

Public Disclosure Copy

Form **8868**
(Rev. January 2022)

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

OMB No. 1545-0047

Department of the Treasury
Internal Revenue Service

- ▶ **File a separate application for each return.**
- ▶ **Go to www.irs.gov/Form8868 for the latest information.**

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

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

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

Type or print	Name of exempt organization or other filer, see instructions. WAGNER COMMUNITY MEMORIAL HOSPITAL	Taxpayer identification number (TIN) 46-0226283
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. 513 THIRD STREET SW	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. WAGNER, SD 57380-0280	

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

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

LISA WEISSER

• The books are in the care of ▶ **513 3RD STREET SW - WAGNER, SD 57380-0280**

Telephone No. ▶ **605-384-3611** Fax No. ▶ _____

- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and TINs of all members the extension is for.

1 I request an automatic 6-month extension of time until **MAY 15, 2024**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
 ▶ calendar year _____ or
 ▶ tax year beginning **JUL 1, 2022**, and ending **JUN 30, 2023**.

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

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

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

LHA For Privacy Act and Paperwork Reduction Act Notice, see instructions.

Form **8868** (Rev. 1-2022)

EXTENDED TO MAY 15, 2024

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

Form 990

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

2022

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

Open to Public Inspection

Department of the Treasury Internal Revenue Service

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

A For the 2022 calendar year, or tax year beginning JUL 1, 2022 and ending JUN 30, 2023

Form header section containing organization name (WAGNER COMMUNITY MEMORIAL HOSPITAL), EIN (46-0226283), address (513 THIRD STREET SW, WAGNER, SD 57380-0280), and principal officer (BRYAN SLABA).

Part I Summary

Table with 3 columns: Description, Prior Year, Current Year. Rows include mission statement, governance metrics, revenue (Total: 14,711,701), expenses (Total: 14,404,623), and net assets (Total: 13,818,177).

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.

Signature block containing signatures of officer (BRYAN SLABA, CEO) dated 03/15/2024, and preparer (LAURIE HANSON, CPA) dated 03/15/24.

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

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission: WAGNER COMMUNITY MEMORIAL HOSPITAL'S MISSION IS TO PROVIDE CARE AND TREATMENT OF THE SICK; PROVIDE CARE AND SUPPORT OF THE AGED, DISABLED, AND INDIGENT; AND TO PROVIDE FOR THOSE IN NEED OF HOSPITALIZATION REGARDLESS OF RACE, COLOR, CREED, OR ABILITY TO PAY.

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

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

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 \$ 12,389,540. including grants of \$ 789.) (Revenue \$ 14,520,393.) WCMH IS A 15 BED CRITICAL ACCESS HOSPITAL EQUIPPED WITH EXTENSIVE ADVANCED SERVICES, INCLUDING AREAS FOR MEDICAL/SURGICAL, PEDIATRIC, INTENSIVE/CORONARY CARE, AND SWING BED/LONG TERM CARE. THE CLINIC IS ADJACENT TO THE HOSPITAL MAKING IT CONVENIENT TO SEE HOSPITAL PATIENTS, AND SHARE LABORATORY SERVICES AND OTHER DIAGNOSTIC EQUIPMENT. OUTREACH SERVICES INCLUDE OB/GYN, PEDIATRICS, ORTHOPEDIC SURGERY, GENERAL SURGERY, UROLOGY, PODIATRY, ENT & AUDIOLOGY. THE PEOPLE OF THE COMMUNITY TRULY BELIEVE IN HAVING ACCESS TO CARE AND SUPPORT THEIR LOCAL MEDICAL PROVIDERS.

THE FACILITY SERVES AS THE INPATIENT UNIT FOR THE LOCAL INDIAN HEALTH SERVICES CLINIC AND WORKS COLLABORATIVELY WITH THE IHS PHYSICIANS AND

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

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

4e Total program service expenses 12,389,540.

Part IV Checklist of Required Schedules

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

Part IV Checklist of Required Schedules (continued)

Table with 3 columns: Question, Yes, No. Rows 22-38. Includes questions about grants, compensation, bond issues, excess benefit transactions, and controlled entities.

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

Input box for Part V check

Table with 3 columns: Question, Yes, No. Rows 1a-1c. Includes questions about Form 1096, W-2G forms, and backup withholding rules.

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

Table with columns for question number, question text, and Yes/No response boxes. Includes questions 2a through 17 regarding employee counts, tax returns, business income, foreign accounts, prohibited transactions, and charitable contributions.

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

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

Section A. Governing Body and Management

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

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

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

Section C. Disclosure

- 17** List the states with which a copy of this Form 990 is required to be filed NONE
- 18** Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A, if applicable), 990, and 990-T (section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
 Own website Another's website Upon request Other (explain on Schedule O)
- 19** Describe on Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
- 20** State the name, address, and telephone number of the person who possesses the organization's books and records
LISA WEISSER - 605-384-3611
513 3RD STREET SW, WAGNER, SD 57380-0280

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

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

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

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

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

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

• List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (box 5 of Form W-2, box 6 of Form 1099-MISC, and/or box 1 of Form 1099-NEC) of more than \$100,000 from the organization and any related organizations.

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

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

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

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) BRYAN SLABA CEO/ADMINISTRATOR	40.00			X			267,211.	0.	38,848.	
(2) MIKEALA KOENIG PHYSICIAN	40.00				X		216,518.	0.	34,433.	
(3) JORDAN WEBER PHYSICIANS ASSISTANT	40.00				X		208,102.	0.	32,608.	
(4) JESSICA VANDERHAM NURSE PRACTITIONER	40.00				X		178,454.	0.	41,325.	
(5) RYAN KOCER NURSE PRACTITIONER	40.00				X		163,317.	0.	39,096.	
(6) TIANNA SMITH PHYSICIAN	40.00				X		197,338.	0.	1,458.	
(7) BRITTNEY BARRON VP OF PATIENT SERVICES	40.00			X			152,133.	0.	37,798.	
(8) DAVID KOTAB PRESIDENT	0.50	X		X			0.	0.	0.	
(9) CHAD PETERS VICE PRESIDENT	0.50	X		X			0.	0.	0.	
(10) KAREN SOULEK SECRETARY/TREASURY	0.50	X		X			0.	0.	0.	
(11) MITCHEL BREEN DIRECTOR UNTIL 03/2022	0.50	X					0.	0.	0.	
(12) RACHEL WOODS DIRECTOR	0.50	X					0.	0.	0.	
(13) MICHELE JUFFER DIRECTOR	0.50	X					0.	0.	0.	
(14) KATHE HENKE DIRECTOR	0.50	X					0.	0.	0.	

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
1b Subtotal							1,383,073.	0.	225,566.	
c Total from continuation sheets to Part VII, Section A							0.	0.	0.	
d Total (add lines 1b and 1c)							1,383,073.	0.	225,566.	

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization 12

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
AVERA SACRED HEART HOSPITAL 501 S SUMMIT STREET, YANKTON, SD 57078	ADMIN/IT SERVICES	437,579.
AVERA MCKENNAN HOSPITAL 1325 S CLIFF AVE, SIOUX FALLS, SD 57117	MOBILE RADIOLOGY SERVICES	276,343.
AVEL ECARE MEDICAL GROUP 4500 N LEWIS AVE, SIOUX FALLS, SD 57104	TELEMEDICINE	193,685.
ELECTRIC CONSTRUCTION CO 3413 N POTSDAM AVE, SIOUX FALLS, SD 57104	ELECTRICIAN SERVICES	151,192.
AVERA ST BENEDICT HEALTH CENTER 401 W GLYNN DR, PARKSTON, SD 57366	PHARMACIST SERVICES	106,441.

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization 6

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	1 a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c					
	d Related organizations	1d					
	e Government grants (contributions)	1e	122,025.				
	f All other contributions, gifts, grants, and similar amounts not included above	1f	1,800.				
	g Noncash contributions included in lines 1a-1f	1g	\$				
	h Total. Add lines 1a-1f			123,825.			
	Program Service Revenue	2 a PATIENT SERVICE FEES	Business Code	621110	14,206,894.	14206894.	
b PHARMACY REVENUE			900099	268,902.	268,902.		
c							
d							
e							
f All other program service revenue			900099	44,597.	44,597.		
g Total. Add lines 2a-2f				14,520,393.			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)			5,560.		5,560.	
	4 Income from investment of tax-exempt bond proceeds						
	5 Royalties						
	6 a Gross rents	6a	(i) Real	3,950.			
			(ii) Personal				
	b Less: rental expenses	6b		0.			
	c Rental income or (loss)	6c		3,950.			
	d Net rental income or (loss)			3,950.		3,950.	
	7 a Gross amount from sales of assets other than inventory	7a	(i) Securities	1,020,169.			
			(ii) Other				
	b Less: cost or other basis and sales expenses	7b		962,196.			
	c Gain or (loss)	7c		57,973.			
d Net gain or (loss)			57,973.		57,973.		
8 a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	8a						
b Less: direct expenses	8b						
c Net income or (loss) from fundraising events							
9 a Gross income from gaming activities. See Part IV, line 19	9a						
b Less: direct expenses	9b						
c Net income or (loss) from gaming activities							
10 a Gross sales of inventory, less returns and allowances	10a						
b Less: cost of goods sold	10b						
c Net income or (loss) from sales of inventory							
Miscellaneous Revenue	11 a	Business Code					
	b						
	c						
	d All other revenue						
	e Total. Add lines 11a-11d						
12 Total revenue. See instructions			14,711,701.	14520393.	0.	67,483.	

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	789.	789.		
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	538,534.	206,512.	332,022.	
6 Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	111,051.	111,051.		
7 Other salaries and wages	7,153,128.	6,580,248.	572,880.	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	297,172.	275,918.	21,254.	
9 Other employee benefits	948,404.	861,046.	87,358.	
10 Payroll taxes	529,480.	470,226.	59,254.	
11 Fees for services (nonemployees):				
a Management				
b Legal				
c Accounting	91,294.		91,294.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A), amount, list line 11g expenses on Sch O.)	1,109,133.	666,977.	442,156.	
12 Advertising and promotion	40,637.		40,637.	
13 Office expenses	412,095.	311,699.	100,396.	
14 Information technology	33,954.	33,954.		
15 Royalties				
16 Occupancy	177,851.	177,851.		
17 Travel	43,625.	40,837.	2,788.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	37,144.	32,817.	4,327.	
20 Interest	138,524.	138,524.		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	787,032.	734,363.	52,669.	
23 Insurance	75,386.	66,912.	8,474.	
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A), amount, list line 24e expenses on Schedule O.)				
a MEDICAL SUPPLIES	1,389,881.	1,389,881.		
b REPAIRS AND MAINTENANCE	332,668.	283,304.	49,364.	
c DUES AND SUBSCRIPTIONS	19,776.	5,575.	14,201.	
d				
e All other expenses	137,065.	1,056.	136,009.	
25 Total functional expenses. Add lines 1 through 24e	14,404,623.	12,389,540.	2,015,083.	0.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

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

		(A) Beginning of year		(B) End of year
Assets	1		1	
	2	934,225.	2	554,896.
	3		3	
	4	2,355,045.	4	2,682,469.
	5		5	
	6		6	
	7		7	
	8	161,331.	8	146,211.
	9	101,073.	9	86,665.
	10a			
		10a 14,925,906.		
	b			
		10b 9,083,697.	5,754,101.	10c 5,842,209.
	11		11	
	12	7,463,097.	12	7,070,704.
	13	438,362.	13	537,112.
14		14		
15	83,889.	15	863,574.	
16	17,291,123.	16	17,783,840.	
Liabilities	17	1,003,434.	17	851,704.
	18		18	
	19		19	
	20		20	
	21		21	
	22		22	
	23	3,206,494.	23	3,113,959.
	24		24	
	25		25	
	26	4,209,928.	26	3,965,663.
	Net Assets or Fund Balances	Organizations that follow FASB ASC 958, check here <input checked="" type="checkbox"/> and complete lines 27, 28, 32, and 33.		
27		13,081,195.	27	13,818,177.
28			28	
Organizations that do not follow FASB ASC 958, check here <input type="checkbox"/> and complete lines 29 through 33.				
29			29	
30			30	
31			31	
32		13,081,195.	32	13,818,177.
33	17,291,123.	33	17,783,840.	

