

**Kaua'i Medical Clinic**  
**Form 990**  
**Return of Organization Exempt From Income Tax**  
**For The Year Ended 6/30/19**  
**Copy – Retain For Your Records**

**PUBLIC INSPECTION COPY**

Ernst & Young LLP



# Return of Organization Exempt From Income Tax

OMB No. 1545-0047

## 2018

**Open to Public Inspection**

Form **990**

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

▶ Do not enter Social Security numbers on this form as it may be made public.

▶ Information about Form 990 and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

Department of the Treasury  
Internal Revenue Service

**A For the 2018 calendar year, or tax year beginning** 07/01, 2018, and ending 06/30, 2019

<b>B</b> Check if applicable:  <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>C Name of organization</b> KAUA'I MEDICAL CLINIC  <b>Doing Business As</b> Number and street (or P.O. box if mail is not delivered to street address) Room/suite 55 MERCHANT STREET, 24TH FLOOR  City or town, state or province, country, and ZIP or foreign postal code HONOLULU, HI 96813			<b>D Employer identification number</b> 99-0326099
	<b>E Telephone number</b> (808) 245-1500			
	<b>F Name and address of principal officer:</b> JENNIE CHAHANOVICH 55 MERCHANT STREET, 24TH FLOOR, HONOLULU, HI 96813			
	<b>G Gross receipts \$</b> 46,661,977.			
<b>I Tax-exempt status:</b> <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) ( ) ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527			<b>H(a) Is this a group return for subordinates?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <b>H(b) Are all subordinates included?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions)	
<b>J Website:</b> WWW.HAWAIIIPACIFICHEALTH.ORG/WILCOX			<b>H(c) Group exemption number</b> ▶	
<b>K Form of organization:</b> <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶			<b>L Year of formation:</b> 1967 <b>M State of legal domicile:</b> HI	

### Part I Summary

<b>Activities &amp; Governance</b>	1	Briefly describe the organization's mission or most significant activities: KAUA'I MEDICAL CLINIC IS AN AFFILIATE OF HAWAII PACIFIC HEALTH. IT IS A FIVE-LOCATION, MULTI-SPECIALTY CLINIC WHOSE NOT-FOR-PROFIT MISSION IS TO CREATE A HEALTHIER HAWAII.		
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3	Number of voting members of the governing body (Part VI, line 1a)	3	6
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	2
	5	Total number of individuals employed in calendar year 2018 (Part V, line 2a)	5	306
	6	Total number of volunteers (estimate if necessary)	6	2
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	0
	b Net unrelated business taxable income from Form 990-T, line 34	7b	0	
<b>Revenue</b>	8	Contributions and grants (Part VIII, line 1h)	0.	0.
	9	Program service revenue (Part VIII, line 2g)	46,960,821.	46,649,129.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	6,575.	12,848.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	0.	0.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	46,967,396.	46,661,977.
	<b>Expenses</b>	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0.
14		Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
15		Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	43,978,816.	45,962,823.
16a		Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
16b		Total fundraising expenses (Part IX, column (D), line 25) ▶	0.	
17		Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	20,182,978.	20,592,153.
18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	64,161,794.	66,554,976.	
19	Revenue less expenses. Subtract line 18 from line 12	-17,194,398.	-19,892,999.	
<b>Net Assets or Fund Balances</b>	20	Total assets (Part X, line 16)	15,750,780.	19,835,158.
	21	Total liabilities (Part X, line 26)	9,973,306.	12,903,891.
	22	Net assets or fund balances. Subtract line 21 from line 20	5,777,474.	6,931,267.

### 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.

<b>Sign Here</b>	Signature of officer	Date 5/5/2020
	Type or print name and title EARL INOYE VICE PRESIDENT	

<b>Paid Preparer Use Only</b>	Print/Type preparer's name JOCELYNE MILLER	Preparer's signature 	Date 4/28/2020	Check <input type="checkbox"/> if self-employed	PTIN P00634378
	Firm's name ▶ ERNST & YOUNG U.S. LLP			Firm's EIN ▶ 34-6565596	
	Firm's address ▶ 4365 EXECUTIVE DR, STE 1600 SAN DIEGO, CA 92121			Phone no. 858-535-7200	

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

For Paperwork Reduction Act Notice, see the separate instructions.

Form **990** (2018)

**Part III** Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III  Yes  No

**1** Briefly describe the organization's mission:

KAUA'I MEDICAL CLINIC IS AN AFFILIATE OF HAWAI'I PACIFIC HEALTH. IT IS A FIVE-LOCATION, MULTI-SPECIALTY CLINIC WHOSE NOT-FOR-PROFIT MISSION IS TO CREATE A HEALTHIER HAWAI'I.

