGRAM IN ITS PRIMARY AND SECONDARY SERVICE AREAS FIRSTHEALTH PLAYS A PIVOTAL ROLE IN DELIVERING HEALTH CARE IN THE MID-CAROLINAS AND IS BOTH THE INFRASTRUCTURE AND SAFETY NET FOR HEALTH CARE IN ITS COMMUNITIES FIRSTHEALTH OPERATES TWO HOSPITALS FIRSTHEALTH MOORE REGIONAL HOSPITAL AND FIRSTHEALTH MONTGOMERY MEMORIAL HOSPITAL FIRSTHEALTH MOORE REGIONAL HOSPITAL HAS LICENSED BEDS IN FOUR LOCATIONS THE MAIN CAMPUS IN PINEHURST, NORTH CAROLINA AND REMOTE LOCATIONS IN ROCKINGHAM, RAEFORD AND HAMLET, NORTH CAROLINA HAMLET IS A LICENSED ACUTE CARE FACILITY BUT CEASED OPERATIONS ON DECEMBER 1, 2017 HOSPITAL CARE IS THE CORNERSTONE OF HEALTH CARE IN MOST COMMUNITIES, BUT FIRSTHEALTH GOES BEYOND THE WALLS OF THESE FACILITIES TO ENHANCE THE HEALTH AND WELLNESS OF THE RESIDENTS OF ITS SERVICE AREAS FIRSTHEALTH PROVIDES LOW-COST AND, IN MANY CASES, FREE PROGRAMS TO OUR MOST VULNERABLE PATIENT POPULATIONS ONE OF FIRSTHEALTH'S MOST IMPORTANT FINANCIAL CONTRIBUTIONS IS BRIDGING THE GAP CREATED BY UNDERPAYMENTS FROM MEDICARE AND MEDICAID AND OTHER GOVERNMENT PROGRAMS, WHILE CONTINUING TO PROVIDE ACCESS TO FREE OR LOW-COST HEALTH SCREENINGS AND DIAGNOSTIC SERVICES, AS WELL AS HEALTH/WELLNESS EDUCATIONAL PROGRAMS IN THE COMMUNITIES FIRSTHEALTH SERVES FREE AND DISCOUNTED CHARITY CARE TO ELIGIBLE PATIENTS SERVED ANYONE WHO VISITS A FIRSTHEALTH HOSPITAL FOR MEDICAL CARE IS TREATED REGARDLESS OF HIS OR HER ABILITY TO PAY FOR THE TREATMENT PROVIDED WHEN PATIENTS ARE UNABLE TO HELP WITH THEIR MEDICAL EXPENSES, FIRSTHEALTH ABSORBS SOME OR ALL THE COST OF CARE FOR THOSE THAT MEET DESIGNATED FINANCIAL CRITERIA, DEPENDING ON FAMILY INCOME PATIENTS WITH FAMILY INCOMES AT OR BELOW 200 PERCENT OF THE FEDERAL POVERTY GUIDELINE QUALIFY FOR 100 PERCENT FINANCIAL ASSISTANCE UNDER FIRSTHEALTH'S FINANCIAL ASSISTANCE PROGRAM FIRSTHEALTH'S NET COSTS OF FREE CARE (TREATING PATIENTS THAT QUALIFIED FOR 100% FINANCIAL ASSISTANCE) WERE \$11,769,733 IN FISCAL 2018 THROUGH ITS FINANCIAL ASSISTANCE PROGRAM, FIRSTHEALTH ALSO OFFERS VARYING LEVELS OF DISCOUNTED CARE TO PATIENTS WHO ARE POOR AND/OR MEET CERTAIN INCOME GUIDELINES PATIENTS WITH FAMILY INCOMES BETWEEN 201 AND 360 PERCENT OF THE FEDERAL POVERTY GUIDELINE QUALIFY FOR DISCOUNTS AGAINST FIRSTHEALTH'S LIST PRICE FOR SERVICES RENDERED FIRSTHEALTH ALSO INCURS BAD DEBT EXPENSE EACH YEAR FOR PATIENTS WHO HAVE BEEN DETERMINED TO HAVE THE FINANCIAL CAPACITY TO PAY FOR HEALTHCARE SERVICES PROVIDED BUT ARE UNWILLING/FINANCIALY UNABLE TO SETTLE THE CLAIM FIRSTHEALTH CONTINUES TO PROVIDE ALL NECESSARY HEALTHCARE SERVICES TO THIS PATIENT POPULATION IN FISCAL 2018, THE COST TO FIRSTHEALTH FOR THESE SERVICES WAS \$19,681,610 FIRSTHEALTH'S FINANCIAL COUNSELORS WORK CLOSELY WITH PATIENTS AND FAMILIES TO HELP DETERMINE ELIGIBILITY FOR ASSISTANCE OR QUALIFICATION FOR PUBLIC PROGRAMS FIRSTHEALTH REQUESTS THAT PATIENTS PROVIDE APPROPRIATE DOCUMENTATION</p> |