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	14,711,701.
2	Total expenses (must equal Part IX, column (A), line 25)	2	14,404,623.
3	Revenue less expenses. Subtract line 2 from line 1	3	307,078.
4	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	4	13,081,195.
5	Net unrealized gains (losses) on investments	5	429,904.
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain on Schedule O)	9	0.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	10	13,818,177.

Part XII Financial Statements and Reporting

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

		Yes	No
1	Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain on Schedule O.		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		X
2b	Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	X	
2c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain on Schedule O.	X	
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Uniform Guidance, 2 C.F.R. Part 200, Subpart F?	X	
3b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why on Schedule O and describe any steps taken to undergo such audits	X	

Form 990 (2022)

SCHEDULE A (Form 990)

Department of the Treasury Internal Revenue Service

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

OMB No. 1545-0047

2022

Open to Public Inspection

Name of the organization: WAGNER COMMUNITY MEMORIAL HOSPITAL Employer identification number: 46-0226283

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

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

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

Table with 6 columns: (i) Name of supported organization, (ii) EIN, (iii) Type of organization, (iv) Is the organization listed in your governing document?, (v) Amount of monetary support, (vi) Amount of other support. Includes a Total row at the bottom.

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

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

Section A. Public Support

Table with 7 columns: (a) 2018, (b) 2019, (c) 2020, (d) 2021, (e) 2022, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Tax revenues levied for the organization's benefit; 3 The value of services or facilities furnished by a governmental unit; 4 Total. Add lines 1 through 3; 5 The portion of total contributions by each person; 6 Public support. Subtract line 5 from line 4.

Section B. Total Support

Table with 7 columns: (a) 2018, (b) 2019, (c) 2020, (d) 2021, (e) 2022, (f) Total. Rows include: 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; 10 Other income. Do not include gain or loss from the sale of capital assets; 11 Total support. Add lines 7 through 10.

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

13 First 5 years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here

Section C. Computation of Public Support Percentage

14 Public support percentage for 2022 (line 6, column (f), divided by line 11, column (f)) 14 %

15 Public support percentage from 2021 Schedule A, Part II, line 14 15 %

16a 33 1/3% support test - 2022. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization

b 33 1/3% support test - 2021. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization

17a 10% -facts-and-circumstances test - 2022. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and stop here. Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization

b 10% -facts-and-circumstances test - 2021. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and stop here. Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization

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) 2018	(b) 2019	(c) 2020	(d) 2021	(e) 2022	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2018	(b) 2019	(c) 2020	(d) 2021	(e) 2022	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included on line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						

14 First 5 years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here**

Section C. Computation of Public Support Percentage

15 Public support percentage for 2022 (line 8, column (f), divided by line 13, column (f))	15	%
16 Public support percentage from 2021 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

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

19a 33 1/3% support tests - 2022. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

b 33 1/3% support tests - 2021. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

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

Part IV Supporting Organizations

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

Section A. All Supporting Organizations

Table with 3 columns: Question, Yes, No. Rows include questions 1 through 10b regarding supported organizations, including their status, control, and support.

Part IV Supporting Organizations (continued)

Table with 3 columns: Question, Yes, No. Row 11: Has the organization accepted a gift or contribution from any of the following persons? Sub-rows 11a, 11b, 11c.

Section B. Type I Supporting Organizations

Table with 3 columns: Question, Yes, No. Row 1: Did the governing body, members of the governing body, officers acting in their official capacity, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's officers, directors, or trustees at all times during the tax year? Row 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?

Section C. Type II Supporting Organizations

Table with 3 columns: Question, Yes, No. Row 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)?

Section D. All Type III Supporting Organizations

Table with 3 columns: Question, Yes, No. Row 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? Row 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? Row 3: By reason of the relationship described on line 2, above, did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year?

Section E. Type III Functionally Integrated Supporting Organizations

Table with 3 columns: Question, Yes, No. Row 1: Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions). Sub-rows a, b, c. Row 2: Activities Test. Answer lines 2a and 2b below. Sub-rows a, b. Row 3: Parent of Supported Organizations. Answer lines 3a and 3b below. Sub-rows a, b.

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

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

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

Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):		
a	Average monthly value of securities	1a	
b	Average monthly cash balances	1b	
c	Fair market value of other non-exempt-use assets	1c	
d	Total (add lines 1a, 1b, and 1c)	1d	
e	Discount claimed for blockage or other factors (<i>explain in detail in Part VI</i>):		
2	Acquisition indebtedness applicable to non-exempt-use assets	2	
3	Subtract line 2 from line 1d.	3	
4	Cash deemed held for exempt use. Enter 0.015 of line 3 (for greater amount, see instructions).	4	
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6	Multiply line 5 by 0.035.	6	
7	Recoveries of prior-year distributions	7	
8	Minimum Asset Amount (add line 7 to line 6)	8	

Section C - Distributable Amount			Current Year
1	Adjusted net income for prior year (from Section A, line 8, column A)	1	
2	Enter 0.85 of line 1.	2	
3	Minimum asset amount for prior year (from Section B, line 8, column A)	3	
4	Enter greater of line 2 or line 3.	4	
5	Income tax imposed in prior year	5	
6	Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions).	6	
7	<input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions).		

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

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

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

SCHEDULE D (Form 990)

Department of the Treasury Internal Revenue Service

Supplemental Financial Statements

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

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

OMB No. 1545-0047

2022

Open to Public Inspection

Name of the organization WAGNER COMMUNITY MEMORIAL HOSPITAL Employer identification number 46-0226283

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

Table with 3 columns: Question, (a) Donor advised funds, (b) Funds and other accounts. Rows include total number at end of year, aggregate value of contributions, grants, and end of year, and questions about property control and private benefit.

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

Table with 3 columns: Question, (a) Donor advised funds, (b) Funds and other accounts. Rows include purpose of easements, number of easements, and monitoring details.

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

Table with 3 columns: Question, (a) Donor advised funds, (b) Funds and other accounts. Rows include reporting requirements for art and historical treasures.

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

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

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

- 1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No
- b If "Yes," explain the arrangement in Part XIII and complete the following table:
- | | Amount |
|---------------------------------|--------|
| c Beginning balance | 1c |
| d Additions during the year | 1d |
| e Distributions during the year | 1e |
| f Ending balance | 1f |
- 2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? Yes No
- b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
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 Term 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 line 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		4,247.		4,247.
b Buildings		10,135,484.	6,147,935.	3,987,549.
c Leasehold improvements				
d Equipment		4,322,830.	2,628,611.	1,694,219.
e Other		463,345.	307,151.	156,194.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				5,842,209.

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) ASSETS LIMITED AS TO USE		
(B) - AVERA POOLED		
(C) INVESTMENTS	6,930,256.	END-OF-YEAR MARKET VALUE
(D) OTHER INVESTMENTS	140,448.	END-OF-YEAR MARKET VALUE
(E)		
(F)		
(G)		
(H)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 12.)	7,070,704.	

Part VIII Investments - Program Related.

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

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

Part IX Other Assets.

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

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

Part X Other Liabilities.

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

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

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

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

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

1	Total revenue, gains, and other support per audited financial statements		1	15,141,605.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:			
a	Net unrealized gains (losses) on investments	2a	429,904.	
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	429,904.	
3	Subtract line 2e from line 1	3	14,711,701.	
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	0.	
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	5	14,711,701.	

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	14,404,623.
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	0.	
3	Subtract line 2e from line 1	3	14,404,623.	
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	0.	
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	5	14,404,623.	

Part XIII Supplemental Information.

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

PART X, LINE 2:

THE HOSPITAL BELIEVES THAT IT HAS APPROPRIATE SUPPORT FOR ANY TAX POSITIONS TAKEN AFFECTING ITS ANNUAL FILING REQUIREMENTS, AND AS SUCH, DOES NOT HAVE ANY UNCERTAIN TAX POSITIONS THAT ARE MATERIAL TO THE FINANCIAL STATEMENTS. THE HOSPITAL WOULD RECOGNIZE FUTURE ACCRUED INTEREST AND PENALTIES RELATED TO UNRECOGNIZED TAX BENEFITS AND LIABILITIES IN INCOME TAX EXPENSE IF SUCH INTEREST AND PENALTIES ARE INCURRED.

**SCHEDULE H
(Form 990)**

Hospitals

OMB No. 1545-0047

2022

Department of the Treasury
Internal Revenue Service

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

Attach to Form 990.

Open to Public
Inspection

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

Name of the organization WAGNER COMMUNITY MEMORIAL HOSPITAL	Employer identification number 46-0226283
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Part I Financial Assistance and Certain Other Community Benefits at Cost

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

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)			627,200.		627,200.	4.35%
b Medicaid (from Worksheet 3, column a)			1896523.	1759004.	137,519.	.95%
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d Total. Financial Assistance and Means-Tested Government Programs			2523723.	1759004.	764,719.	5.30%
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			4,636.		4,636.	.03%
f Health professions education (from Worksheet 5)			10,560.		10,560.	.07%
g Subsidized health services (from Worksheet 6)			3664276.	2104095.	1560181.	10.83%
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)						
j Total. Other Benefits			3679472.	2104095.	1575377.	10.93%
k Total. Add lines 7d and 7j			6203195.	3863099.	2340096.	16.23%

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

Table with 7 columns: (a) Number of activities or programs (optional), (b) Persons served (optional), (c) Total community building expense, (d) Direct offsetting revenue, (e) Net community building expense, (f) Percent of total expense. Rows include Physical improvements and housing, Economic development, Community support, Environmental improvements, Leadership development and training for community members, Coalition building, Community health improvement advocacy, Workforce development, Other, and Total.

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

Table for Section A. Bad Debt Expense with columns Yes/No and rows 1-4. Row 1: Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15? (Yes: X). Row 2: Enter the amount of the organization's bad debt expense. (23,543). Row 3: Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy. (6,827). Row 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

Table for Section B. Medicare with columns Yes/No and rows 5-8. Row 5: Enter total revenue received from Medicare (including DSH and IME). (4,703,050). Row 6: Enter Medicare allowable costs of care relating to payments on line 5. (4,724,358). Row 7: Subtract line 6 from line 5. This is the surplus (or shortfall). (-21,308). Row 8: Describe in Part VI the extent to which any shortfall reported on line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: [] Cost accounting system, [] Cost to charge ratio, [X] Other.

Section C. Collection Practices

Table for Section C. Collection Practices with columns Yes/No and rows 9a-9b. Row 9a: Did the organization have a written debt collection policy during the tax year? (Yes: X). Row 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 (Yes: X).

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

Table with 5 columns: (a) Name of entity, (b) Description of primary activity of entity, (c) Organization's profit % or stock ownership %, (d) Officers, directors, trustees, or key employees' profit % or stock ownership %, (e) Physicians' profit % or stock ownership %.

Part V Facility Information

Section A. Hospital Facilities

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

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

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

1 WAGNER COMMUNITY MEMORIAL HOSPITAL
513 3RD ST SW
WAGNER, SD 57380
WWW.AVERA.ORG/WAGNERHOSPITAL/
10571

Table with columns: Licensed hospital, Gen. medical & surgical, Children's hospital, Teaching hospital, Critical access hospital, Research facility, ER-24 hours, ER-other, Other (describe), Facility reporting group. Row 1: X, X, , , X, , X, , , Other (describe), .