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

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

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

**4a** (Code: ) (Expenses \$ 57,246,256. including grants of \$ 0. ) (Revenue \$ 46,649,129. )  
SEE SCHEDULE O

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

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

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

**4e** Total program service expenses ▶ 57,246,256.

Part IV Checklist of Required Schedules

Table with 3 columns: Question ID, Question Text, Yes, No. Rows include questions 1 through 21 regarding organizational requirements and reporting.

Part IV Checklist of Required Schedules (continued)

Table with 3 columns: Question number, Question text, and Yes/No columns. Rows include questions 22 through 38 regarding organizational reporting and compliance.

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

Table with 3 columns: Question number, Question text, and Yes/No columns. Rows include questions 1a, 1b, and 1c regarding Form 1096 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 16 regarding employee reporting, 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 in Schedule O. See instructions.

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

Section A. Governing Body and Management

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

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

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

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed HI,
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. [X] Own website [ ] Another's website [X] Upon request [ ] Other (explain in Schedule O)
19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
20 State the name, address, and telephone number of the person who possesses the organization's books and records DEBRA TUQUERO 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813 808-535-7284

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

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) THOMAS HEMINGWAY BOARD OF DIRECTOR	40.00 0.	X					436,046.	0.	32,115.	
(2) SANDI KATO-KLUTKE BOARD OF DIRECTOR, VICE CHAIR	.20 0.	X		X			0.	0.	0.	
(3) MIKE MURAKOSHI BOARD OF DIRECTOR	.20 0.	X					0.	0.	0.	
(4) JAY MURPHY BOARD OF DIRECTOR	40.00 0.	X					395,972.	0.	31,394.	
(5) SUSAN TAI BOARD OF DIRECTOR (PART YEAR)	.20 0.	X					0.	0.	0.	
(6) RAYMOND P. VARA JR. BOARD OF DIRECTOR, PRESIDENT	2.00 60.10	X		X			0.	1,913,937.	1,048,476.	
(7) ROBERT WOTRING II, M.D. BOARD OF DIRECTOR, CHAIR	40.00 0.	X		X			286,483.	0.	18,052.	
(8) MELINDA ASHTON, M.D. EVP & CHIEF QUALITY OFFICER	.10 49.20			X			0.	664,283.	182,169.	
(9) JENNIE CHAHANOVICH CEO	25.00 31.50			X			0.	620,573.	240,646.	
(10) WARREN CHAIKO SVP	2.00 43.00			X			0.	356,279.	121,607.	
(11) CHARLES R. CHING EVP, GEN COUNSEL & SECRETARY	.50 39.50			X			0.	722,661.	299,522.	
(12) DAWN DUNBAR SVP	.10 44.90			X			0.	332,660.	89,767.	
(13) BRANDT FARIAS SVP & CHIEF MARKETING OFFICER	.20 53.80			X			0.	294,062.	88,484.	
(14) DAVID FOX PRIVACY OFFICER	1.50 38.50			X			0.	151,349.	30,788.	



**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 dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
( 15) ARTHUR GLADSTONE VP & CNE	.20 55.60			X				0.	787,642.	334,366.
( 16) EARL INOUYE VP & SYSTEM CONTROLLER	1.00 47.00			X				0.	349,899.	95,408.
( 17) ALAN ITO INFORMATION SECURITY OFFICER	.10 39.90			X				0.	193,015.	31,827.
( 18) GAIL LERCH EVP	.50 50.50			X				0.	718,560.	328,353.
( 19) JESSICA LEWIS ASSISTANT CORPORATE SECRETARY	2.50 37.50			X				0.	146,994.	36,804.
( 20) LORRIE-ANN LUKE VP	.20 50.50			X				0.	236,634.	84,921.
( 21) SUSAN MASUMOTO-NONAKA VP	.50 39.50			X				0.	349,257.	92,996.
( 22) DAVID OKABE EVP, CFO & TREASURER	1.00 49.00			X				0.	893,564.	398,013.
( 23) KENNETH B. ROBBINS, M.D. EVP	6.50 48.50			X				0.	908,468.	342,005.
( 24) STEVEN ROBERTSON EVP & CIO	.10 52.50			X				0.	704,627.	309,769.
( 25) MICHAEL ROBINSON VP	.20 49.80			X				0.	268,791.	74,616.
<b>1b Sub-total</b>								1,118,501.	5,055,804.	2,183,020.
<b>c Total from continuation sheets to Part VII, Section A</b>								3,670,513.	6,701,827.	2,457,114.
<b>d Total (add lines 1b and 1c)</b>								4,789,014.	11,757,631.	4,640,134.