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| Return Reference | Explanation |
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| <p>FORM 990, PAGE 2, PART III</p> | <p>MENTATION, SUCH AS TAX RETURNS, CURRENT PAY STUBS, OR OTHER RELEVANT INFORMATION, THAT IS USED TO DEMONSTRATE FINANCIAL NEED FIRSTHEALTH ALSO OFFERS INTEREST-FREE EXTENDED PAYMENT PLANS THAT WILL VARY IN LENGTH, DEPENDING ON THE BALANCE OF THE PATIENT'S ACCOUNT FIRSTHEALTH ASSISTS PATIENTS WITH FINDING AVAILABLE GOVERNMENTAL PROGRAMS THAT MATCH PATIENTS' NEEDS, SUCH AS MEDICAID, VOCATIONAL REHABILITATION, CRIME VICTIM ASSISTANCE, ETC FIRSTHEALTH ALSO POSTS DETAILED INFORMATION ABOUT ITS FINANCIAL ASSISTANCE PROGRAM ON ITS WEBSITE (WWW.FIRSTHEALTH.ORG) SO THE PUBLIC CAN BE AWARE OF ITS AVAILABILITY MEDICAID SHORTFALL FIRSTHEALTH PROVIDES MEDICAID SERVICES IN ITS TWO HOSPITALS, AS WELL AS THROUGH ITS HOME CARE, HOSPICE AND PALLIATIVE CARE, DENTAL CARE, AND OTHER HEALTH CARE SERVICES IN ITS PRIMARY AND SECONDARY SERVICE AREAS APPROXIMATELY 12.1% OF FIRSTHEALTH'S FISCAL 2018 NET PATIENT REVENUE FOR ACUTE CARE SERVICES CAME FROM THE MEDICAID PROGRAM THE MEDICAID PROGRAM, WHICH PROVIDES HEALTH CARE COVERAGE FOR LOW-INCOME FAMILIES AND INDIVIDUALS, IS FUNDED BY THE STATE AND FEDERAL GOVERNMENTS IN NORTH CAROLINA, AS IN MANY STATES, MEDICAID PAYMENTS ARE WELL BELOW THE PROVIDER'S ACTUAL COST OF TREATING MEDICAID PATIENTS AND THE REIMBURSEMENT LEVEL IS PREDICTED TO DECLINE AS FINANCIAL PRESSURES ON THE FEDERAL AND STATE GOVERNMENT OPERATING BUDGETS MOUNT IN FISCAL 2018, FIRSTHEALTH'S UNPAID COSTS FROM MEDICAID TOTALED \$33,682,423 MEDICARE SHORTFALL FIRSTHEALTH PROVIDES SERVICES TO MEDICARE BENEFICIARIES IN ITS TWO HOSPITALS IN ADDITION, MEDICARE BENEFICIARIES ARE SERVED BY FIRSTHEALTH'S HOME CARE, HOSPICE AND PALLIATIVE CARE AND OTHER HEALTH CARE PROGRAMS AND SERVICES THE MEDICARE SHORTFALL REPRESENTS THE DIFFERENCE BETWEEN THE ACTUAL COST OF CARE RENDERED AND THE REIMBURSEMENT RECEIVED FOR DELIVERING THAT CARE TO PATIENTS APPROXIMATELY 57.1% OF FIRSTHEALTH'S FISCAL 2018 NET PATIENT REVENUE FOR ACUTE CARE SERVICES CAME FROM THE MEDICARE PROGRAM THE COST OF DELIVERING CARE INCLUDES, BUT IS NOT LIMITED TO, PERSONNEL COSTS, TECHNOLOGY, SUPPLIES, PHARMACEUTICALS, MEDICAL DEVICES, FACILITY OPERATING COSTS, ETC FIRSTHEALTH'S FINANCIAL SHORTFALL FROM PROVIDING THESE MEDICARE SERVICES IN FISCAL 2018 WAS \$16,702,297 SUBSIDIZED MEDICALLY ESSENTIAL SERVICES AS A RURAL HEALTH CARE PROVIDER, FIRSTHEALTH IS MANY TIMES THE PROVIDER OF LAST RESORT FOR OUR PATIENTS IN ORDER TO OFFER A FULL SPECTRUM OF HEALTH CARE SERVICES, FIRSTHEALTH PROVIDES SERVICES AND PROGRAMS THAT YIELD NEGATIVE OPERATING MARGINS HOWEVER, BECAUSE THESE SERVICES ARE ESSENTIAL TO THE OVERALL HEALTH OF THE COMMUNITIES SERVED, FIRSTHEALTH CONTINUES TO PROVIDE THEM SUBSIDIZED MEDICALLY NECESSARY HOSPITAL SERVICES PROVIDED BY FIRSTHEALTH INCLUDE, BUT ARE NOT LIMITED TO, INPATIENT PSYCHIATRY UNIT AND OUTPATIENT MENTAL HEALTH SERVICES, INPATIENT PHYSICAL REHABILITATION UNIT, NEONATAL INTENSIVE CARE UNIT, EMERGENCY DEPARTMENTS (APPROXIMATELY 141,012 PATIENT ENCOUNTERS IN FISCAL 2018), WOMEN</p> |

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| Return Reference | Explanation |
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| FORM 990, PAGE 2, PART III | N'S AND CHILDREN'S SERVICES, INPATIENT MEDICAL AND RADIATION ONCOLOGY SERVICES, RENAL DIALYSIS SERVICES, DIABETES CARE, AND A NUMBER OF OTHER OUTPATIENT SERVICES IN ADDITION, FIRSTHEALTH OF THE CAROLINAS, INC , THROUGH ITS REGIONAL EMERGENCY MEDICAL SERVICES BUSINESS LINE, PROVIDED 15,906 EMERGENCY TRANSPORTS TO RESIDENTS OF THREE NORTH CAROLINA COUNTIES IN FISCAL 2018 FIRSTHEALTH RECEIVED \$4,817,563 OF FISCAL 2018 OPERATING SUBSIDIES FROM THESE COUNTIES TO OFFSET THE UNREIMBURSED OPERATING COSTS OF PROVIDING THESE ESSENTIAL TRANSPORT SERVICES |