Part V Facility Information (continued)

Section B. Facility Policies and Practices

(complete a separate Section B for each of the hospital facilities or facility reporting groups listed in Part V, Section A)

Name of hospital facility or letter of facility reporting group: WAGNER COMMUNITY MEMORIAL HOSPITAL

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

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

Part V Facility Information (continued)

Financial Assistance Policy (FAP)

Name of hospital facility or letter of facility reporting group: WAGNER COMMUNITY MEMORIAL HOSPITAL

		Yes	No
Did the hospital facility have in place during the tax year a written financial assistance policy that:			
13	Explained eligibility criteria for financial assistance, and whether such assistance included free or discounted care?	X	
If "Yes," indicate the eligibility criteria explained in the FAP:			
a	<input checked="" type="checkbox"/> Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of <u>100</u> % and FPG family income limit for eligibility for discounted care of <u>200</u> %		
b	<input type="checkbox"/> Income level other than FPG (describe in Section C)		
c	<input type="checkbox"/> Asset level		
d	<input checked="" type="checkbox"/> Medical indigency		
e	<input checked="" type="checkbox"/> Insurance status		
f	<input type="checkbox"/> Underinsurance status		
g	<input type="checkbox"/> Residency		
h	<input checked="" type="checkbox"/> Other (describe in Section C)		
14	Explained the basis for calculating amounts charged to patients?	X	
15	Explained the method for applying for financial assistance?	X	
If "Yes," indicate how the hospital facility's FAP or FAP application form (including accompanying instructions) explained the method for applying for financial assistance (check all that apply):			
a	<input checked="" type="checkbox"/> Described the information the hospital facility may require an individual to provide as part of his or her application		
b	<input checked="" type="checkbox"/> Described the supporting documentation the hospital facility may require an individual to submit as part of his or her application		
c	<input checked="" type="checkbox"/> Provided the contact information of hospital facility staff who can provide an individual with information about the FAP and FAP application process		
d	<input checked="" type="checkbox"/> Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications		
e	<input type="checkbox"/> Other (describe in Section C)		
16	Was widely publicized within the community served by the hospital facility?	X	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply):			
a	<input checked="" type="checkbox"/> The FAP was widely available on a website (list url): <u>SEE 16J NARRATIVE</u>		
b	<input checked="" type="checkbox"/> The FAP application form was widely available on a website (list url): <u>SEE 16J NARRATIVE</u>		
c	<input checked="" type="checkbox"/> A plain language summary of the FAP was widely available on a website (list url): <u>SEE 16J NARRATIVE</u>		
d	<input checked="" type="checkbox"/> The FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
e	<input checked="" type="checkbox"/> The FAP application form was available upon request and without charge (in public locations in the hospital facility and by mail)		
f	<input checked="" type="checkbox"/> A plain language summary of the FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
g	<input checked="" type="checkbox"/> Individuals were notified about the FAP by being offered a paper copy of the plain language summary of the FAP, by receiving a conspicuous written notice about the FAP on their billing statements, and via conspicuous public displays or other measures reasonably calculated to attract patients' attention		
h	<input checked="" type="checkbox"/> Notified members of the community who are most likely to require financial assistance about availability of the FAP		
i	<input checked="" type="checkbox"/> The FAP, FAP application form, and plain language summary of the FAP were translated into the primary language(s) spoken by Limited English Proficiency (LEP) populations		
j	<input checked="" type="checkbox"/> Other (describe in Section C)		

Part V Facility Information (continued)

Billing and Collections

Name of hospital facility or letter of facility reporting group: WAGNER COMMUNITY MEMORIAL HOSPITAL

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

Policy Relating to Emergency Medical Care

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

Part V Facility Information *(continued)*

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

Name of hospital facility or letter of facility reporting group: WAGNER COMMUNITY MEMORIAL HOSPITAL

		Yes	No
22	Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care:		
a	<input type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service during a prior 12-month period		
b	<input checked="" type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period		
c	<input type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicaid, either alone or in combination with Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period		
d	<input type="checkbox"/> The hospital facility used a prospective Medicare or Medicaid method		
23	During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care? If "Yes," explain in Section C.		X
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.		X

Schedule H (Form 990) 2022

Part V Facility Information *(continued)*

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

WAGNER COMMUNITY MEMORIAL HOSPITAL:

PART V, SECTION B, LINE 5: THE WAGNER COMMUNITY MEMORIAL HOSPITAL

REPRESENTATIVES REACHED OUT TO LOCAL COMMUNITY MEMBERS AND LEADERS TO

DEVELOP A COMMUNITY FOCUS GROUP. THE AMERICAN INDIAN POPULATION WAS

IDENTIFIED AS AN UNDERSERVED POPULATION SPECIFIC TO THE HOSPITAL SERVICE

AREA. THE FOCUS GROUP CONSISTED OF REPRESENTATIVES FROM THE FOLLOWING:

WAGNER COMMUNITY MEMORIAL HOSPITAL BOARD MEMBERS, WAGNER INDIAN HEALTH

SERVICE, YANKTON SIOUX TRIBAL POLICE, EMERGENCY MEDICAL TECHNICIAN,

COMMUNITY HEALTH NURSE AND SDSU EXTENSION. THE HOSPITAL REPRESENTATIVES

INCLUDED THE CEO/ADMINISTRATOR, DIRECTOR OF NURSING, AND CLINICAL

COORDINATOR. THE CHNA COMMUNITY FOCUS GROUP MET FOR FOUR MEETINGS

THROUGHOUT DECEMBER 2021 TO DISCUSS THE PURPOSE OF THE CHNA, THE GOALS OF

THE FOCUS GROUP, AND THE IMPACT ON THE COMMUNITY.

WAGNER COMMUNITY MEMORIAL HOSPITAL:

PART V, SECTION B, LINE 7D: THE CHNA REPORT AND IMPLEMENTATION STRATEGY

ARE AVAILABLE AT

[HTTPS://WWW.AVERA.ORG/LOCATIONS/WAGNER-COMMUNITY-MEMORIAL-HOSPITAL-AVERA/](https://www.avera.org/locations/wagner-community-memorial-hospital-avera/)

WAGNER COMMUNITY MEMORIAL HOSPITAL:

PART V, SECTION B, LINE 11: PURSUANT TO THE FY22 IMPLEMENTATION STRATEGY

ADOPTED BY WAGNER COMMUNITY MEMORIAL HOSPITAL (WCMH), MENTAL HEALTH

SERVICES, SUBSTANCE ABUSE, DIABETES, OBESITY AND HEART DISEASE WERE

IDENTIFIED AS COMMUNITY NEEDS. THE FACILITY WILL ADDRESS THE IDENTIFIED

Part V Facility Information (continued)

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

NEEDS IN CURRENT AND FUTURE YEARS, AS FOLLOWS.

1. MENTAL HEALTH:

A. HOSPITAL EMPLOYEES WILL BE KNOWLEDGEABLE OF BEHAVIORAL HEALTH RESOURCES.

B. INCREASING UTILIZATION OF TELEMEDICINE SERVICES (EEMERGENCY AND ETRIAGE)

C. THE HOSPITAL WILL CONTINUE TO EMPLOY OR CONTRACT A FULL TIME OR PART TIME PSYCHIATRIC (MEDICATION MANAGEMENT) AND/OR A PSYCHOLOGIC (COUNSELING) PROVIDER.

2. SUBSTANCE ABUSE:

A. WCMH EMPLOYEES WILL BE KNOWLEDGEABLE OF SUBSTANCE ABUSE RESOURCES AVAILABLE.

B. WE WILL INCREASE UTILIZATION OF TELEMEDICINE SERVICES (EADDICTION, ETRIAGE ETC)

3. DIABETES:

A. PROVIDE DIABETIC EDUCATION OPPORTUNITIES WITHIN THE COMMUNITY

B. INCREASE REFERRALS TO DIABETIC EDUCATION PROGRAMS AND RECOURSES

C. EDUCATE DIABETIC PATIENTS OF THE AVAILABLE GLUCOSE MONITORS IN TOWN- JAMES DRUG FOR PURCHASE OR AT INDIAN HEALTH SERVICES TO THOSE WHO QUALIFY FOR BENEFITS.

4. OBESITY:

A. WCMH WILL INCREASE AWARENESS OF LOCAL EXERCISE OPPORTUNITIES WITHIN THE SURROUNDING AREA.

Part V Facility Information (continued)

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

B. WCMH WILL CONTINUE TO COLLABORATE WITH THE WAGNER HEALTH AND WELLNESS CONSORTIUM TO PROMOTE AREA EXERCISE PROGRAMS

C. WCMH PROVIDERS WILL CONTINUE TO EDUCATE THEIR PATIENTS ON A HEALTHY DIET.

5. HEART DISEASE:

A. WCMH PROVIDERS WILL CONTINUE TO EDUCATE THEIR PATIENTS ON A HEALTHY DIET AND EXERCISE.

B. WCMH WILL USE THE EXISTING PROGRAMS THAT ADDRESS OBESITY WHICH CAN BE CONNECTED MORE BROADLY TO HEART DISEASE.

C. INCREASE PATIENT'S COMPLIANCE WITH MEDICATION MANAGEMENT.

IN THE CURRENT YEAR WCMH HAS TAKEN THE FOLLOWING ACTIONS TO ADDRESS THE IDENTIFIED NEEDS IN THE MOST RECENT CHNA. WCMH CONTINUES TO PROVIDE OUTPATIENT BEHAVIORAL HEALTH SERVICES FOR PATIENTS AS WELL AS PLACE THE APPROPRIATE REFERRALS TO OUTSIDE FACILITIES AS NEEDED. WCMH CONTINUES TO MAKE PROGRESS IN EMPLOYING A SUBSTANCE ABUSE COUNSELOR BY LINING UP INTERNS IN ADDITION TO PLACING APPROPRIATE REFERRALS TO OUTSIDE FACILITIES. WCMH CONTINUES TO PROVIDE INFORMAL DIABETIC EDUCATION BY PROVIDERS AT WAGNER COMMUNITY CLINIC AND PLACE THE NECESSARY REFERRALS FOR DIABETIC EDUCATION PROGRAMS. WCMH CONTINUES TO PROVIDE REFERRALS TO A DIETICIAN AND INFORM PATIENTS OF COMMUNITY RESOURCES FOR EXERCISE OPPORTUNITIES. WCMH ALSO CONTINUES TO PROVIDE CARDIOLOGY OUTREACH SERVICES ON A MONTHLY BASIS AND CONTINUES TO INCREASE PATIENT AWARENESS OF COMPLIANCE WITH MEDICATION MANAGEMENT.

WAGNER COMMUNITY MEMORIAL HOSPITAL - AVERA HAS BEEN ABLE TO CONTINUOUSLY

Part V Facility Information *(continued)*

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

ADDRESS ALL NEEDS IDENTIFIED IN THE MOST RECENT CHNA.

WAGNER COMMUNITY MEMORIAL HOSPITAL:

PART V, SECTION B, LINE 13H: THE HOSPITAL USES PRESUMPTIVE ELIGIBILITY TO DETERMINE FINANCIAL ASSISTANCE ELIGIBILITY IF NEEDED.

WAGNER COMMUNITY MEMORIAL HOSPITAL:

PART V, SECTION B, LINE 16J:

PART V, LINE 16A, FAP WEBSITE:

[HTTPS://WWW.AVERA.ORG/LOCATIONS/WAGNER-COMMUNITY-MEMORIAL-HOSPITAL-AVERA/](https://www.avera.org/locations/wagner-community-memorial-hospital-avera/)

PART V, LINE 16B, FAP APPLICATION WEBSITE:

[HTTPS://WWW.AVERA.ORG/LOCATIONS/WAGNER-COMMUNITY-MEMORIAL-HOSPITAL-AVERA/](https://www.avera.org/locations/wagner-community-memorial-hospital-avera/)

PART V, LINE 16C, FAP PLAIN LANGUAGE SUMMARY WEBSITE:

[HTTPS://WWW.AVERA.ORG/LOCATIONS/WAGNER-COMMUNITY-MEMORIAL-HOSPITAL-AVERA/](https://www.avera.org/locations/wagner-community-memorial-hospital-avera/)

PART V, LINE 16J: THE REFERENCE TO THE POLICY AND ITS LOCATION IS SENT WITH ALL STATEMENTS.