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 **97**

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

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **5**

**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 dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
( 26) KATIE SHIGEMITSU ----- COMPLIANCE OFFICER	1.00 ----- 39.00			X				0.	197,801.	34,552.
( 27) DAVID STUMBAUGH ----- VP	1.50 ----- 38.50			X				0.	229,315.	66,991.
( 28) GERI YOUNG, M.D. ----- CMO	40.00 ----- 10.50			X				0.	489,181.	75,479.
( 29) DANIEL B JUDD ----- PHYSICIAN	40.00 ----- 0.					X		916,415.	0.	23,665.
( 30) SURENDRA D RAO ----- PHYSICIAN	40.00 ----- 0.					X		733,952.	0.	31,915.
( 31) DEREK S JOHNSON ----- PHYSICIAN	40.00 ----- 0.					X		731,087.	0.	31,394.
( 32) ALYSSA A CARNEGIE ----- PHYSICIAN	40.00 ----- 0.					X		656,664.	0.	23,081.
( 33) ANDREW SO ----- PHYSICIAN	40.00 ----- 0.					X		632,395.	0.	30,953.
( 34) THOMAS MUNDELL ----- FORMER OFFICER	0. ----- 0.						X	0.	228,079.	10,006.
-----	-----									
-----	-----									
<b>1b Sub-total</b> . . . . .										
<b>c Total from continuation sheets to Part VII, Section A</b> . . . . .										
<b>d Total (add lines 1b and 1c)</b> . . . . .										

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 **97**

	Yes	No
3 Did the organization list any <b>former</b> officer, director, or 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

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

**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
<b>Contributions, Gifts, Grants and Other Similar Amounts</b>	<b>1a</b> Federated campaigns . . . . .	<b>1a</b>					
	<b>b</b> Membership dues . . . . .	<b>1b</b>					
	<b>c</b> Fundraising events . . . . .	<b>1c</b>					
	<b>d</b> Related organizations . . . . .	<b>1d</b>					
	<b>e</b> Government grants (contributions) . .	<b>1e</b>					
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above .	<b>1f</b>					
	<b>g</b> Noncash contributions included in lines 1a-1f: \$ _____						
	<b>h Total.</b> Add lines 1a-1f . . . . . ▶			0.			
<b>Program Service Revenue</b>	<b>2a</b> NET PATIENT REVENUE	<b>Business Code</b>					
		622110		36,100,970.	36,100,970.		
	<b>b</b> PREMIUM REVENUE	622110		8,062,960.	8,062,960.		
	<b>c</b> INTER-ENTITY SERVICE REVENUE	622110		1,538,240.	1,538,240.		
	<b>d</b> OTHER HEALTH CARE REVENUE	622110		741,930.	741,930.		
	<b>e</b> RENTAL INCOME	900099		133,093.	133,093.		
	<b>f</b> All other program service revenue . . . . .			71,936.	71,936.		
<b>g Total.</b> Add lines 2a-2f . . . . . ▶			46,649,129.				
<b>Other Revenue</b>	<b>3</b> Investment income (including dividends, interest, and other similar amounts). . . . . ▶			12,848.			12,848.
	<b>4</b> Income from investment of tax-exempt bond proceeds . ▶			0.			
	<b>5</b> Royalties . . . . . ▶			0.			
		(i) Real	(ii) Personal				
	<b>6a</b> Gross rents . . . . .						
	<b>b</b> Less: rental expenses . . . . .						
	<b>c</b> Rental income or (loss) . . . . .						
	<b>d</b> Net rental income or (loss) . . . . . ▶			0.			
	<b>7a</b> Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
	<b>b</b> Less: cost or other basis and sales expenses . . . . .						
	<b>c</b> Gain or (loss) . . . . .						
	<b>d</b> Net gain or (loss) . . . . . ▶			0.			
	<b>8a</b> Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18 . . . . . <b>a</b>			0.			
	<b>b</b> Less: direct expenses . . . . . <b>b</b>			0.			
	<b>c</b> Net income or (loss) from fundraising events . . . . . ▶			0.			
<b>9a</b> Gross income from gaming activities. See Part IV, line 19 . . . . . <b>a</b>			0.				
<b>b</b> Less: direct expenses . . . . . <b>b</b>			0.				
<b>c</b> Net income or (loss) from gaming activities . . . . . ▶			0.				
<b>10a</b> Gross sales of inventory, less returns and allowances . . . . . <b>a</b>			0.				
<b>b</b> Less: cost of goods sold . . . . . <b>b</b>			0.				
<b>c</b> Net income or (loss) from sales of inventory . . . . . ▶			0.				
<b>Miscellaneous Revenue</b>		<b>Business Code</b>					
<b>11a</b> _____							
<b>b</b> _____							
<b>c</b> _____							
<b>d</b> All other revenue . . . . .							
<b>e Total.</b> Add lines 11a-11d . . . . . ▶			0.				
<b>12 Total revenue.</b> See instructions. . . . . ▶			46,661,977.	46,649,129.			12,848.