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| <p>FORM 990, PART III, LINE 4B</p> | <p>HEALTHY LIVING PROGRAMS TOBACCO CESSATION, DIABETES PREVENTION, PHYSICAL ACTIVITY, AND NUTRITION FIRSTHEALTH'S DESIRE TO AFFECT POPULATION HEALTH THROUGH HEALTH PROMOTION/DISEASE PREVENTION PROGRAMS LED TO THE DEVELOPMENT OF A COHESIVE INITIATIVE TO PROMOTE HEALTHIER LIFESTYLES IN OUR REGION. THE INITIATIVE FOCUSES ON PROVIDING TOBACCO CESSATION SERVICES USING THE HIGHLY SUCCESSFUL FIRSTQUIT PROGRAM AND EVIDENCE-BASED HEALTHY LIVING PROGRAMS FOCUSED ON DIABETES PREVENTION, PHYSICAL ACTIVITY AND NUTRITION ("PREVENT T2", "HEALTHY KITCHEN AND "PEOPLE LIVING ACTIVE YEAR-ROUND") INTO OUR LOCAL COMMUNITIES. THESE PROGRAMS ARE OFFERED IN A COMMUNITY SETTING. ADDITIONALLY, THE HEALTH EDUCATION SPECIALISTS ARE PILOTING TELEHEALTH COACHING IN PRIMARY PRACTICE CLINICS TO PROVIDE ONE-ON-ONE HEALTH AND BEHAVIORAL HEALTH COACHING TO PATIENTS STRUGGLING TO MANAGE THEIR CHRONIC DISEASE. FIRSTQUIT, AN OUTPATIENT AND INPATIENT PROGRAM, INCLUDES A COMBINATION OF COUNSELING AND NICOTINE REPLACEMENT THERAPIES TO ASSIST RESIDENTS IN THE SERVICE AREA TO QUIT TOBACCO USE. FOR FISCAL 2018, 275 PEOPLE ENROLLED IN THE OUTPATIENT PROGRAM. THE PRIMARY EMPHASIS OF THE PROGRAM WAS TO TARGET THE REGION'S LOW-INCOME POPULATION AND NEARLY 81% OF PARTICIPANTS IN THE FIRSTQUIT PROGRAM LIVED AT OR BELOW 200 PERCENT OF THE FEDERAL POVERTY LEVEL. THE CONSERVATIVE QUIT RATE FOR THE LOW-INCOME POPULATION GROUP WAS 25%. AS PART OF THE INPATIENT PROGRAM, 542 INPATIENT CONSULTATIONS WERE CONDUCTED TO START THE CONVERSATION WITH PATIENTS AND START THEM ON THE ROAD TO QUITTING TOBACCO. FOR THE HEALTHY LIVING PROGRAMS, THESE INITIATIVES EMPHASIZE TARGETING LOW-INCOME AND UNDERSERVED POPULATIONS IN THE PRIMARY HOSPITAL SERVICE AREA. FOR FISCAL 2018, 116 INDIVIDUALS ENROLLED IN PREVENT T2. 40% OF PRE-DIABETIC PARTICIPANTS LOST 5% -7% OF THEIR TOTAL BODY WEIGHT, WHICH SIGNIFICANTLY REDUCES THEIR RISK OF DEVELOPING DIABETES. PARTICIPANTS REPORTED AN OVERALL SATISFACTION RATING OF 96% WITH THE PROGRAM. IN TOTAL, \$90,013 OF FINANCIAL SUBSIDIES WAS PROVIDED BY FIRSTHEALTH TO IMPLEMENT THESE PROGRAMS IN FISCAL 2018. SCHOOL-BASED HEALTH CENTERS: FIRSTHEALTH OFFERED ON-SITE MEDICAL CARE AT TWO LOCATIONS IN THE MONTGOMERY COUNTY SCHOOLS. HUNDREDS OF SCHOOL CHILDREN IN MONTGOMERY COUNTY HAD ACCESS TO MEDICAL CARE ON THE SCHOOL CAMPUS OR JUST STEPS AWAY FROM THE CLASSROOM DOOR. THE SCHOOL-BASED HEALTH CENTERS PROVIDED ON-SITE MEDICAL CARE THAT WAS SENSIBLE, CONVENIENT, VALUABLE, AND OPEN TO ANY CHILD IN THE MONTGOMERY COUNTY SCHOOL SYSTEM. THE CENTERS PROVIDED PHYSICAL, MENTAL, NUTRITIONAL, AND HEALTH AND WELLNESS INTERVENTIONS THAT ARE AVAILABLE TO ALL CHILDREN EVEN IN THE MOST RURAL SECTIONS OF THE COUNTY. A PATIENT SERVICE REPRESENTATIVE, ON-SITE REGISTERED NURSE AND A FAMILY NURSE PRACTITIONER PROVIDED CARE IN THESE SCHOOL SETTINGS. MEDICAL PROFESSIONALS STAFFING THESE CENTERS PROVIDED HEALTH, WELLNESS, LEARNING AND EASY ACCESS TO CARE FOR CHILDREN WORKING TOGETHER TO MEET FIRSTHEALTH'S CORE PURPOSE TO</p> |

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| <p>FORM 990, PART III, LINE 4B</p> | <p>CARE FOR PEOPLE AS A HOSPITAL WITHOUT WALLS IN ADDITION, THE CLINICS IDENTIFIED HIGH RISK INDICATORS SUCH AS CHILDHOOD OBESITY, AND WORK TOWARD THEIR CORRECTION IN ADDITION, FIRSTHEALTH PROVIDED \$60,000 TO THE MOORE COUNTY SCHOOLS TO OFFSET THE UNFUNDED OPERATING COSTS OF THE COUNTY'S SCHOOL HEALTH NURSE PROGRAM IN FISCAL 2018 FIRSTHEALTH MEDICATION ASSISTANCE PROGRAM FIRSTHEALTH CARES ASSISTED LOW-INCOME INDIVIDUALS IN MOORE AND MONTGOMERY COUNTIES IN SECURING FREE OR LOW-COST PRESCRIPTION MEDICATIONS THROUGH PHARMACEUTICAL COMPANIES' INDIGENT CARE PROGRAMS FINANCIALLY NEEDY ADULTS WERE ELIGIBLE FOR ASSISTANCE BASED ON MEDICATION NEEDS, LACK OF ELIGIBILITY FOR PRESCRIPTION DRUG COVERAGE, AND INDIVIDUAL PHARMACEUTICAL COMPANY PROGRAM GUIDELINES (TYPICALLY LESS THAN 150 % TO 200% OF FEDERAL POVERTY LEVEL) ON AVERAGE, 613 INDIVIDUALS WERE ASSISTED PER QUARTER WITH OBTAINING PRESCRIPTION MEDICATIONS 92% OF MEDICATION REQUESTS WERE FILLED, RESULTING IN AN AVERAGE WHOLESALE VALUE OF OVER \$10.8 MILLION IN MEDICATIONS DISPENSED IN FISCAL 2018 DENTAL CARE CENTERS FIRSTHEALTH OPERATES FOUR DENTAL CARE CENTERS IN SOUTHERN PINES (MOORE COUNTY), TWO SITES IN TROY (MONTGOMERY COUNTY) AND RAEFORD (HOKE COUNTY), NORTH CAROLINAS EACH DENTAL CARE CENTER PROVIDES COMPREHENSIVE DENTAL CARE SERVICES TO MEDICAID AND HEALTHCHOICE-ELIGIBLE CHILDREN AND YOUNG ADULTS UP TO AGE 21 SINCE FEW DENTISTS IN THESE COUNTIES PARTICIPATE IN MEDICAID'S DENTAL PROGRAM, THE FIRSTHEALTH DENTAL CARE CENTERS PROVIDES A TREMENDOUS UNMET NEED IN THE REGION WHEN THE DENTAL CARE CENTERS OPENED IN 1997, NEARLY HALF OF THE CHILDREN OF LOW-INCOME FAMILIES IN FIRSTHEALTH'S SERVICE AREA WERE GETTING LITTLE TO NO DENTAL CARE SERVICES IN FISCAL 2018, FIRSTHEALTH'S DENTAL CARE CENTERS PROVIDED 9,874 DENTAL CARE VISITS TO 4,891 CHILDREN AND YOUNG ADULTS RESIDING IN THE THREE COUNTIES SERVED FIRSTHEALTH PROVIDED \$405,424 IN FINANCIAL SUBSIDIES TO OFFSET THE UNFUNDED OPERATING COSTS OF THE DENTAL CARE CENTERS IN FISCAL 2018 SECURING AFFORDABLE HEALTH COVERAGE SERVICES TECHNICAL, FINANCIAL AND OTHER ASSISTANCE WAS PROVIDED TO UNINSURED PATIENTS TOWARD SECURING HEALTH CARE COVERAGE THROUGH MEDICAID, HEALTH CHOICE AND OTHER COVERAGE PROGRAMS DURING FISCAL 2018, FIRSTHEALTH ASSISTED 35 CHILDREN WITH SCHOLARSHIPS TO PAY HEALTH CHOICE ENROLLMENT FEES, AT A COST OF \$2,500 TO FIRSTHEALTH DIABETES & NUTRITION EDUCATION CENTER THIS GROUP OF CLINICAL PROFESSIONALS PROVIDED SERVICES FOR BOTH DIABETES EDUCATION AND OUTPATIENT NUTRITION, SERVING ALL AGES BOTH PROGRAMS HELPED EDUCATE PATIENTS ON HOW TO BETTER MANAGE THEIR DIABETES DIAGNOSIS AND/OR MAKE DIETARY AND LIFESTYLE CHANGES TO REDUCE HEALTH RISK SERVICES WERE PROVIDED IN MOORE, RICHMOND, MONTGOMERY AND HOKE COUNTIES ADDITIONALLY, SERVICES WERE OFFERED VIA TELEHEALTH TO IMPROVE ACCESS TO EDUCATION IN RECOGNITION OF THE INNOVATIVE APPROACH FOR REACHING AND TREATING DIABETICS, FIRSTHEALTH WAS RECOGNIZED IN RECENT YEARS WITH TWO NATIONAL AWARDS</p> |