WAGNER COMMUNITY MEMORIAL HOSPITAL:

PART V, SECTION B, LINE 24: THE HOSPITAL FINANCIAL ASSISTANCE POLICY DOES NOT COVER ELECTIVE PROCEDURES. THE HOSPITAL MAY HAVE CHARGED FAP ELIGIBLE PATIENTS GROSS CHARGES FOR SERVICES THAT ARE NOT COVERED UNDER THE

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? 1

Name and address	Type of facility (describe)
1 WAGNER COMMUNITY CLINIC AVERA	
513 3RD ST SW	
WAGNER, SD 57380	CLINIC

Part VI Supplemental Information

Provide the following information.

- 1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8, and 9b.
- 2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.
- 3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (for example, open medical staff, community board, use of surplus funds, etc.).
- 6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

PART I, LINE 3C:

IN ADDITION TO UTILIZING FPG TO DETERMINE ELIGIBILITY FOR FINANCIAL ASSISTANCE, THE HOSPITAL REVIEWS INSURANCE STATUS AND USES PRESUMPTIVE ELIGIBILITY.

PART I, LINE 7:

CHARITY CARE EXPENSE WAS CONVERTED TO COST ON LINE 7A BASED ON AN OVERALL COST-TO-CHARGE RATIO ADDRESSING ALL PATIENT SEGMENTS. LINE 7B, UNREIMBURSED MEDICAID, WAS CALCULATED USING THE COSTING METHODS TO PREPARE THE COST REPORTS. LINES 7E AND 7F WERE OBTAINED UTILIZING THE ACTUAL GENERAL LEDGER SYSTEM. LINE 7G WAS OBTAINED FROM THE MEDICARE COST REPORT.

PART I, LINE 7G:

SUBSIDIZED HEALTH SERVICES INCLUDED PROVIDER-BASED CLINIC REVENUE OF \$1,491,700 LESS EXPENSE OF \$1,930,677 FOR A NET BENEFIT OF \$438,977.

PART II, COMMUNITY BUILDING ACTIVITIES:

THE CEO IS INVOLVED IN THE ROTARY CLUB, WHICH IS MADE UP OF BUSINESS

Part VI Supplemental Information (Continuation)

LEADERS WHO WORK WITH COMMUNITY SERVICE ORGANIZATION TO ENHANCE THE
COMMUNITY.

WCMH HOSTED AN EIGHTH GRADE CAREER FAIR FOR THE REGIONAL SCHOOLS. EIGHTH
GRADERS MUST SELECT CAREER PATHWAYS FOR HIGH SCHOOL REGISTRATION; THUS,
THE GOAL OF THE CAREER FAIR IS TO EXPOSE STUDENTS TO THE TECHNICAL SKILLS
AND EDUCATION NEEDED TO BE SUCCESSFUL IN BUSINESS AND INDUSTRY. ALSO, THE
CAMP MED EVENT WAS COMBINED WITH THE CAREER FAIR TO PROVIDE YOUTH HANDS-ON
DEMONSTRATIONS ABOUT CAREERS & HEALTH CARE CAREERS. EACH STUDENT RECEIVED
A CINCH BAG (DRAWSTRING) AND SDAHO BROCHURE. STUDENTS RECEIVE HANDS-ON
HEALTHCARE EXPERIENCES WITH GERM/HANDWASHING USING GLOW GERM AND BLACK
LIGHT; TOOLS TO TREAT CONDITIONS AT THE PHYSICAL THERAPY BOOTH, STUDENTS
WERE ABLE TO REMOVE SUTURES FROM A BANANA AND PLACE AND REMOVE STAPLES
FROM AN ORANGE. STUDENTS WERE ABLE TO WALK THROUGH A VIRTUAL INFLATABLE
BRAIN AND LEARN ABOUT MENTAL HEALTH AND HOW SUBSTANCES CAN CHANGE YOUR
BRAIN. STUDENTS WERE ALSO ABLE TO MAKE A CALMING JAR WITH A 988 STICKER ON
IT, WHILE LEARNING COPING SKILLS AND ABOUT BEHAVIORAL HEALTH CAREERS.
APPROXIMATELY 540 STUDENTS FROM 24 DIFFERENT REGIONAL SCHOOLS IN ADDITION
TO SCHOOL COUNSELOR AND OTHER STAFF AS WELL AS VENDORS.

THE HOSPITAL ASSISTS IN ORGANIZING POINT OF DISTRIBUTION (POD) EVENTS, AS
WELL AS ADMINISTERING THE INFLUENZA VACCINE TO STUDENTS AND POD VOLUNTEERS
AT THE WAGNER COMMUNITY SCHOOL IN CONJUNCTION WITH THE CHARLES MIX POD
MANAGER AND CHARLES MIX COMMUNITY HEALTH NURSE.

STRENGTHENING OUR COMMUNITY (SOC) IS THE PROJECT AWARE ADVISORY COMMITTEE
THAT IS MADE UP OF A CROSS SECTION OF COMMUNITY MEMBERS WHOSE GOAL IS TO
BUILD RELATIONSHIPS AND CREATE CAPACITY TO BECOME A SELF-HEALING

Part VI Supplemental Information (Continuation)

COMMUNITY. THE FOCUS IS ON MENTAL HEALTH WELL-BEING. SOC INCLUDES A JOINT EFFORT WITH SEVERAL COMMUNITY ORGANIZATIONS CONCERNED WITH THE MENTAL WELL-BEING OF OUR COMMUNITY'S YOUTH.

THE WAGNER COMMUNITY MEMORIAL HOSPITAL HAS PARTNERED WITH SEVERAL COMMUNITY ENTITIES TO FORM THE WAGNER AREA HEALTH & WELLNESS CONSORTIUM. THIS GROUP COMBINES RESOURCES TO EMPHASIZE HEALTH EDUCATION AND ACTIVITIES TO PROMOTE IMPROVED HEALTH AND WELLNESS.

PART III, LINE 2:

THE AMOUNT ON LINE 2 REPRESENTS IMPLICIT PRICE CONCESSIONS. THE ORGANIZATION DETERMINES ITS ESTIMATE OF IMPLICIT PRICE CONCESSIONS BASED ON ITS HISTORICAL COLLECTION EXPERIENCE WITH THIS CLASS OF PATIENTS.

PART III, LINE 3:

THE ESTIMATED AMOUNT OF THE ORGANIZATION'S IMPLICIT PRICE CONCESSIONS ATTRIBUTABLE TO PATIENTS ELIGIBLE UNDER THE ORGANIZATION'S CHARITY CARE POLICY IS CALCULATED BASED ON THE PERCENTAGE OF INDIVIDUALS LIVING BELOW THE POVERTY LEVEL IN 2022. THEREFORE, 29% CAN REASONABLY BE CONSIDERED A COMMUNITY BENEFIT AS IT WOULD HAVE BEEN WRITTEN OFF TO CHARITY CARE.

PART III, LINE 4:

THE FOOTNOTE TO THE ORGANIZATION'S FINANCIAL STATEMENTS THAT DESCRIBES IMPLICIT PRICE CONCESSIONS IS ON PAGES 10 AND 11 OF THE AUDITED FINANCIAL STATEMENTS.

PART III, LINE 8:

MEDICARE ALLOWABLE COST OF CARE WAS CALCULATED FROM THE MEDICARE COST REPORT FOR THE FISCAL YEAR ENDING 6/30/2023.

Part VI Supplemental Information (Continuation)

MANY PATIENTS IN OUR SERVICE AREA QUALIFY FOR MEDICARE. THE FACILITY PROVIDES SERVICES TO THESE PATIENTS REGARDLESS OF IF THERE IS A SHORTFALL OR SURPLUS. PROVIDING SERVICES TO THIS POPULATION PROMOTES ACCESS TO HEALTHCARE SERVICES WHICH ARE NEEDED IN OUR COMMUNITY, THEREBY PROVIDING A BENEFIT TO OUR COMMUNITY.

TOTAL REVENUE RECEIVED FROM MEDICARE AND THE MEDICARE ALLOWABLE COSTS ARE REPORTED FROM THE MEDICARE COST REPORT. THE MEDICARE COST REPORT IS COMPLETED BASED ON THE RULES AND REGULATIONS SET FORTH BY THE CENTERS FOR MEDICAID AND MEDICARE SERVICES.

PART III, LINE 9B:

THE COLLECTION PRACTICES AS SET FORTH IN THE POLICY REQUIRES THAT IF A PATIENT QUALIFIES FOR CHARITY CARE, NO BILL WILL BE SENT. INSTEAD, A LETTER INDICATING THAT THE PATIENT'S BILL HAS BEEN COMPLETELY FORGIVEN WILL BE SENT. WHEN SENDING A BILL TO ANY PATIENT, THE ORGANIZATION SHALL INCLUDE ON THE BILL A STATEMENT THAT INDICATES IF THE PATIENT MEETS CERTAIN INCOME REQUIREMENTS THE PATIENT MAY BE ELIGIBLE FOR A GOVERNMENT-SPONSORED PROGRAM OR FOR FINANCIAL ASSISTANCE FROM THE ORGANIZATION FOR HELP IN PAYING FOR THE SERVICES THAT WERE PROVIDED. IN ADDITION, A STATEMENT PROVIDES THE PATIENT WITH AN ORGANIZATION CONTACT RESOURCE WHOM THE PATIENT MAY OBTAIN INFORMATION ABOUT THE ORGANIZATION'S FINANCIAL ASSISTANCE POLICY FOR LOW-INCOME UNINSURED PATIENTS AND HOW TO APPLY FOR SUCH ASSISTANCE FOR THE PAYMENT OF SERVICES THAT WERE PROVIDED. IF THE PATIENT QUALIFIES FOR THE ORGANIZATION'S FINANCIAL ASSISTANCE POLICY FOR LOW-INCOME, UNINSURED PATIENTS AND IS COOPERATING WITH THE ORGANIZATION WITH REGARD TO EFFORTS TO SETTLE AN OUTSTANDING BILL WITHIN A

Schedule H (Form 990)

Part VI Supplemental Information (Continuation)

REASONABLE TIME PERIOD, THE ORGANIZATION OR ITS AGENT SHALL NOT SEND, NOR INTIMATE THAT IT WILL SEND, THE UNPAID BILL TO ANY OUTSIDE COLLECTION AGENCY. AT SUCH TIME AS THE ORGANIZATION SENDS THE UNCOLLECTED ACCOUNT TO AN OUTSIDE COLLECTION AGENCY, THE AMOUNT REFERRED TO THE AGENCY SHALL REFLECT THE REDUCED-PAYMENT LEVEL FOR WHICH THE PATIENT WAS ELIGIBLE UNDER THE ORGANIZATION'S FINANCIAL ASSISTANCE POLICY FOR LOW-INCOME UNINSURED PATIENTS. WCMH DOES NOT REPORT ANY DATA TO ANY OF THE CREDIT AGENCIES, HOWEVER, THE COLLECTION AGENCIES WCMH UTILIZES MAY REPORT TO THE CREDIT AGENCIES.

PART VI, LINE 2:

IN ADDITION TO PREPARING A COMMUNITY HEALTH NEEDS ASSESSMENT DURING THE FISCAL YEAR ENDED JUNE 30, 2022, WCMH DETERMINES PATIENT NEEDS THROUGH CONSTANT COMMUNICATION WITH PATIENTS, PRIMARY AND SPECIALTY PROVIDERS, AND STATE AND FEDERAL GOVERNMENTAL HEALTH AGENCIES. WCMH STRIVES TO CONSISTENTLY INVESTIGATE, ANALYZE, AND DETERMINE THE GREATEST NEEDS OF OUR COMMUNITY.