**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  X

<b>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</b>	(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 . . . . .	0.			
2 Grants and other assistance to domestic individuals. See Part IV, line 22 . . . . .	0.			
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16 . . . . .	0.			
4 Benefits paid to or for members . . . . .	0.			
5 Compensation of current officers, directors, trustees, and key employees . . . . .	1,138,276.	1,138,276.		
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . . . .	0.			
7 Other salaries and wages . . . . .	37,876,528.	37,251,092.	625,436.	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	1,297,477.	1,290,077.	7,400.	
9 Other employee benefits . . . . .	3,738,861.	2,568,608.	1,170,253.	
10 Payroll taxes . . . . .	1,911,681.	1,866,794.	44,887.	
11 Fees for services (non-employees):				
a Management . . . . .	0.			
b Legal . . . . .	0.			
c Accounting . . . . .	271,909.		271,909.	
d Lobbying . . . . .	0.			
e Professional fundraising services. See Part IV, line 17.	0.			
f Investment management fees . . . . .	0.			
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.) . . . . .	8,466,347.	6,519,663.	1,946,684.	
12 Advertising and promotion . . . . .	0.			
13 Office expenses . . . . .	3,007,615.	2,955,666.	51,949.	
14 Information technology . . . . .	115,217.		115,217.	
15 Royalties . . . . .	0.			
16 Occupancy . . . . .	1,112,539.	1,026,082.	86,457.	
17 Travel . . . . .	209,613.	197,006.	12,607.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0.			
19 Conferences, conventions, and meetings . . . . .	0.			
20 Interest . . . . .	5,520.	5,520.		
21 Payments to affiliates . . . . .	0.			
22 Depreciation, depletion, and amortization . . . . .	780,018.	780,018.		
23 Insurance . . . . .	1,559,566.	1,517,204.	42,362.	
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a CORPORATE ALLOCATION	4,623,312.		4,623,312.	
b PHYSICIAN MOVING & RECRUITM.	226,086.	2,212.	223,874.	
c MEMBERSHIP DUES	64,639.	64,639.		
d OTHER PURCHASES	148,439.	62,978.	85,461.	
e All other expenses _____	1,333.	421.	912.	
<b>25 Total functional expenses.</b> Add lines 1 through 24e	<b>66,554,976.</b>	<b>57,246,256.</b>	<b>9,308,720.</b>	
<b>26 Joint costs.</b> 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) . . . . .	0.			

**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
<b>Assets</b>	<b>1</b> Cash - non-interest-bearing	149,531.	<b>1</b>	176,574.
	<b>2</b> Savings and temporary cash investments	227,200.	<b>2</b>	444,590.
	<b>3</b> Pledges and grants receivable, net	0.	<b>3</b>	0.
	<b>4</b> Accounts receivable, net	3,238,732.	<b>4</b>	2,981,630.
	<b>5</b> Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L	0.	<b>5</b>	0.
	<b>6</b> Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L	0.	<b>6</b>	0.
	<b>7</b> Notes and loans receivable, net	0.	<b>7</b>	0.
	<b>8</b> Inventories for sale or use	0.	<b>8</b>	0.
	<b>9</b> Prepaid expenses and deferred charges	0.	<b>9</b>	0.
	<b>10a</b> Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	<b>10a</b> 19,429,667.		
	<b>b</b> Less: accumulated depreciation	<b>10b</b> 9,468,232.	7,060,824.	<b>10c</b> 9,961,435.
	<b>11</b> Investments - publicly traded securities	0.	<b>11</b>	0.
	<b>12</b> Investments - other securities. See Part IV, line 11	0.	<b>12</b>	0.
	<b>13</b> Investments - program-related. See Part IV, line 11	0.	<b>13</b>	0.
	<b>14</b> Intangible assets	0.	<b>14</b>	0.
	<b>15</b> Other assets. See Part IV, line 11	5,074,493.	<b>15</b>	6,270,929.
<b>16 Total assets.</b> Add lines 1 through 15 (must equal line 34)	15,750,780.	<b>16</b>	19,835,158.	
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses	5,172,621.	<b>17</b>	5,845,581.
	<b>18</b> Grants payable	0.	<b>18</b>	0.
	<b>19</b> Deferred revenue	0.	<b>19</b>	0.
	<b>20</b> Tax-exempt bond liabilities	0.	<b>20</b>	0.
	<b>21</b> Escrow or custodial account liability. Complete Part IV of Schedule D	0.	<b>21</b>	0.
	<b>22</b> Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L	0.	<b>22</b>	0.
	<b>23</b> Secured mortgages and notes payable to unrelated third parties	0.	<b>23</b>	0.
	<b>24</b> Unsecured notes and loans payable to unrelated third parties	0.	<b>24</b>	0.
	<b>25</b> Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	4,800,685.	<b>25</b>	7,058,310.
	<b>26 Total liabilities.</b> Add lines 17 through 25	9,973,306.	<b>26</b>	12,903,891.
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.</b>			
	<b>27</b> Unrestricted net assets	5,777,474.	<b>27</b>	6,931,267.
	<b>28</b> Temporarily restricted net assets	0.	<b>28</b>	0.
	<b>29</b> Permanently restricted net assets	0.	<b>29</b>	0.
	<b>Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.</b>			
	<b>30</b> Capital stock or trust principal, or current funds		<b>30</b>	
	<b>31</b> Paid-in or capital surplus, or land, building, or equipment fund		<b>31</b>	
	<b>32</b> Retained earnings, endowment, accumulated income, or other funds		<b>32</b>	
<b>33</b> Total net assets or fund balances	5,777,474.	<b>33</b>	6,931,267.	
<b>34</b> Total liabilities and net assets/fund balances	15,750,780.	<b>34</b>	19,835,158.	