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| FORM 990, PART III, LINE 4B | DS, THE JACKSON HEALTH CARE AWARD AND THE AMERICAN HOSPITAL ASSOCIATION NOVA AWARD TASK FORCE SUPPORT AND POLICY WORK FIRSTHEALTH COMMUNITY HEALTH SERVICES SUPPORTED COUNTY-BASED, DISEASE-SPECIFIC AND GRASSROOTS TASK FORCES TO COLLABORATE ON NEEDS IDENTIFICATION, RESOURCE ACQUISITION AND PROGRAM IMPLEMENTATION GROUPS SUPPORTED INCLUDE MOOREHEALTH, SAFE KIDS MID-CAROLINAS REGION, DRUG FREE MOORE COUNTY, MOORE COUNTY DRUG PREVENTION TASK FORCE, HEALTH CHOICE COALITIONS AND DOMESTIC VIOLENCE TASK FORCE THROUGH WORK ON TASK FORCES AND THOSE REFERENCED BELOW UNDER "CORPORATE INITIATIVES," RELATIONSHIPS AND PARTNERSHIPS WERE BUILT TO PROMOTE HEALTHY LIFESTYLE POLICY AT THE LOCAL AND STATE LEVEL CORPORATE INITIATIVES FIRSTFIT IS THE FIRSTHEALTH CORPORATE WORKSITE WELLNESS PROGRAM COORDINATED BY FHCS THIS IS A BOARD DIRECTED PROGRAM THAT IS MULTIFACETED AND MULTI-DISCIPLINARY THE TARGETED AREA OF WELLNESS THROUGH HEALTHY EATING AND PHYSICAL ACTIVITY WAS PROMOTED THROUGH EDUCATION, POLICY CHANGES AND OPPORTUNITIES PROVIDED BY THE FIRSTFIT COMMITTEE 2020 VISION "FIRST IN HEALTH" COMMUNITY GROUPS WERE ESTABLISHED IN MOORE, MONTGOMERY, RICHMOND AND HOKE COUNTIES WITH THE ONGOING AGENDA OF IMPROVING THE HEALTH OF THE COMMUNITY FHCS CREATED THIS CONCEPT IN EACH COUNTY THROUGH THE DEVELOPMENT AND FACILITATION OF THESE COMMUNITY GROUPS COMPRISED OF PROFESSIONAL AND LAY LEADERS EFFORTS WERE TARGETED AT HEALTH ISSUES SPECIFIC TO EACH COUNTY AS SUPPORTED BY A DATABASE OF HEALTH INDICATORS THAT WAS/IS UPDATED LOCALLY BY FHCS EVERY THREE YEARS |