PART VI, LINE 3:

AT EACH POINT OF ADMISSION, NOTICES ARE POSTED STATING WCMH OFFERS FINANCIAL ASSISTANCE WITH CONTACT INFORMATION FOR ASSISTANCE. REFERENCE TO THE POLICY IS GIVEN TO THE PATIENT UPON ADMISSION AND AGAIN WITH THE NOTICE/STATEMENT FOR PAYMENT, INCLUDING CONTACT INFORMATION FOR ASSISTANCE. IF THE PATIENT EXPRESSES INTEREST IN FINANCIAL ASSISTANCE, A PATIENT ADVOCATE WILL ASSIST IN COMPLETING THE PROPER APPLICATION.

PART VI, LINE 4:

WAGNER IS A RURAL COMMUNITY LOCATED IN SOUTHERN CHARLES MIX COUNTY IN

Part VI Supplemental Information (Continuation)

SOUTH DAKOTA WHICH HAS MANY HEALTH DISPARITIES WITH UNMET NEEDS. IF ONE LOOKS AT SOUTHERN CHARLES MIX COUNTY, THE AVERAGE INDIVIDUAL INCOME IS \$24,587 WITH THE MEDIAN FAMILY INCOME AT \$52,981. THIS IS COMPARED TO THE NATIONAL AVERAGE OF \$37,638 AND \$69,021. SOUTHERN CHARLES MIX COUNTY HAS A FEDERAL POVERTY LEVEL OF 22.6% COMPARED TO 12.3% FOR SOUTH DAKOTA. COUNTY EDUCATION DEMOGRAPHICS INCLUDE 88.2% OF RESIDENTS HAVING A HIGH SCHOOL DIPLOMA OR HIGHER AND 22.4% HOLDING A BACHELOR'S DEGREE OR HIGHER, COMPARED TO A NATIONAL LEVEL OF 88.9% HAVING A HIGH SCHOOL DIPLOMA OR HIGHER AND 33.7% HAVING A BACHELOR'S DEGREE OR HIGHER. ACCORDING TO THE US CENSUS BUREAU MOST RECENT DATA 33.6% OF SOUTHERN CHARLES MIX COUNTY ARE OF AMERICAN INDIAN DESCENT COMPARED TO 9.0% FOR SOUTH DAKOTA AND 1.3% NATIONALLY. THE WAGNER SERVICE AREA IS ALSO CONSIDERED A HEALTH PROFESSIONAL SHORTAGE AREA-LOW INCOME GEOGRAPHIC. THIS IS DUE TO ITS ACCESS TO FEW PROVIDERS AND LONG DISTANCES BETWEEN OTHER RURAL COMMUNITIES. OUR SERVICE AREA INCLUDES A COMMUNITY CLINIC IN ADDITION TO THE WAGNER INDIAN HEALTH SERVICES CLINIC AND THE VA CLINIC. MANY CLINICS PROVIDE ONLY PRIMARY CARE SERVICES AND ARE OFTEN STAFFED BY NURSE PRACTITIONERS AND PHYSICIAN ASSISTANTS. IN CASES WHERE MORE SPECIALIZED CARE IS NEEDED, PATIENTS HAVE THE OPTION TO TRAVEL TO YANKTON, SOUTH DAKOTA, WHICH IS AN 110 MILE ROUND TRIP OR TRAVEL 222 MILES ROUND TRIP TO SIOUX FALLS, SOUTH DAKOTA, WHICH IS ALSO THE AREA'S TERTIARY CARE HUB FOR ALL TYPES OF SPECIALTY CARE. WE ALSO FIND CHARLES MIX COUNTY, SD IN AN AREA IN WHICH THERE IS A HIGH PERCENTAGE OF UNINSURED UNDER THE AGE OF 65. ACCORDING TO THE US CENSUS BUREAU, OUR COUNTY INCLUDES 18.5% UNINSURED AS COMPARED TO 9.8% NATIONALLY.

*ALL STATISTICS FOR THIS REPORT WERE OBTAINED FROM CENSUS.GOV

PART VI, LINE 5:

Part VI Supplemental Information (Continuation)

THE ORGANIZATION'S GOVERNING BODY IS COMPRISED OF PERSONS WHO RESIDE IN THE PRIMARY SERVICE AREA OF THE ORGANIZATION, AND WHO ARE NEITHER EMPLOYEES NOR CONTRACTORS OF THE ORGANIZATION, NOR FAMILY MEMBERS THEREOF. WCMH EXTENDS MEDICAL STAFF PRIVILEGES TO ALL QUALIFIED PHYSICIANS IN ITS COMMUNITY. WCMH USES SURPLUS FUNDS TO IMPROVE PATIENT CARE THROUGH THE EXPANDING ITS QUALITY ASSURANCE/PERFORMANCE IMPROVEMENT (QAPI) PROGRAM AND SUPPORTING RECOMMENDATIONS FORWARDED BY THE QAPI COMMITTEE. ADDITIONALLY, WCMH ALLOCATES BETWEEN \$2,500 AND \$5,000 IN EDUCATIONAL STIPENDS FOR ALL PROVIDERS (PHYSICIAN, ADVANCED PRACTICE PROVIDER) AS WELL AS PURCHASES ONLINE AND ON CAMPUS TRAINING FOR ALL DIRECT CARE STAFF.

WCMH PROVIDES COMMUNITY HEALTH IMPROVEMENT SERVICES WHICH INCLUDE: COMMUNITY CPR CLASSES AND AN EMERGENCY ROOM AVAILABLE TO ALL REGARDLESS OF ABILITY TO PAY EQUIPPED WITH THE LATEST TECHNOLOGY INCLUDING TELEMEDICINE. WCMH SPONSORS STUDENTS THRU THE BUILD DAKOTA SCHOLARSHIP PROGRAM WHICH IS LINKED TO 4 SOUTH DAKOTA TECHNICAL COLLEGES.

PART VI, LINE 6:

WCMH IS A MANAGED FACILITY OF AVERA HEALTH. AVERA HEALTH AND THE HOSPITAL WORK COOPERATIVELY TO ENHANCE HEALTHCARE THROUGHOUT THE COMMUNITY SERVED BY THE HOSPITAL.

WCMH ALSO HAS ACCESS TO "BACK OFFICE" SUPPORT SERVICES, SUCH AS LEGAL CONSULTATION, QUALITY BENCHMARKING, CODING, COMPUTER SERVICES, CONTRACT NEGOTIATIONS, ADMINISTRATIVE CONSULTATION, GROUP PURCHASING, HUMAN RESOURCE ASSISTANCE AND MANY OTHER SERVICES. AVERA HEALTH IS ABLE TO PROVIDE THESE SERVICES TO WCMH AT A COST BELOW THAT WHICH THE HOSPITAL COULD OTHERWISE ACHIEVE. IN TURN, LOCAL CAREGIVERS ARE ABLE TO DEVOTE MORE

**SCHEDULE J
(Form 990)**

Compensation Information

OMB No. 1545-0047

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

2022
 Open to Public Inspection

Department of the Treasury
 Internal Revenue Service

Name of the organization

WAGNER COMMUNITY MEMORIAL HOSPITAL

Employer identification number

46-0226283

Part I Questions Regarding Compensation

	Yes	No
--	-----	----

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

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

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

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

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

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

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

a Receive a severance payment or change-of-control payment?

b Participate in or receive payment from a supplemental nonqualified retirement plan?

c Participate in or receive payment from an equity-based compensation arrangement?

If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

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

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

a The organization?

b Any related organization?

If "Yes" on line 5a or 5b, describe in Part III.

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

a The organization?

b Any related organization?

If "Yes" on line 6a or 6b, describe in Part III.

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

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

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

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

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

Schedule J (Form 990) 2022

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

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

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC and/or 1099-NEC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) BRYAN SLABA CEO/ADMINISTRATOR	(i)	267,211.	0.	0.	13,631.	25,217.	306,059.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(2) MIKEALA KOENIG PHYSICIAN	(i)	216,518.	0.	0.	0.	34,433.	250,951.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(3) JORDAN WEBER PHYSICIANS ASSISTANT	(i)	208,102.	0.	0.	10,743.	21,865.	240,710.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(4) JESSICA VANDERHAM NURSE PRACTITIONER	(i)	178,454.	0.	0.	9,421.	31,903.	219,778.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(5) RYAN KOECER NURSE PRACTITIONER	(i)	163,317.	0.	0.	8,643.	30,453.	202,413.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(6) TIANNA SMITH PHYSICIAN	(i)	197,338.	0.	0.	1,458.	0.	198,796.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(7) BRITNEY BARRON VP OF PATIENT SERVICES	(i)	152,133.	0.	0.	8,002.	29,796.	189,931.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

**SCHEDULE O
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.
Attach to Form 990 or Form 990-EZ.
Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2022

Open to Public
Inspection

Name of the organization

WAGNER COMMUNITY MEMORIAL HOSPITAL

Employer identification number

46-0226283

FORM 990, PART III, LINE 4A, PROGRAM SERVICE ACCOMPLISHMENTS:

LEADERS TO CARE FOR THE NATIVE AMERICAN POPULATION.

WCMH EXPERIENCED 415 INPATIENT DAYS, 584 SWING BED DAYS, 2,091

EMERGENCY DEPARTMENT VISITS, AND 5,227 CLINIC VISITS.

FORM 990, PART VI, SECTION A, LINE 2:

DIRECTOR MITCHEL BREEN AND DAVID KOTAB HAVE A BUSINESS RELATIONSHIP.

FORM 990, PART VI, SECTION A, LINE 6:

THERE IS ONLY ONE CLASS OF MEMBER. ANY INDIVIDUAL, PARTNERSHIP, CORPORATION OR ASSOCIATION HAVING LEGAL ENTITY, WHO HAS CONTRIBUTED \$25 OR MORE TO THE CORPORATION WITH REQUEST OF MEMBERSHIP AT THE TIME OF DONATION, SHALL BE A MEMBER THEREOF AND EACH MEMBER SHALL HAVE ONE VOTE AT ALL MEETINGS OF THE MEMBERS OF THE CORPORATION. MEMBERSHIP OF ANY INDIVIDUAL WHO SHALL BECOME DECEASED SHALL REVERT BY REQUEST TO THAT INDIVIDUAL'S NEXT OF KIN OR ACCORDING TO HIS WILL. ANY MEMBER WHO HAS CONTRIBUTED \$50 OR MORE SHALL HAVE THE RIGHT TO TRANSFER SUCH MEMBERSHIP TO HIS OR HER SPOUSE. SAID TRANSFER TO BE APPROVED BY THE BOARD OF DIRECTORS. THE BASIS FOR MEMBERSHIP IS ON NON-REFUNDABLE CONTRIBUTIONS.

FORM 990, PART VI, SECTION A, LINE 7A:

ONLY ONE CLASS OF MEMBER EXISTS. AT THE ANNUAL MEETING, MEMBERS APPROVE THE MINUTES OF THE LAST ANNUAL MEETING, ELECT BOARD MEMBERS OF THE WAGNER COMMUNITY MEMORIAL HOSPITAL, AND VOTE ON OTHER BUSINESS THAT MAY BE PROPERLY BROUGHT BEFORE THE MEMBERS.

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

Schedule O (Form 990) 2022

Name of the organization WAGNER COMMUNITY MEMORIAL HOSPITAL	Employer identification number 46-0226283
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FORM 990, PART VI, SECTION A, LINE 7B:
AMENDMENTS TO THE ARTICLES OF INCORPORATION AND BYLAWS REQUIRE MEMBER APPROVAL.

FORM 990, PART VI, SECTION A, LINE 8B:
WAGNER COMMUNITY MEMORIAL HOSPITAL DOES NOT HAVE COMMITTEES.

FORM 990, PART VI, SECTION B, LINE 11B:
THE CEO WILL REVIEW THE 990. AFTER THE FORM 990 HAS BEEN REVIEWED, IT WILL BE FORWARDED TO THE MEMBERS OF THE GOVERNING BODY FOR THEIR REVIEW.