**Part XI Reconciliation of Net Assets**

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

<b>1</b>	Total revenue (must equal Part VIII, column (A), line 12)	<b>1</b>	46,661,977.
<b>2</b>	Total expenses (must equal Part IX, column (A), line 25)	<b>2</b>	66,554,976.
<b>3</b>	Revenue less expenses. Subtract line 2 from line 1	<b>3</b>	-19,892,999.
<b>4</b>	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	<b>4</b>	5,777,474.
<b>5</b>	Net unrealized gains (losses) on investments	<b>5</b>	0.
<b>6</b>	Donated services and use of facilities	<b>6</b>	0.
<b>7</b>	Investment expenses	<b>7</b>	0.
<b>8</b>	Prior period adjustments	<b>8</b>	0.
<b>9</b>	Other changes in net assets or fund balances (explain in Schedule O)	<b>9</b>	21,046,792.
<b>10</b>	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	<b>10</b>	6,931,267.

**Part XII Financial Statements and Reporting**

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

- 1** Accounting method used to prepare the Form 990:  Cash  Accrual  Other \_\_\_\_\_  
If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.
- 2a** Were the organization's financial statements compiled or reviewed by an independent accountant? . . . . .  
If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both:  
 Separate basis  Consolidated basis  Both consolidated and separate basis
- b** Were the organization's financial statements audited by an independent accountant? . . . . .  
If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both:  
 Separate basis  Consolidated basis  Both consolidated and separate basis
- c** If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.
- 3a** As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? . . . . .
- b** If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.

	Yes	No
<b>2a</b>		X
<b>2b</b>	X	
<b>2c</b>	X	
<b>3a</b>		X
<b>3b</b>		

**SCHEDULE A**  
**(Form 990 or 990-EZ)**

**Public Charity Status and Public Support**

OMB No. 1545-0047

**2018**

**Open to Public Inspection**

Department of the Treasury  
Internal Revenue Service

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](http://www.irs.gov/Form990) for instructions and the latest information.

Name of the organization

KAUA ' I MEDICAL CLINIC

Employer identification number

99-0326099

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

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

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

f Enter the number of supported organizations . . . . .

g Provide the following information about the supported organization(s).

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

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) 2014, (b) 2015, (c) 2016, (d) 2017, (e) 2018, (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) 2014, (b) 2015, (c) 2016, (d) 2017, (e) 2018, (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); 13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here.

Section C. Computation of Public Support Percentage

Table with 3 columns: Line number, Description, and Percentage. Rows include: 14 Public support percentage for 2018; 15 Public support percentage from 2017 Schedule A, Part II, line 14; 16a 33 1/3% support test - 2018; b 33 1/3% support test - 2017; 17a 10%-facts-and-circumstances test - 2018; b 10%-facts-and-circumstances test - 2017; 18 Private foundation.