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| FORM 990, PART III, LINE 4C | <p>SUPPORT IN THE COMMUNITY CASH AND IN-KIND CONTRIBUTIONS DURING FISCAL 2018, FIRSTHEALTH SUPPORTED HEALTH EDUCATION EVENTS, DISTRIBUTED EQUIPMENT AND PROMOTED COMMUNITY-BASED HEALTH INITIATIVES. FIRSTHEALTH ALSO PROVIDED MEALS FOR OVER 50 COMMUNITY MEETINGS AND EVENTS. THOUGH THESE INITIATIVES, FIRSTHEALTH SERVED AN ESTIMATED 15,929 PEOPLE AT A COST OF \$1,191,771. WORKFORCE DEVELOPMENT AND COMMUNITY BUILDING ACTIVITIES. FIRSTHEALTH PROVIDED 135 HOURS OF ASSISTANCE TO THE COMMUNITY IN THE AREAS OF LEADERSHIP DEVELOPMENT, PLANNING, RESOURCE IDENTIFICATION, TIME MANAGEMENT AND INFORMATION SYSTEMS ON A LOW OR NO-COST BASIS. FIRSTHEALTH PARTICIPATED IN AND PROVIDED ADMINISTRATIVE SUPPORT TO COUNTY-BASED MULTI-AGENCY GROUPS INCLUDING MOOREHEALTH, MONTGOMERY COMMUNITY RESOURCE TEAM, RICHMOND HEALTHY CAROLINIANS, AND HEALTHY HOKE. LOCAL SAFE KIDS COALITIONS WERE ALSO SUPPORTED IN MONTGOMERY, MOORE AND RICHMOND COUNTIES AS PART OF THE STATEWIDE INITIATIVE TO REDUCE CHILDHOOD INJURIES. THESE GROUPS HOSTED EVENTS SUCH AS BIKE RODEOS AND CAR SEAT SAFETY CHECKS. THROUGH THESE INITIATIVES, FIRSTHEALTH SERVED AN ESTIMATED 15,760 PEOPLE AT A COST OF \$383,098 IN FISCAL 2018. FAMILY ASSISTANCE. FIRSTHEALTH'S PASTORAL CARE SERVICES PROVIDED 650 FREE MEALS TO FAMILY MEMBERS STAYING WITH LOVED ONES IN THE HOSPITAL WHO COULD NOT AFFORD MEALS. THE COST TO FIRSTHEALTH FOR FREE MEALS PROVIDED IN FISCAL 2018 TOTALED \$5,379. THE CLARA MCLEAN HOSPITALITY HOUSE ("CLARA'S HOUSE"), ON THE FIRSTHEALTH MOORE REGIONAL HOSPITAL CAMPUS IN PINE HURST, OFFERS TWELVE (12) OVERNIGHT GUEST ROOMS AND TWO DAY-VISIT ROOMS, AS WELL AS OTHER SUPPORT SERVICES, TO OUT-OF-TOWN PATIENTS, THEIR FAMILIES (PRIORITY GIVEN TO PATIENTS AND FAMILIES WHO LIVE AT LEAST 30 MILES FROM PINEHURST) AND OUT-OF-TOWN VISITING GUESTS WHILE THEY ARE RECEIVING TREATMENT AT FIRSTHEALTH MOORE REGIONAL HOSPITAL, THE SURGERY CENTER OF PINEHURST OR THE FIRSTHEALTH HOSPICE HOUSE INPATIENT FACILITY. GUEST FEES FOR A SINGLE OR DOUBLE ROOM IN CLARA'S HOUSE ARE \$35 PER NIGHT, A SUITE IS \$70 PER NIGHT AND A DAY ROOM IS \$20. DURING FISCAL 2018, CLARA'S HOUSE PROVIDED A TOTAL OF 2,659 ROOM NIGHTS TO 1,621 HOUSE GUESTS. THE GUESTS CAME TO PINEHURST FROM 52 COUNTIES WITHIN NORTH CAROLINA, 27 OTHER STATES AND FROM GERMANY. MOORE FREE AND CHARITABLE CLINIC. THE MOORE FREE AND CHARITABLE CLINIC (MFCC) IS A PRIVATE, VOLUNTEER-BASED, NON-PROFIT ORGANIZATION THAT PROVIDES PRIMARY HEALTH CARE SERVICES AT NO COST TO THE LIMITED-INCOME RESIDENTS OF MOORE COUNTY THAT LACK HEALTH CARE INSURANCE COVERAGE. FIRSTHEALTH PROVIDED DIRECT FINANCIAL SUPPORT TOTALING \$125,000 IN FISCAL 2018 TO MFCC IN FURTHERANCE OF ITS MISSION. PATIENTS OF MFCC THAT REQUIRED INPATIENT/OUTPATIENT ACUTE CARE SERVICES WERE REFERRED TO FIRSTHEALTH MOORE REGIONAL HOSPITAL FOR CARE, GENERATING A TOTAL OF 3,541 PATIENT ENCOUNTERS IN FISCAL 2018. THE \$1,334,626 COST OF PROVIDING THESE SERVICES IN FISCAL 2018 WAS ABSORBED BY FIRSTHEALTH. FIRSTHEALTH ALSO PROVIDED PHYSICIANS, NUR</p> |

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| FORM 990, PART III, LINE 4C | <p>SES AND PHYSICAL THERAPISTS TO MFCC, AND FIRSTHEALTH ABSORBED ANY ADDED COSTS ASSOCIATED WITH PROVIDING THIS COVERAGE. MEDICAL STAFF DEVELOPMENT / PHYSICIAN RECRUITMENT ASSISTANCE. FIRSTHEALTH PROVIDES FINANCIAL ASSISTANCE TO AREA PHYSICIAN PRACTICES AND INDIVIDUAL PHYSICIANS FOR THE RECRUITMENT OF PHYSICIANS TO PRACTICE IN THE GEOGRAPHIC AREAS SERVED BY THE FIVE FIRSTHEALTH HOSPITALS. UNDER FIRSTHEALTH'S MEDICAL STAFF DEVELOPMENT PLAN, RECRUITMENT ASSISTANCE IS APPROPRIATE TO (1) ADD PHYSICIANS IN AN UNDER-SERVED GEOGRAPHIC LOCATION, (2) ADD OR ENHANCE A SERVICE OF THE HOSPITAL OR COMMUNITY, AND (3) INCREASE PHYSICIAN COVERAGE WHERE THERE IS AN EXISTING SHORTAGE. DURING FISCAL 2018, FIRSTHEALTH PARTICIPATED IN SEARCHES FOR SPECIALISTS IN CARDIOLOGY, CONVENIENT CARE, CARDIOVASCULAR THORACIC SURGERY, INTERNAL MEDICINE, OBSTETRICS & GYNECOLOGY, NEUROSURGERY, OCCUPATIONAL HEALTH AND PRIMARY CARE. FIRSTHEALTH ALSO FORGAVE APPROXIMATELY \$241,482 IN PAYMENTS MADE IN PRIOR YEARS TOWARD THE RECRUITMENT OF SPECIALISTS TO PRACTICES IN FIRSTHEALTH'S PRIMARY SERVICE AREA (MOORE, MONTGOMERY, RICHMOND, HOKE, LEE AND SCOTLAND COUNTIES) WHEN THE FORGIVENESS CRITERIA WERE MET AND THE PHYSICIAN HAD PROVIDED PATIENT CARE IN THE COMMUNITY OVER THAT FORGIVENESS PERIOD. IN ADDITION TO RECRUITMENT ASSISTANCE PROVIDED TO THE AREA PHYSICIAN PRACTICES, FIRSTHEALTH RECRUITED A TOTAL OF THIRTEEN (13) PHYSICIANS AND NINE (9) MID-LEVEL PRACTITIONERS INTO ITS HOSPITALIST PROGRAMS AT THE TWO FIRSTHEALTH HOSPITALS IN FISCAL 2018. RESEARCH AND CLINICAL TRIALS INITIATIVES. FIRSTHEALTH MOORE REGIONAL HOSPITAL, DRAWING ON ITS STATE-OF-THE-ART RADIATION ONCOLOGY AND MEDICAL ONCOLOGY SERVICES, HAS INITIATED SEVERAL RESEARCH AND CLINICAL TRIALS WITH STAFF PHYSICIANS. AT ANY POINT IN TIME, THERE ARE 30-35 TRIALS OPEN. THE TRIALS COVER A VARIETY OF CANCER TYPES INCLUDING BUT NOT LIMITED TO LUNG, BREAST, KIDNEY, COLON, PROSTATE, AND GYNECOLOGY. ADDITIONALLY, SEVERAL CANCER PREVENTION AND QUALITY OF LIFE STUDIES BEGUN IN PRIOR YEARS CONTINUED IN FISCAL YEAR 2018. THE TRIALS WERE CHOSEN TO MATCH THE POPULATION OF CANCER PATIENTS SEEN THROUGH THE FIRSTHEALTH CANCER CENTER AND PROVIDE THEM WITH THE BEST RESEARCH TREATMENT OPPORTUNITIES. PROVIDING CLINICAL TRIALS FOR CANCER CARE IS A REQUIREMENT FOR THE FIRSTHEALTH CANCER CENTER TO OBTAIN ITS ACOS COMPREHENSIVE CANCER CENTER DESIGNATION. OUTSIDE OF ONCOLOGY, THERE WERE TRIALS OPEN IN CARDIOLOGY, ENT, URO-GYNECOLOGY AND PULMONOLOGY. A TOTAL OF APPROXIMATELY \$421,123 IN FINANCIAL SUBSIDIES OFFSET THE UNFUNDED OPERATING COSTS OF THE RESEARCH AND CLINICAL TRIALS INITIATIVES IN FISCAL YEAR 2018. FIRSTHEALTH HOSPICE & PALLIATIVE CARE. FIRSTHEALTH HOSPICE & PALLIATIVE CARE PROVIDES COMPASSIONATE, QUALITY CARE FOR PERSONS WITH LIFE-LIMITING ILLNESSES AS WELL AS SUPPORT TO THEIR FAMILIES. ALTHOUGH CANCER IS A COMMON DIAGNOSIS AMONG HOSPICE PATIENTS, MANY PATIENTS HAVE OTHER END-STAGE ILLNESSES, INCLUDING HEART DISEASE, PULMONARY DISEASE, RENAL DISEASE, L</p> |