FORM 990, PART VI, SECTION B, LINE 12C:
DIRECTORS AND MANAGEMENT OFFICIALS ARE REQUIRED TO COMPLETE ANNUAL CONFLICT OF INTEREST QUESTIONNAIRES WHICH ARE MONITORED AND TRACKED. THE QUESTIONNAIRES ARE REVIEWED BY THE BOARD FOR ANY POSSIBLE CONFLICTS WITH ANY NOTED CONFLICTS BEING BROUGHT TO MANAGEMENT'S ATTENTION. INQUIRIES OF CONFLICTS ARE ALSO REVIEWED AT THE MONTHLY BOARD MEETINGS. AFTER A CONFLICT IS DEEMED TO EXIST, THE BOARD DETERMINES THE LEVEL OF PARTICIPATION OF THE POTENTIAL CONFLICTING MEMBER.

FORM 990, PART VI, SECTION B, LINE 15A:
AVERA SACRED HEART HEALTH SERVICES AND WAGNER COMMUNITY MEMORIAL HOSPITAL COMPENSATION COMMITTEE USE COMPARABILITY DATA TO DETERMINE APPROPRIATE COMPENSATION OF THE CEO BASED ON EXPERIENCE AND PERFORMANCE. THE COMPENSATION AMOUNT IS APPROVED ANNUALLY BY THE BOARD OF DIRECTORS.

FORM 990, PART VI, SECTION C, LINE 19:

Name of the organization WAGNER COMMUNITY MEMORIAL HOSPITAL	Employer identification number 46-0226283
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DOCUMENTS ARE MADE AVAILABLE UPON REQUEST.

FORM 990, PART VII

IN ADDITION TO HIS ROLE AS CEO/ADMINISTRATOR, BRYAN SLABA HAS OVERSIGHT OF FINANCIAL OPERATIONS OF THE ENTITY.

Electronic Filing PDF Attachment



Financial Statements
June 30, 2023 and 2022

Wagner Community Memorial Hospital



Wagner Community Memorial Hospital

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June 30, 2023 and 2022

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CPAs & BUSINESS ADVISORS

Independent Auditor's Report

The Board of Directors
Wagner Community Memorial Hospital
Wagner, South Dakota

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Wagner Community Memorial Hospital, which comprise the balance sheets as of June 30, 2023 and 2022, and the related statements of operations and changes in net assets and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Wagner Community Memorial Hospital as of June 30, 2023 and 2022, and the results of its operations, changes in net assets, and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Wagner Community Memorial Hospital and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Wagner Community Memorial Hospital's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Wagner Community Memorial Hospital's ability to continue as a going concern for a reasonable period of time.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 22, 2023 on our consideration of Wagner Community Memorial Hospital's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Wagner Community Memorial Hospital's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Wagner Community Memorial Hospital's internal control over financial reporting and compliance.

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

Sioux Falls, South Dakota
November 22, 2023

Wagner Community Memorial Hospital
Balance Sheets
June 30, 2023 and 2022

	2023	2022
Assets		
Current Assets		
Cash and cash equivalents	\$ 554,896	\$ 934,225
Receivables		
Patient	2,640,000	2,128,304
Estimated third-party payor settlements	863,207	83,522
Other	183,174	355,147
Supplies	146,211	161,331
Prepaid expenses	86,665	101,073
Total current assets	<u>4,474,153</u>	<u>3,763,602</u>
Assets Limited as to Use		
By board for capital improvements and debt redemption	6,930,256	7,322,841
Under loan agreement	140,448	140,256
Total assets limited as to use	<u>7,070,704</u>	<u>7,463,097</u>
Property and Equipment, Net	<u>5,842,209</u>	<u>5,754,101</u>
Other Assets		
Other receivables	<u>396,774</u>	<u>310,323</u>
Total assets	<u>\$ 17,783,840</u>	<u>\$ 17,291,123</u>
Liabilities and Net Assets		
Current Liabilities		
Current maturities of long-term debt	\$ 86,783	\$ 93,552
Accounts payable - trade	155,088	124,066
Accrued expenses		
Salaries and wages	136,696	337,156
Vacation	511,311	460,240
Payroll taxes and other	43,844	77,031
Interest	4,766	4,941
Total current liabilities	<u>938,488</u>	<u>1,096,986</u>
Long-Term Debt, Net	<u>3,027,175</u>	<u>3,112,942</u>
Total liabilities	<u>3,965,663</u>	<u>4,209,928</u>
Net Assets		
Without donor restrictions	<u>13,818,177</u>	<u>13,081,195</u>
Total liabilities and net assets	<u>\$ 17,783,840</u>	<u>\$ 17,291,123</u>

See Notes to Financial Statements

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Wagner Community Memorial Hospital
Statements of Operations and Changes in Net Assets
Years Ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Revenues, Gains, and Other Support Without Donor Restrictions		
Patient service revenue	\$ 14,206,894	\$ 12,564,186
Other revenue	433,509	275,973
COVID-19 stimulus programs		
Provider Relief Fund revenue	-	446,183
Other stimulus grant revenue	5,965	213,674
	<u>14,646,368</u>	<u>13,500,016</u>
Expenses		
Salaries and wages	7,736,348	6,618,887
Employee benefits	1,845,805	1,496,602
Medical fees	82,525	116,498
Purchased services	882,242	800,011
Supplies	1,387,085	1,348,119
Repairs and maintenance	329,821	356,772
Insurance	75,386	64,325
Other	944,659	717,745
Utilities and communication	195,196	173,711
Depreciation and amortization	787,032	743,052
Interest	138,524	142,896
	<u>14,404,623</u>	<u>12,578,618</u>
Operating Income	<u>241,745</u>	<u>921,398</u>
Other Income (Loss)		
Investment income (loss)	493,437	(897,055)
Contributions	1,800	1,698
	<u>495,237</u>	<u>(895,357)</u>
Revenues in Excess of Expenses and Change in Net Assets Without Donor Restrictions	736,982	26,041
Net Assets, Beginning of Year	<u>13,081,195</u>	<u>13,055,154</u>
Net Assets, End of Year	<u>\$ 13,818,177</u>	<u>\$ 13,081,195</u>

Wagner Community Memorial Hospital
Statements of Cash Flows
Years Ended June 30, 2023 and 2022

	2023	2022
Operating Activities		
Change in net assets	\$ 736,982	\$ 26,041
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation and amortization	787,032	743,052
Interest expense attributable to amortization of debt issuance costs	540	540
Net realized and unrealized (gains) losses on investments	(487,328)	900,000
Changes in assets and liabilities		
Receivables	(426,174)	26,873
Estimated third-party payor settlements	(779,685)	609,760
Supplies	15,120	(16,203)
Prepaid expenses	14,408	(8,210)
Accounts payable	31,022	(53,296)
Accrued expenses	(182,751)	151,955
Net Cash (used for) from Operating Activities	<u>(290,834)</u>	<u>2,380,512</u>
Investing Activities		
Purchase of property and equipment	(875,140)	(533,211)
Purchase of assets limited as to use	-	(2,000,000)
Sales and maturities of assets limited as to use	1,020,169	600,000
Net Cash from (used for) Investing Activities	<u>145,029</u>	<u>(1,933,211)</u>
Financing Activities		
Principal payments on long-term debt	(93,076)	(99,152)
Net Cash used for Financing Activities	<u>(93,076)</u>	<u>(99,152)</u>
Net Change in Cash, Cash Equivalents, and Restricted Cash	(238,881)	348,149
Cash, Cash Equivalents, and Restricted Cash, Beginning of Year	<u>934,225</u>	<u>586,076</u>
Cash, Cash Equivalents, and Restricted Cash, End of Year	<u>\$ 695,344</u>	<u>\$ 934,225</u>
Cash and Cash Equivalents	\$ 554,896	\$ 934,225
Restricted Cash included in Assets Limited as to Use	<u>140,448</u>	<u>-</u>
Total cash, cash equivalents and restricted cash	<u>\$ 695,344</u>	<u>\$ 934,225</u>
Supplemental Disclosure of Cash Flow Information		
Cash paid during the year for interest	\$ 138,159	\$ 142,695

See Notes to Financial Statements

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Note 1 - Organization and Significant Accounting Policies**Organization**

Wagner Community Memorial Hospital (Hospital) operates a 20-bed acute care hospital, located in Wagner, South Dakota, and a rural health clinic located in Wagner, South Dakota. The Hospital is organized as a South Dakota nonprofit corporation and is exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code.

Use of Estimates

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

Cash and Cash Equivalents

Cash and cash equivalents include highly liquid investments with an original maturity of three months or less, excluding assets limited as to use.

Patient Receivables

Patient receivables are uncollateralized customer and third-party payor obligations. Payments of patient receivables are allocated to the specific claims identified in the remittance advice or, if unspecified, are applied to the earliest unpaid claim. The Hospital does not charge interest on unpaid patient receivable balances.

Patient accounts receivable are stated net of any contractual and implicit price concessions and then further reduced by an allowance for doubtful accounts. In evaluating the collectability of accounts receivable, the Hospital analyzes accounts for adverse changes in a patient's or third-party payor's ability to pay that may have occurred subsequent to recognition. Management regularly reviews specific data about receivable balances and its past history with similar cases to estimate contractual and implicit price concessions and any allowances for doubtful accounts.

The Hospital's July 1, 2021 patient, estimated third-party payor settlements, and other receivable balances were \$2,429,686; \$693,282; and \$390,594.

The Hospital has not adjusted the promised amount of consideration from patients and third-party payors for the effects of a significant financial component due to the Hospital's expectation that the period between the time the service is provided to a patient and the time that the patient or third-party payor pays for that service will be one year or less. However, the Hospital does, in certain instances, enter into payment arrangements with patients that allow payments in excess of one year. For those cases, the financing component is not deemed to be significant to the contract.

Wagner Community Memorial Hospital

Notes to Financial Statements

June 30, 2023 and 2022

Notes Receivable

The Hospital issues notes to employees and physicians as part of its recruitment process. Notes are repayable over five years and bear an interest rate of 18%. The notes are issued with forgiveness provisions over the life of the note to encourage retention. Based on historical analysis, it is anticipated that the balance of the notes will be forgiven.

At June 30, 2023 and 2022, notes receivable due to the Hospital totaled \$537,112 and \$438,362 and are included in other current and noncurrent receivables within the balance sheets.

Supplies

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

Assets Limited as to Use

Assets limited as to use include assets set aside by the Board of Directors for funded depreciation to be used for future capital improvements and debt redemption, over which the Board retains control and may, at its discretion, subsequently use for other purposes and assets restricted as required under a loan agreement. Assets limited as to use that are available for obligations classified as current liabilities would be reported in current assets.

Investments and Investment Income

Investments with readily determinable market values are stated at fair value. The fair value of all debt and equity securities with readily determinable fair values are based on quotations obtained from national and foreign securities exchanges. All investments are classified as trading securities, therefore investment income or loss (including interest income, dividends, net changes in unrealized gains and losses, and net realized gains and losses) is included in revenues in excess of expenses unless the income or loss is restricted by donor or law.

The Hospital, through its affiliation with Avera Health, participates in the Avera Pooled Investment Fund, a fund administered by Avera Health. The Pooled Investment Fund has a portion of its holdings in alternative investments, which are not readily marketable. These alternative investments include partnerships and other interests that invest in hedge funds, real asset funds, and private equity/venture capital funds, among others. Many of these alternative investments have fair values that are determined using the net asset value (NAV) provided by the investment manager. NAV is a practical expedient to determine the fair value of investments that do not have readily determinable fair values and prepare their financial statements consistent with the measurement principles of an investment company or have the attributes of an investment company. Investment income, including interest, dividends, realized gains and losses, and unrealized gains and losses are allocated to participants of the Avera Pooled Investment Fund based upon their pro rata share of the investments.