**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) 2014	(b) 2015	(c) 2016	(d) 2017	(e) 2018	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
<b>2</b> 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 . . . . .						
<b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513 . . . . .						
<b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf . . . . .						
<b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge . . . . .						
<b>6 Total.</b> Add lines 1 through 5. . . . .						
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons . . . . .						
<b>b</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 . . . . .						
<b>c</b> Add lines 7a and 7b. . . . .						
<b>8 Public support.</b> (Subtract line 7c from line 6.) . . . . .						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►	(a) 2014	(b) 2015	(c) 2016	(d) 2017	(e) 2018	(f) Total
<b>9</b> Amounts from line 6. . . . .						
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources. . . . .						
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 . . . . .						
<b>c</b> Add lines 10a and 10b . . . . .						
<b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on. . . . .						
<b>12</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.) . . . . .						
<b>13 Total support.</b> (Add lines 9, 10c, 11, and 12.) . . . . .						

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

**Section C. Computation of Public Support Percentage**

<b>15</b> Public support percentage for 2018 (line 8, column (f), divided by line 13, column (f)) . . . . .	<b>15</b>	%
<b>16</b> Public support percentage from 2017 Schedule A, Part III, line 15 . . . . .	<b>16</b>	%

**Section D. Computation of Investment Income Percentage**

<b>17</b> Investment income percentage for <b>2018</b> (line 10c, column (f), divided by line 13, column (f)), . . . . .	<b>17</b>	%
<b>18</b> Investment income percentage from <b>2017</b> Schedule A, Part III, line 17 . . . . .	<b>18</b>	%

**19a 33 1/3% support tests - 2018.** 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 - 2017.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ►

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

**Part IV Supporting Organizations**

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

**Section A. All Supporting Organizations**

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

**Part IV Supporting Organizations (continued)**

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

**Section B. Type I Supporting Organizations**

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

**Section C. Type II Supporting Organizations**

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

**Section D. All Type III Supporting Organizations**

		Yes	No
<b>1</b>	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?	<b>1</b>	
<b>2</b>	Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? <i>If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).</i>	<b>2</b>	
<b>3</b>	By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? <i>If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.</i>	<b>3</b>	

**Section E. Type III Functionally Integrated Supporting Organizations**

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

<b>Section A - Adjusted Net Income</b>		(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	<b>Adjusted Net Income</b> (subtract lines 5, 6, and 7 from line 4)	8	
<b>Section B - Minimum Asset Amount</b>		(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	<b>Total</b> (add lines 1a, 1b, and 1c)	1d	
e	<b>Discount</b> claimed for blockage or other factors (explain in detail in <b>Part VI</b> ):		
2	Acquisition indebtedness applicable to non-exempt-use assets	2	
3	Subtract line 2 from line 1d.	3	
4	Cash deemed held for exempt use. Enter 1-1/2% of line 3 (for greater amount, see instructions).	4	
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6	Multiply line 5 by .035.	6	
7	Recoveries of prior-year distributions	7	
8	<b>Minimum Asset Amount</b> (add line 7 to line 6)	8	
<b>Section C - Distributable Amount</b>			Current Year
1	Adjusted net income for prior year (from Section A, line 8, Column A)	1	
2	Enter 85% of line 1.	2	
3	Minimum asset amount for prior year (from Section B, line 8, Column A)	3	
4	Enter greater of line 2 or line 3.	4	
5	Income tax imposed in prior year	5	
6	<b>Distributable Amount.</b> 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).		

Schedule A (Form 990 or 990-EZ) 2018

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

Section D - Distributions	Current Year
1 Amounts paid to supported organizations to accomplish exempt purposes	
2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3 Administrative expenses paid to accomplish exempt purposes of supported organizations	
4 Amounts paid to acquire exempt-use assets	
5 Qualified set-aside amounts (prior IRS approval required)	
6 Other distributions (describe in Part VI). See instructions.	
7 <b>Total annual distributions.</b> Add lines 1 through 6.	
8 Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI). See instructions.	
9 Distributable amount for 2018 from Section C, line 6	
10 Line 8 amount divided by line 9 amount	