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| FORM 990, PART III, LINE 4C | IVER DISEASE, NEUROLOGICAL DISORDERS, ALZHEIMER'S, AIDS AND ADULT FAILURE TO THRIVE SYNDROME FIRSTHEALTH HOSPICE & PALLIATIVE CARE IS ALSO THE HOME OF THE FIRSTHEALTH GRIEF RESOURCE & COUNSELING CENTER, WHICH PROVIDES SERVICES TO THE PUBLIC AT NO COST THE CENTER IS AN INTEGRAL COMPONENT OF THE 11-BED INPATIENT HOSPICE HOUSE CAMPUS LOCATED IN PINEHURST, NC THESE SERVICES ARE FOR THOSE WHO HAVE SUFFERED A LOSS DUE TO DEATHS, WHO ARE DEALING WITH A LIFE-ALTERING ILLNESS OR WHO ARE FACING THE DEATH OF A LOVED ONE MASTER'S-PREPARED COUNSELORS OFFER COUNSELING AND ASSESSMENTS AS WELL AS NUMEROUS SUPPORT GROUPS THAT ADDRESS LOSS TRAINING PROGRAMS FOR BUSINESSES, SCHOOLS AND ORGANIZATIONS ARE ALSO AVAILABLE DURING FISCAL 2018, FIRSTHEALTH HOSPICE & PALLIATIVE CARE MAINTAINED AN AVERAGE DAILY CENSUS OF 164 PATIENTS IN SERVICE |

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| FORM 990, PART VI, SECTION B, LINE 11B | FIRSTHEALTH'S FORM 990 IS INITIALLY REVIEWED BY QUALIFIED MEMBERS OF ADMINISTRATION, INCLUDING THE CORPORATE CEO AND CFO, AND COMPLIANCE DEPARTMENTS THE ENTIRE RETURN IS REVIEWED BY THE BOARD'S COMPENSATION COMMITTEE AND THE FIRSTHEALTH BOARD OF DIRECTORS PRIOR TO FILING WITH THE IRS FIRSTHEALTH'S INDEPENDENT TAX PREPARER, DIXON HUGHES GOODMAN, LLP, ALSO CONDUCTS A REVIEW OF THE RETURN DURING THEIR PREPARATION PROCESS ONCE THE RETURN IS SUCCESSFULLY E-FILED WITH THE IRS, A COPY OF THE RETURN IS MADE AVAILABLE TO ALL MEMBERS OF THE FIRSTHEALTH BOARD OF DIRECTORS IN ADDITION TO THE POSTING OF THE FIRSTHEALTH RETURN ON GUIDESTAR, A PUBLIC INSPECTION COPY OF THE FORM 990 IS MADE AVAILABLE FOR REVIEW |

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| FORM 990, PART VI, SECTION B, LINE 12C | FIRSTHEALTH STRIVES TO MAINTAIN THE HIGHEST ETHICAL STANDARDS AND HAS ADOPTED A CONFLICT OF INTEREST/DUALITY OF INTEREST POLICY THAT APPLIES TO ANY DIRECTOR, TRUSTEE, OFFICER OR MEMBER OF A BOARD COMMITTEE, OR ANY EMPLOYEE WHO HAS A DIRECT OR INDIRECT FINANCIAL INTEREST OR DUALITY OF INTEREST WITH ANY ORGANIZATION SEEKING TO DO BUSINESS WITH OR IS IN AN ACTUAL OR POTENTIAL ADVERSARIAL RELATIONSHIP WITH FIRSTHEALTH ANY COVERED INDIVIDUAL WITH AN ACTUAL OR POSSIBLE CONFLICT MUST DISCLOSE THE EXISTENCE OF THE CONFLICT TO THE DIRECTORS, TRUSTEES AND MEMBERS OF BOARD COMMITTEES WITH BOARD-DELEGATED POWERS CONSIDERING THE PROPOSED TRANSACTION, ARRANGEMENT OR ISSUE EACH TRUSTEE, OFFICER OR MEMBER OF A BOARD COMMITTEE WITH BOARD-DELEGATED POWERS COMPLETES AN ANNUAL CONFLICT OF INTEREST DISCLOSURE STATEMENT, AND ALL REPORTED CONFLICTS ARE REPORTED TO AND REVIEWED BY THE FIRSTHEALTH BOARD OF DIRECTORS ALL MANAGEMENT EMPLOYEES ALSO COMPLETE ANNUAL CONFLICT OF INTEREST DISCLOSURE STATEMENTS, WHICH ARE SUMMARIZED AND REVIEWED WITH SENIOR MANAGEMENT |