Wagner Community Memorial Hospital
Notes to Financial Statements
June 30, 2023 and 2022

Fair Value Measurements

The Hospital has determined the fair value of certain assets and liabilities in accordance with generally accepted accounting principles, which provides a framework for measuring fair value.

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques should maximize the use of observable inputs and minimize the use of unobservable inputs.

A fair value hierarchy has been established, which prioritizes the valuation inputs into three broad levels. Level 1 inputs consist of quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the related asset or liability. Level 3 inputs are unobservable inputs related to the asset or liability.

Property and Equipment

Property and equipment acquisitions in excess of \$5,000 are capitalized and recorded at cost. Depreciation is provided over the estimated useful life of each depreciable asset and is computed using the straight-line method. Equipment under capital lease obligations is amortized on the straight-line method over the shorter period of the lease term or the estimated useful life of the equipment. Such amortization is included in depreciation and amortization in the financial statements. The estimated useful lives of property and equipment are as follows:

Land improvements	10 - 15 years
Buildings and improvements	5 - 40 years
Equipment	5 - 20 years

Gifts of long-lived assets such as land, buildings, or equipment are reported as additions to net assets without donor restrictions, and are excluded from revenues in excess of expenses, unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as net assets with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when donated or when acquired long-lived assets are placed in service.

Impairment of Long-lived Assets

The Hospital considers whether indicators of impairment are present and performs the necessary analysis to determine if the carrying values of assets are appropriate. No impairment was identified for the years ended June 30, 2023 and 2022.

Wagner Community Memorial Hospital

Notes to Financial Statements

June 30, 2023 and 2022

Net Assets with Donor Restrictions

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. At June 30, 2023 and 2022, the Hospital did not have any net assets with donor restrictions.

Performance Indicator

Revenues in excess of expenses is the performance indicator and excludes contributions of long-lived assets, including assets acquired using contributions which were restricted by donors.

Patient Service Revenue

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

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

Because all of its performance obligations relate to contracts with a duration of less than one year, the Hospital has elected to not disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period. The unsatisfied or partially unsatisfied performance obligations referred to above are primarily related to inpatient acute care services at the end of the reporting period. The performance obligations for these contracts are generally completed when the patients are discharged, which generally occurs within days or weeks of the end of the reporting period.

Wagner Community Memorial Hospital

Notes to Financial Statements

June 30, 2023 and 2022

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

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

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

Charity Care

To fulfill its mission of community service, the Hospital provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Since the Hospital does not pursue collection of these amounts, they are not reported as patient service revenue. The estimated cost of providing these services was approximately \$627,200 and \$548,900 for the years ended June 30, 2023 and 2022, calculated by multiplying the ratio of cost to gross charges for the Hospital by the gross uncompensated charges associated with providing charity care to its patients.

Other Revenue

The Hospital participates in the 340B Drug Pricing Program (340B Program) enabling the Hospital to receive discounted prices from drug manufacturers on outpatient pharmaceutical purchases and enter into certain contracts with unrelated pharmacies who provide certain prescription drugs to Hospital patients who receive rural health clinic and outpatient services. This program is overseen by the Health Resources and Services Administration (HRSA) Office of Pharmacy Affairs (OPA). HRSA conducts routine audits of these programs at health care organizations and monitors program compliance. Laws and regulations governing the 340B Program are complex and subject to interpretation and changes. During the years ended June 30, 2023 and 2022, the Hospital recognized \$268,902 and \$157,712 of other revenue from operations related to its 340B Program contract. Other revenue also includes income from rentals, operating grants and other operating transactions. See Note 11 for additional information regarding the Provider Relief Funds received and recognized during the years ended June 30, 2023 and 2022.

Wagner Community Memorial Hospital

Notes to Financial Statements

June 30, 2023 and 2022

Other revenue is recognized when obligations under the terms of each contract are satisfied. Revenues from these services are measured as the amount of consideration the Hospital expects to receive in exchange for those services.

Donor-Restricted Gifts

The Hospital reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of changes in net assets as net assets released from restrictions.

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

Income Taxes

The Hospital is organized as a South Dakota nonprofit corporation and has been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes under Internal Revenue Code Section 501(c)(3). The Hospital is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the Hospital is subject to income tax on net income that is derived from business activities that are unrelated to its exempt purpose. The Hospital has determined it is not subject to unrelated business income tax and has not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

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

Advertising Costs

The Hospital expenses advertising costs as they are incurred. Advertising costs for the years ended June 30, 2023 and 2022 were \$40,637 and \$46,485.

Functional Allocation of Expenses

The financial statements report categories that are attributed to program service activities or supporting activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The functional expenses report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Costs not directly attributable to a function, such as depreciation and amortization, interest, and other occupancy costs are allocated to a function based on a square-footage or units-of-service basis while the remainder of expenses are allocated on the basis of estimates of time and effort. Note 8 presents the natural classification detail of expenses by function.

Financial Instruments and Credit Risk

The Hospital maintains its cash and certificates of deposits in various bank deposit accounts which exceed federally insured limits. Accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per depositor, per insured bank, for each account ownership category. At June 30, 2023 and 2022, the Hospital had approximately \$494,000 and \$683,000, respectively, in excess of FDIC-insured limits. The Hospital has not experienced any losses in such accounts. The Hospital believes it is not exposed to any significant credit risk on cash and cash equivalents.

Reclassification

Certain reclassifications of amounts previously reported have been made to the accompanying financial statements to maintain consistency between periods presented. The reclassifications had no impact on the statements of revenue in excess of expenses and change in net assets.

Note 2 - Patient Service Revenue

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

Medicare – The Hospital is licensed as a Critical Access Hospital (CAH). The Hospital is reimbursed for most inpatient and outpatient services under a cost-based methodology with final settlement determined after submission of annual cost reports by the Hospital and are subject to audits thereof by the Medicare Administrative Contractor (MAC). Certain services are subject to cost limits or fee schedules. The Hospital's Medicare cost reports have been audited by the MAC through the year ended June 30, 2020.

Medicaid – Inpatient acute care services rendered to Medicaid program beneficiaries are paid at prospectively determined rates per discharge. These rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors. Clinical and outpatient services rendered to Medicaid program beneficiaries are reimbursed under a prospectively determined reimbursement methodology based on historical costs. There are no retroactive settlements resulting from the Medicaid program.

Wellmark – Blue Cross – Inpatient services rendered to Blue Cross subscribers are paid based on prospectively determined rates per discharge. Outpatient services rendered to Blue Cross subscribers are paid at prospectively determined rates per ambulatory encounter or visit.

Wagner Community Memorial Hospital
Notes to Financial Statements
June 30, 2023 and 2022

Other – The Hospital has also entered into payment agreements with certain commercial insurance carriers and managed care insurance carriers and other organizations. The basis for payment to the Hospital under these agreements includes prospectively determined rates per discharge, discounts from established charges, and prospectively determined daily rates.

Concentration of revenues by major payor accounted for the following percentages of the Hospital's patient service revenue for the years ended June 30, 2023 and 2022 is as follows:

	<u>2023</u>	<u>2022</u>
Medicare	44%	43%
Medicaid	18%	18%
Commercial and Other	25%	23%
Indian Health Services	<u>13%</u>	<u>16%</u>
	<u>100%</u>	<u>100%</u>

Laws and regulations governing the Medicare, Medicaid, and other programs are extremely complex and subject to interpretation. The Hospital has potential settlements with third-party payors for retroactive adjustments that are considered variable consideration and included in the determination of the estimated transaction price for providing patient care. As a result, there is an ongoing level of uncertainty relative to the estimated liability for prior period cost reports. There is a reasonable possibility that recorded estimates will change by a material amount in the near term. Patient service revenue for the years ended June 30, 2023 and 2022 increased by approximately \$75,200 and \$4,200, due to removal of allowances previously estimated that are no longer necessary as a result of final settlements and years that are no longer likely subject to audits, reviews, and investigations.

Generally, patients who are covered by third-party payors are responsible for related deductibles and coinsurance, which vary in amount. The Hospital also provides services to uninsured patients, and offers those uninsured patients a discount, either by policy or law, from standard charges. The Hospital estimates the transaction price for patients with deductibles and coinsurance and from those who are uninsured based on historical experience and current market conditions.

The initial estimate of the transaction price is determined by reducing the standard charge by any contractual price concessions, discounts and implicit price concessions based on historical collection experience. Subsequent changes to the estimate of the transaction price are generally recorded as adjustments to patient service revenue in the period of the change. The ability to estimate the collectability of uninsured and other self-pay patients is contingent on the patient's ability or willingness to pay for the services provided. Subsequent changes that are determined to be the result of an adverse change in the patient's ability to pay are recorded as provision for bad debts. The provision for bad debts for the years ended June 30, 2023 and 2022 was not significant.

Wagner Community Memorial Hospital

Notes to Financial Statements

June 30, 2023 and 2022

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

- Payors (for example, Medicare, Medicaid, managed care or other insurance, and patient) have different reimbursement/payment methodologies
- Length of the patient's service/episode of care
- Geography of the service location
- Hospital's line of businesses that provided the service (for example, hospital, physician services, etc.)

For the years ended June 30, 2023 and 2022, the Hospital recognized revenue of \$14,206,894 and \$12,564,186 from services and goods provided over time.

Note 3 - Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following as of June 30:

	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 554,896	\$ 934,225
Receivables		
Patient	2,640,000	2,128,304
Estimated third-party settlements	863,207	83,522
Other	183,174	355,147
Assets limited as to use		
By board for capital improvements and debt redemption	<u>6,930,256</u>	<u>7,322,841</u>
	<u>\$ 11,171,533</u>	<u>\$ 10,824,039</u>

The Hospital's goal is to maintain financial assets and cash flow to meet all operating expenses. As part of its liquidity plan, excess cash is invested in pooled investments. Assets limited as to use that are considered available for general expenditure consist of amounts designated by the Board for future capital improvements. Although the Hospital does not intend to use these funds for general expenditures, these amounts could be made available if necessary.

Wagner Community Memorial Hospital
Notes to Financial Statements
June 30, 2023 and 2022

Note 4 - Investments and Investment Income

Assets Limited as to Use

The composition of assets limited as to use at June 30, 2023 and 2022, is shown in the following table:

	<u>2023</u>	<u>2022</u>
By Board for capital improvements and debt redemption		
Interest in Pooled Investment Fund*	\$ 6,930,256	\$ 7,322,841
Under loan agreement		
Cash and Cash Equivalents	\$ 140,448	\$ -
Interest in Pooled Investment Fund*	-	140,256
	<u>\$ 140,448</u>	<u>\$ 140,256</u>

Pooled Investment Fund*

The Hospital is a participant in the Avera Pooled Investment Fund, a fund administered by Avera Health that is maintained for the benefit of facilities that are sponsored, operated, or managed by Avera Health. Investments are made in conformity with the objectives and guidelines of the Avera Health Pooled Investment Committee. Within the fund, facilities share in a pool of investments that are managed by various fund managers. Asset valuation and income and losses of the fund are allocated to participating members based upon their pro rata share of the investments. Substantially all pooled investment holdings are recorded at fair value, with the exception of certain alternative investments.