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2018	(iii) Distributable Amount for 2018
1 Distributable amount for 2018 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2018 (reasonable cause required - explain in Part VI). See instructions.			
3 Excess distributions carryover, if any, to 2018			
a From 2013 . . . . .			
b From 2014 . . . . .			
c From 2015 . . . . .			
d From 2016 . . . . .			
e From 2017 . . . . .			
f <b>Total</b> of lines 3a through e			
g Applied to underdistributions of prior years			
h Applied to 2018 distributable amount			
i Carryover from 2013 not applied (see instructions)			
j Remainder. Subtract lines 3g, 3h, and 3i from 3f.			
4 Distributions for 2018 from Section D, line 7:                     \$			
a Applied to underdistributions of prior years			
b Applied to 2018 distributable amount			
c Remainder. Subtract lines 4a and 4b from 4.			
5 Remaining underdistributions for years prior to 2018, 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 2018. Subtract lines 3h and 4b from line 1. For result greater than zero, explain in Part VI. See instructions.			
7 <b>Excess distributions carryover to 2019.</b> Add lines 3j and 4c.			
8 Breakdown of line 7:			
a Excess from 2014 . . . . .			
b Excess from 2015 . . . . .			
c Excess from 2016 . . . . .			
d Excess from 2017 . . . . .			
e Excess from 2018 . . . . .			

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

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SCHEDULE D (Form 990)

Supplemental Financial Statements

OMB No. 1545-0047

2018

Open to Public Inspection

Department of the Treasury Internal Revenue Service

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.

Name of the organization

KAUA ' I MEDICAL CLINIC

Employer identification number

99-0326099

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 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows include: 1 Total number at end of year, 2 Aggregate value of contributions to (during year), 3 Aggregate value of grants from (during year), 4 Aggregate value at end of year, 5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?, 6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?

Part II Conservation Easements.

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

Table with 2 columns: Description, Held at the End of the Tax Year. Rows include: 1 Purpose(s) of conservation easements held by the organization (check all that apply), 2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year. (Sub-rows 2a-2d), 3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year, 4 Number of states where property subject to conservation easement is located, 5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?, 6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year, 7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year, 8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?, 9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

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

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

Table with 2 columns: Description, Amount. Rows include: 1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items. 1b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items: (i) Revenue included on Form 990, Part VIII, line 1. (ii) Assets included in Form 990, Part X. 2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items: a Revenue included on Form 990, Part VIII, line 1. b Assets included in Form 990, Part X.

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

Schedule D (Form 990) 2018

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

- 3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):
a [X] Public exhibition
b [ ] Scholarly research
c [ ] Preservation for future generations
d [ ] Loan or exchange programs
e [ ] Other
4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.
5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? [ ] Yes [X] 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:
Table with columns: Amount, 1c Beginning balance, 1d Additions during the year, 1e Distributions during the year, 1f Ending balance
2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? [ ] Yes [ ] No
b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII [ ]

Part V Endowment Funds.

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

Table with 6 columns: (a) Current year, (b) Prior year, (c) Two years back, (d) Three years back, (e) Four years back. Rows include: 1a Beginning of year balance, b Contributions, c Net investment earnings, gains, and losses, d Grants or scholarships, e Other expenditures for facilities and programs, f Administrative expenses, g End of year balance.

- 2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:
a Board designated or quasi-endowment [ ] %
b Permanent endowment [ ] %
c Temporarily restricted endowment [ ] %
The percentages on lines 2a, 2b, and 2c should equal 100%.

- 3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:
(i) unrelated organizations [ ] Yes [ ] No
(ii) related organizations [ ] Yes [ ] No
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.

Table with 5 columns: (a) Cost or other basis (investment), (b) Cost or other basis (other), (c) Accumulated depreciation, (d) Book value. Rows include: 1a Land, b Buildings, c Leasehold improvements, d Equipment, e Other, Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)



**Part VII Investments - Other Securities.**

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

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

**Part VIII Investments - Program Related.**

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

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

**Part IX Other Assets.**

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

(a) Description	(b) Book value
(1) DEPOSITS AND OTHER NON-CURRENT	4,845,985.
(2) OTHER RECEIVABLES	793,265.
(3) PREPAID & OTHER CURRENT ASSETS	284,155.
(4) DUE FROM GOVERNMENT AGENCIES	212,291.
(5) DECORATIVE ARTWORK	35,490.
(6) DUE FROM WILCOX HEALTH FNDN	41,432.
(7) DUE FROM HAWAI'I HEALTH PTNRS	27,995.
(8) DUE FROM HPH RSRCH INSTITUTE	23,219.
(9) DUE FROM KAPI'OLANI MED. SPEC.	7,097.
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 15.) . . . . . ▶	6,270,929.

**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 ATTACHMENT 1	
(2) 457(B) LIABILITY	4,794,855.
(3) DEFERRED TENANT IMPROVEMENT ALLOW.	612,690.
(4) DEFERRED STRAIGHT LINE RENT	128,330.
(5) ESCHEAT LIABILITY	17,422.
(6) DUE TO	
(7) HAWAI'I PACIFIC HEALTH	1,300,461.
(8) WILCOX MEMORIAL HOSPITAL	82,631.
(9) STRAUB CLINIC & HOSPITAL	59,509.
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	7,058,310.