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| Return Reference | Explanation |
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| FORM 990, PART VI, SECTION B, LINE 15 | <p>FIRSTHEALTH'S BOARD OF DIRECTORS DETERMINES COMPENSATION FOR THE CEO THROUGH ITS COMPENSATION COMMITTEE ("COMMITTEE") THE COMMITTEE IS COMPOSED OF BOARD MEMBERS WHO ARE INDEPENDENT OF FIRSTHEALTH MANAGEMENT, HAVE NO PERSONAL INTEREST IN THE COMPENSATION ARRANGEMENTS, ARE NOT RELATED TO OR UNDER THE CONTROL OF ANY INDIVIDUAL WHOSE COMPENSATION ARRANGEMENT IS BEING REVIEWED, HAVE NO MATERIAL BUSINESS RELATIONSHIP WITH FIRSTHEALTH, AND ARE NOT PAID FOR THEIR SERVICES AS A BOARD MEMBER THE COMMITTEE RETAINS AN INDEPENDENT CONSULTANT TO CONDUCT PERIODIC COMPENSATION ANALYSES TO HELP ENSURE FIRSTHEALTH'S COMPENSATION PRACTICES AND COMPENSATION LEVELS ARE REASONABLE THIS CONSULTANT PROVIDES ONLY ADVISORY SERVICES RELATED TO COMPENSATION MATTERS TO FIRSTHEALTH TO ATTRACT AND RETAIN THE HIGHEST CALIBER OF HEALTHCARE PROFESSIONALS NEEDED TO SUSTAIN THE QUALITY OF THE HEALTHCARE FIRSTHEALTH PROVIDES TO THE COMMUNITIES THAT IT SERVES, COMPENSATION MUST BE COMPETITIVE WITH THAT PROVIDED BY OTHER COMPETING ORGANIZATIONS IN THE AREA JOB MARKET WHEN EXECUTIVE POSITIONS ARE FILLED, FIRSTHEALTH TYPICALLY CONDUCTS NATIONAL SEARCHES FIRSTHEALTH BENCHMARKS AGAINST ORGANIZATIONS OF COMPARABLE SIZE AND MISSION, ACROSS THE REGION AND THE NATION MARKET DATA IS ASSEMBLED FOR ALL ELEMENTS OF EXECUTIVE COMPENSATION (I E CASH COMPENSATION, BENEFITS AND PERQUISITES) COMPENSATION LEVELS REFLECT THE SCOPE OF THE CEO'S RESPONSIBILITIES, EDUCATIONAL BACKGROUND, EXPERIENCE AND INDUSTRY STANDING, AS WELL AS INDIVIDUAL AND ORGANIZATION PERFORMANCE THE MOST RECENT REVIEW WAS PERFORMED DURING FISCAL YEAR 2018 A SIMILAR PROCESS TO THAT FOR THE CEO IS AFFECTED FOR DETERMINING THE COMPENSATION OF THE OTHER CORPORATE OFFICERS OR KEY EMPLOYEES OF FIRSTHEALTH (I E USE OF INDEPENDENT CONSULTANT, COMPARABLE INDUSTRY DATA, ETC) THE COMMITTEE REVIEWS AND APPROVES THE CEO'S PERFORMANCE ASSESSMENTS AND COMPENSATION RECOMMENDATIONS FOR OTHER CORPORATE OFFICER AND KEY EMPLOYEES ALL COMPENSATION DECISIONS ARE MADE IN A MANNER THAT IS CONSISTENT WITH FIRSTHEALTH'S BOARD-APPROVED COMPENSATION PHILOSOPHY THE MOST RECENT YEAR REVIEW WAS PERFORMED DURING FISCAL YEAR 2018</p> |

990 Schedule O, Supplemental Information

| Return Reference | Explanation |
|--|--|
| FORM 990, PART VI, SECTION C, LINE 18 | THE ORGANIZATION MAKES ITS FORM 990 AVAILABLE TO THE PUBLIC UPON REQUEST AND ON WWW GUIDESTAR ORG |

990 Schedule O, Supplemental Information

| Return Reference | Explanation |
|--|---|
| FORM 990, PART VI, SECTION C, LINE 19 | THE ORGANIZATION'S GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS ARE MADE AVAILABLE TO THE PUBLIC UPON REQUEST IN ADDITION, QUARTERLY AND ANNUAL FINANCIAL STATEMENTS ARE POSTED TO THE DIGITAL ASSURANCE CERTIFICATION (DAC) WEBSITE AND FILED WITH THE NORTH CAROLINA MEDICAL CARE COMMISSION IN ACCORDANCE WITH EXISTING DEBT COVENANTS |

990 Schedule O, Supplemental Information

| Return Reference | Explanation |
|-----------------------------|--|
| FORM 990, PART IX, LINE 11G | PROFESSIONAL FEES PROGRAM SERVICE EXPENSES 37,138,751 MANAGEMENT AND GENERAL EXPENSES 835,565 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 37,974,316 CONTRACT LABOR PROGRAM SERVICE EXPENSES 12,167,306 MANAGEMENT AND GENERAL EXPENSES 658,268 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 12,825,574 CONSULTANT FEES PROGRAM SERVICE EXPENSES 152,726 MANAGEMENT AND GENERAL EXPENSES 1,201,831 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 1,354,557 PURCHASED SERVICES PROGRAM SERVICE EXPENSES 34,489,676 MANAGEMENT AND GENERAL EXPENSES 21,617,613 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 56,107,289 |

990 Schedule O, Supplemental Information

| Return Reference | Explanation |
|---------------------------------|---|
| FORM 990, PART XI, LINE 9 | GAIN ON SWAP MARKET ADJUSTMENT 4,286,229 LOSS ON ADVANCED REFUDNING -1,334,861 TRANSFER OF EQUITY -9,000,000 |

990 Schedule O, Supplemental Information

| Return Reference | Explanation |
|-----------------------------------|---|
| FORM 990, PART XII, LINE 2C | THE PROCESS HAS NOT CHANGED FROM THE PRIOR YEAR |

**SCHEDULE R
(Form 990)**

Related Organizations and Unrelated Partnerships

OMB No 1545-0047

2017

**Open to Public
Inspection**

- ▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
- ▶ Attach to Form 990.
- ▶ Information about Schedule R (Form 990) and its instructions is at www.irs.gov/form990.