As of June 30, 2023 and 2022, the Avera Pooled Investment Fund assets consisted of the following types of investments:

	<u>2023</u>	<u>2022</u>
Equity mutual funds	47.1%	44.7%
Non-publicly traded alternative investments		
Hedge fund	8.5%	9.0%
Real asset	1.9%	1.2%
Fixed income mutual funds	27.6%	27.2%
Cash and short-term investments	2.7%	6.0%
Publicly traded equity securities	3.3%	3.0%
Foreign equities	3.3%	3.0%
Corporate bonds	2.8%	3.1%
U.S. government issues	1.6%	1.7%
Other fixed income	1.1%	1.1%
	<u>100%</u>	<u>100%</u>

Wagner Community Memorial Hospital
Notes to Financial Statements
June 30, 2023 and 2022

Investment Income

Investment income and gains and losses on assets limited as to use and cash equivalents consist of the following for the years ended June 30, 2023 and 2022:

	2023	2022
Other income (Loss)		
Interest income	\$ 5,560	\$ 2,379
Realized gains and losses on investments, net	57,973	93,596
Change in unrealized gains and losses on investments	429,904	(993,030)
Total investment income (loss)	\$ 493,437	\$ (897,055)

Note 5 - Property and Equipment

A summary of property and equipment at June 30, 2023 and 2022, is as follows:

	2023		2022	
	Cost	Accumulated Depreciation	Cost	Accumulated Depreciation
Land	\$ 4,247	\$ -	\$ 4,247	\$ -
Land improvements	463,345	307,151	463,345	279,110
Buildings and improvements	10,135,484	6,147,935	9,923,289	5,784,742
Equipment	4,322,830	2,628,611	4,150,562	2,723,490
	\$ 14,925,906	\$ 9,083,697	\$ 14,541,443	\$ 8,787,342
Property and equipment, net		\$ 5,842,209		\$ 5,754,101

Wagner Community Memorial Hospital
Notes to Financial Statements
June 30, 2023 and 2022

Note 6 - Long Term Debt

	2023	2022
USDA Rural Development Program notes payable, fixed interest rate of 4.50%, monthly principal and interest payments of \$5,508 through December 30, 2048	\$ 997,537	\$ 1,018,236
Notes payable, fixed interest rate of 5.00% (effective interest rate of 5.07%), monthly principal and interest payments of \$6,697 through June 19, 2048	860,135	896,002
Unamortized debt issuance costs	(13,692)	(14,187)
USDA Rural Development Program notes payable, fixed interest rate of 3.75%, monthly principal and interest payments of \$6,180 through December 8, 2050	1,269,978	1,295,983
Lease obligations	-	10,460
	3,113,958	3,206,494
Less current maturities	(86,783)	(93,552)
Total long-term debt, less current maturities and unamortized debt issuance costs	\$ 3,027,175	\$ 3,112,942

Long-term debt maturities are as follows:

	Years Ending June 30,
2024	\$ 86,783
2025	90,875
2026	95,044
2027	99,405
2028	103,878
Thereafter	2,651,665
	3,127,650
Less unamortized debt issuance costs	(13,692)
	\$ 3,113,958

Under the terms of the USDA note payable agreements, the Hospital is required to maintain certain restricted deposits. Such deposits are included with assets limited as to use in the financial statements. Substantially all of the Hospital's assets at June 30, 2023 and 2022, are pledged as collateral for debt obligations.

The Hospital's debt agreements contain certain financial and other covenants. Management believes the Hospital is in compliance with all debt covenants as of June 30, 2023 and 2022.

Wagner Community Memorial Hospital

Notes to Financial Statements

June 30, 2023 and 2022

Unamortized debt issuance costs are amortized over the period the related obligation is outstanding using the straight-line method, which approximates the effective interest method. Amortization of unamortized debt issuance costs is included in interest expense on the financial statements.

Note 7 - Benefit Plan

The Hospital has a defined contribution pension plan under which employees become participants upon reaching age 18. The vesting for matching contributions is 0% for less than 3 years of employment and 100% for 3 or more years of employment. The plan calls for both the Hospital and the employee to deposit with a plan trustee up to 5% of gross wages. Total pension plan expense for the years ended June 30, 2023 and 2022, was \$320,561 and \$257,362.

Note 8 - Functional Expenses

The Hospital provides general health care services to patients within its geographic location. Expenses related to providing these services by functional class for the year ended June 30, 2023 are as follows:

	Health Care Services		General and Administrative	Total
	Clinic Services	Hospital Services		
Salaries and wages	\$ 1,131,909	\$ 5,734,778	\$ 869,661	\$ 7,736,348
Employee benefits	270,061	1,368,253	207,491	1,845,805
Medical fees	-	82,525	-	82,525
Purchased services	22,684	857,011	2,547	882,242
Supplies	61,379	1,277,399	48,307	1,387,085
Repairs and maintenance	15,820	265,682	48,319	329,821
Insurance	11,030	55,882	8,474	75,386
Other	18,015	164,222	762,422	944,659
Utilities and communication	22,910	157,093	15,193	195,196
Depreciation and amortization	111,883	622,480	52,669	787,032
Interest	89,791	48,733	-	138,524
	<u>\$ 1,755,482</u>	<u>\$ 10,634,058</u>	<u>\$ 2,015,083</u>	<u>\$ 14,404,623</u>

Wagner Community Memorial Hospital

Notes to Financial Statements
June 30, 2023 and 2022

Expenses related to providing these services by functional class for the year ended June 30, 2022 are as follows:

	Health Care Services		General and Administrative	Total
	Clinic Services	Hospital Services		
Salaries and wages	\$ 989,789	\$ 4,869,366	\$ 759,732	\$ 6,618,887
Employee benefits	202,472	1,101,795	192,335	1,496,602
Medical fees	-	116,498	-	116,498
Purchased services	26,329	773,682	-	800,011
Supplies	42,417	1,263,432	42,270	1,348,119
Repairs and maintenance	30,101	263,512	63,159	356,772
Insurance	9,649	47,601	7,076	64,325
Other	5,465	144,962	567,318	717,745
Utilities and communication	20,245	143,002	10,464	173,711
Depreciation and amortization	123,262	526,053	93,737	743,052
Interest	92,315	50,581	-	142,896
	<u>\$ 1,542,044</u>	<u>\$ 9,300,484</u>	<u>\$ 1,736,091</u>	<u>\$ 12,578,618</u>

Note 9 - Concentration of Credit Risk

The Hospital grants credit without collateral to its patients, most of whom are insured under third-party payor agreements. The mix of receivables from third-party payors and patients at June 30, 2023 and 2022 was as follows:

	2023	2022
Self pay	19%	17%
Medicare	39%	19%
Indian Health Services	16%	40%
Commercial insurance and other	19%	19%
Medicaid	7%	5%
	<u>100%</u>	<u>100%</u>

Wagner Community Memorial Hospital

Notes to Financial Statements

June 30, 2023 and 2022

Note 10 - Contingencies**Malpractice Insurance**

The Hospital has malpractice insurance coverage to provide protection for professional liability losses on a claims-made basis subject to a limit of \$1 million per claim and an annual aggregate limit of \$3 million. The Hospital is also insured under an excess umbrella liability claims-made policy with a limit of \$40 million. Should the claims-made policy not be renewed or replaced with equivalent insurance, claims based on occurrences during its term, but reported subsequently, would be uninsured.

Litigations, Claims, and Assessments

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

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

Note 11 - COVID-19 Stimulus Programs**Provider Relief Funds**

As of June 30, 2023, the Hospital has received \$3,923,992 of Coronavirus Aid, Relief, and Economic Security (CARES) Act Provider Relief Funds administered by the Department of Health and Human Services (HHS). The funds are subject to terms and conditions imposed by HHS. Among the terms and conditions is a provision that payments will only be used to prevent, prepare for, and respond to coronavirus and shall reimburse the recipient only for healthcare-related expenses or lost revenues that are attributable to coronavirus. Recipients may not use the payments to reimburse expenses or losses that have been reimbursed from other sources or that other sources are obligated to reimburse. HHS currently has deadlines to incur eligible expenses and lost revenues, which vary based on the date the funds are received. Unexpended provider relief funds held thereafter would be subject to repayment.

Wagner Community Memorial Hospital

Notes to Financial Statements

June 30, 2023 and 2022

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

During the years ended June 30, 2023 and 2022, the Hospital recognized \$-0 and \$446,183 as revenue, included as Provider Relief Fund revenue on the statements of operations.

Other Stimulus Grants

As of June 30, 2023, the Hospital also received \$532,614 from the South Dakota Bureau of Finance and Management and other sources. These funds are subject to terms and conditions imposed by the grantor. The Hospital recognized revenue from these funds of \$5,965 and \$213,674 for the years ended June 30, 2023 and 2022.

Note 12 - Subsequent Events

Subsequent to year end, the Hospital entered into contract for the remodel of the clinic for the new behavioral health unit. The contract was entered into during July 2023. Total cost of the contract is approximately \$440,000.



CPAs & BUSINESS ADVISORS

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

To the Board of Directors
Wagner Community Memorial Hospital
Wagner, South Dakota

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements of Wagner Community Memorial Hospital (the Hospital), which comprise the balance sheet as of June 30, 2023, and the related statements of operations and changes in net assets and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 22, 2023.

Report on Internal Control over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying Schedule of Findings and Responses we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying Schedule of Findings and Responses as Finding No. 2023-1 to be a material weakness.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying Schedule of Findings and Responses as Finding No. 2023-2 to be a significant deficiency.

Report on Compliance and Other Matters

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

Wagner Community Memorial Hospital's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Hospital's response to the findings identified in our audit and described in the accompanying Schedule of Findings and Responses. The Hospital's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

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

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

Sioux Falls, South Dakota
November 22, 2023

Wagner Community Memorial Hospital
Schedule of Audit Findings and Responses
June 30, 2023 and 2022

Finding No. 2023-1 Preparation of Financial Statements and Audit Adjustments
Material Weakness

Criteria: Proper controls over financial reporting include the ability to prepare financial statements and accompanying notes to the financial statements that are materially correct and include all required disclosures.

Condition: The Hospital does not have an internal control system designed to provide for the preparation of the full financial statements being audited. As auditors, we were requested to draft the financial statements and accompanying notes to the financial statements. Additionally, we proposed material audit adjustments to investments and unrealized gains and allowances for patient receivables and contractual adjustments. As auditors, we proposed additional entries to third party receivables and contractual adjustments and patient accounts receivable, revenue, and contractual adjustments. These entries and disclosures are not completed as part of the Hospital's existing financial reporting process, and therefore resulted in necessary adjustments to the financial statements.

Cause: The Hospital has limited staff to prepare full disclosure financial statements.

Effect: There is a reasonable possibility that the Hospital would not be able to draft the financial statements and accompanying notes to the financial statements that are correct without the assistance of the auditors.

Recommendation: While we recognize that this condition is not unusual for an organization with limited staffing, it is important that the Hospital is aware of this condition for financial reporting purposes. Management and the board of directors should continually be aware of the financial accounting and reporting of the Hospital and changes in the accounting and reporting requirements.

Response: Management will review the year-end adjustments. Management and the board of directors will review for propriety the draft financial statements and footnotes. Due to the Hospital's limited staffing, we will accept the risk associated with financial statement preparation, based on cost and other considerations. The cost of any further controls would outweigh the related benefits.

**Finding No. 2023-2 Segregation of Duties
 Significant Deficiency**

Criteria: The functions of executing transactions, recording transactions, and maintaining accountability for the records should be performed by different employees or be maintained under dual control. Areas in which a lack of segregation was noted include the chief financial officer handling multiple accounting functions, including posting transactions to the general ledger, preparing monthly reconciliations, preparing or reviewing checks, and posting manual adjusting journal entries.

Condition: The Hospital has a limited number of office personnel performing the record keeping functions of the organization.

Cause: The Hospital has limited staff and cannot justify staffing the number of positions necessary to have proper segregation of duties across all areas.

Effect: Inadequate segregation of duties could adversely affect the Hospital's ability to detect and correct misstatements that would be significant in relation to the financial statements in a timely period by employees in the normal course of performing their assigned functions.

Recommendation: While we recognize that the Hospital's office staff may not be large enough to assure optimal internal controls, it is important that the Hospital is aware of this condition. Under this condition, the Board and management's close supervision and review of accounting information is the best means of preventing and detecting errors and irregularities.

Response: Due to the Hospital's limited staffing, we will accept the risk associated with segregation of duties based on cost and other considerations. The cost of any further controls would outweigh the related benefits.