Department of the Treasury
Internal Revenue Service

Name of the organization
FIRSTHEALTH OF THE CAROLINAS INC

Employer identification number

56-1936354

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 |
|--|-------------------------|--|---------------------|---------------------------|----------------------------------|
| (1) FIRSTHEALTH PHYSICIANS GROUP LLC 155 MEMORIAL DRIVE PINEHURST, NC 28374 46-3774942 | MEDICAL SERVICES | NC | 46,896,000 | 10,691,000 | FIRSTHEALTH OF THE CAROLINAS INC |
| (2) STARFIRST LLC 155 MEMORIAL DRIVE PINEHURST, NC 28374 56-1936354 | CAPTIVE INSURANCE | SC | 6,036,000 | 28,755,000 | FIRSTHEALTH OF THE CAROLINAS INC |
| | | | | | |
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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) FOUNDATION OF FIRSTHEALTH INC 155 MEMORIAL DRIVE PINEHURST, NC 28374 51-0191937 | FUNDRAISING | NC | 501(C)(3) | LINE 12B, II | FIRSTHEALTH OF THE CAROLINAS INC | Yes | |
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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) FIRSTIMAGING OF THE CAROLINAS LLC 155 MEMORIAL DRIVE PINEHURST, NC 28374 30-0313534 | MEDICAL SERVICES | NC | FIRSTHEALTH OF THE CAROLINAS INC | RELATED | 537,382 | 457,500 | | No | | | No | 50 000 % |
| (2) SURGERY CENTER OF PINEHURST LLC 10 FIRSTVILLAGE DRIVE PINEHURST, NC 28374 68-0561185 | MEDICAL SERVICES | NC | FIRSTHEALTH OF THE CAROLINAS INC | RELATED | 776,224 | 14,122,390 | | No | | Yes | | 40 000 % |
| (3) FIRSTCAROLINACARE INSURANCE SERVICES LLC 42 MEMORIAL DRIVE PINEHURST, NC 28374 26-1708544 | INSURANCE SERVICES | NC | FIRSTHEALTH OF THE CAROLINAS INC | RELATED | 180 | 35,460 | | No | | | No | 51 000 % |
| (4) SURGERY CENTER OF PINEHURST PROPERTIES LLC 155 MEMORIAL DRIVE PINEHURST, NC 28374 68-0561188 | REAL ESTATE | NC | FIRSTHEALTH OF THE CAROLINAS INC | RELATED | 336,209 | 3,380,521 | | No | | Yes | | 92 550 % |
| (5) CARDIOVASCULAR CENTER OF SCOTLAND COUNTY LLC 155 MEMORIAL DRIVE PINEHURST, NC 28374 26-2335801 | MEDICAL SERVICES | NC | FIRSTHEALTH OF THE CAROLINAS INC | RELATED | 166,628 | 1,535,066 | | No | | | No | 50 000 % |
| | | | | | | | | | | | | |
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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) FIRSTHEALTH PROFESSIONAL SERVICES INC 155 MEMORIAL DRIVE PINEHURST, NC 28374 56-1885149 | HEALTHCARE SERVICES | NC | FIRSTHEALTH OF THE CAROLINAS INC | C | -2,000 | -22,000 | 100 000 % | Yes | |
| (2) FIRSTCAROLINACARE INSURANCE COMPANY INC 42 MEMORIAL DRIVE PINEHURST, NC 28374 33-1160597 | INSURANCE COMPANY | NC | FIRSTHEALTH OF THE CAROLINAS INC | C | -10,950,000 | 39,042,000 | 100 000 % | Yes | |
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Part V Transactions With Related Organizations Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule

| | Yes | No |
|--|---------------|-----------|
| 1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV? | | |
| a Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity | 1a Yes | |
| b Gift, grant, or capital contribution to related organization(s) | 1b Yes | |
| 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 Yes | |
| 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 | No |
| o Sharing of paid employees with related organization(s) | 1o | No |
| 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 | No |
| s Other transfer of cash or property from related organization(s) | 1s Yes | |

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

See Additional Data Table

| (a) Name of related organization | (b) Transaction type (a-s) | (c) Amount involved | (d) Method of determining amount involved |
|-------------------------------------|-------------------------------|------------------------|--|
| | | | |
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Part VII **Supplemental Information**

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

Additional Data**Software ID:****Software Version:****EIN:** 56-1936354**Name:** FIRSTHEALTH OF THE CAROLINAS INC**Form 990, Schedule R, Part V - Transactions With Related Organizations**

| (a) Name of related organization | (b) Transaction type(a-s) | (c) Amount Involved | (d) Method of determining amount involved |
|--|-------------------------------------|-------------------------------|---|
| PREMIER HEALTHCARE ALLIANCE LP | S | 121,379 | |
| SURGERY CENTER OF PINEHURST PROPERTIES LLC | S | 560,746 | |
| SURGERY CENTER OF PINEHURST LLC | S | 640,000 | |
| FIRSTIMAGING OF THE CAROLINAS LLC | S | 484,937 | |
| FIRSTCAROLINACARE INSURANCE COMPANY INC | Q | 50,832,678 | |
| FOUNDATION OF FIRSTHEALTH INC | Q | 1,544,638 | |
| FIRSTCAROLINACARE INSURANCE COMPANY INC | P | 38,264,794 | |
| FOUNDATION OF FIRSTHEALTH INC | P | 1,504,134 | |
| FIRSTCAROLINACARE INSURANCE COMPANY INC | M | 2,029,698 | |
| FIRSTCAROLINACARE INSURANCE COMPANY INC | L | 336,000 | |
| FIRSTCAROLINACARE INSURANCE COMPANY INC | J | 78,998 | |
| FOUNDATION OF FIRSTHEALTH INC | J | 50,412 | |
| FOUNDATION OF FIRSTHEALTH INC | C | 2,297,150 | |
| FIRSTCAROLINACARE INSURANCE COMPANY INC | B | 9,000,000 | |