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

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

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

Table with 5 main rows and sub-rows (a-e) for adjustments. Columns include description, sub-row labels (2a-2d, 4a-4b), and totals (1, 2e, 3, 4c, 5).

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

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

Table with 5 main rows and sub-rows (a-e) for adjustments. Columns include description, sub-row labels (2a-2d, 4a-4b), and totals (1, 2e, 3, 4c, 5).

**Part XIII Supplemental Information.**

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

SCHEDULE D, PART III, LINE 4

KMC'S COLLECTION OF ARTWORK INCLUDES PAINTINGS AND SIMILAR WORKS THAT ARE DISPLAYED IN PUBLIC WAITING/HALLWAY AREAS TO IMPROVE PATIENT EXPERIENCE IN KMC'S FACILITIES.

**Part XIII Supplemental Information** (continued)ATTACHMENT 1SCHEDULE D, PART X - OTHER LIABILITIES

<u>DESCRIPTION</u>	<u>BOOK VALUE</u>
DUE TO	
PALI MOMI MEDICAL CENTER	33,945.
KAPI'OLANI MED CTR WOMEN & CHILDREN	19,311.
KAPI'OLANI HEALTH FOUNDATION	8,959.
STRAUB FOUNDATION	188.
PALI MOMI FOUNDATION	9.
TOTALS	<u>7,058,310.</u>

**SCHEDULE J  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Compensation Information**

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

- ▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23.
- ▶ Attach to Form 990.
- ▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

**2018**

**Open to Public  
Inspection**

Name of the organization

KAUA ' I MEDICAL CLINIC

Employer identification number

99-0326099

**Part I Questions Regarding Compensation**

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

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

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

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

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

- |  |  |
|--|--|
| <input type="checkbox"/> Compensation committee              | <input type="checkbox"/> Written employment contract                     |
| <input type="checkbox"/> Independent compensation consultant | <input type="checkbox"/> Compensation survey or study                    |
| <input type="checkbox"/> Form 990 of other organizations     | <input 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
<b>1a</b>		
<b>1b</b>		
<b>2</b>		
<b>3</b>		
<b>4a</b>	X	
<b>4b</b>	X	
<b>4c</b>		X
<b>5a</b>		X
<b>5b</b>		X
<b>6a</b>		X
<b>6b</b>		X
<b>7</b>		X
<b>8</b>		X
<b>9</b>		

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

Schedule J (Form 990) 2018

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

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

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 MELINDA ASHTON, M.D. EVP & CHIEF QUALITY OFFICER	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	422,470.	149,439.	92,374.	167,027.	15,142.	846,452.	85,664.
2 JENNIE CHAHANOVICH CEO	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	345,039.	128,270.	147,264.	228,947.	11,699.	861,219.	121,269.
3 WARREN CHAIKO SVP	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	246,758.	60,781.	48,740.	96,354.	25,253.	477,886.	40,576.
4 CHARLES R. CHING EVP, GEN COUNSEL & SECRETARY	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	387,289.	143,240.	192,132.	277,290.	22,232.	1,022,183.	145,433.
5 DAWN DUNBAR SVP	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	271,166.	49,693.	11,801.	67,020.	22,747.	422,427.	0.
6 BRANDT FARIAS SVP & CHIEF MARKETING OFFICER	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	210,079.	53,281.	30,702.	78,939.	9,545.	382,546.	30,085.
7 DAVID FOX PRIVACY OFFICER	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	149,779.	0.	1,570.	15,841.	14,947.	182,137.	0.
8 ARTHUR GLADSTONE VP & CNE	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	467,136.	181,837.	138,669.	311,320.	23,046.	1,122,008.	186,612.
9 THOMAS HEMINGWAY BOARD OF DIRECTOR	(i)	334,248.	10,258.	91,540.	11,000.	21,115.	468,161.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
10 EARL INOUE VP & SYSTEM CONTROLLER	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	262,052.	46,572.	41,275.	80,579.	14,829.	445,307.	39,396.
11 ALAN ITO INFORMATION SECURITY OFFICER	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	173,000.	17,349.	2,666.	18,146.	13,681.	224,842.	0.
12 GAIL LERCH EVP	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	405,638.	149,264.	163,658.	318,663.	9,690.	1,046,913.	163,008.
13 JESSICA LEWIS ASSISTANT CORPORATE SECRETARY	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	146,994.	0.	0.	12,738.	24,066.	183,798.	0.
14 LORRIE-ANN LUKE VP	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	187,944.	33,615.	15,075.	60,729.	24,192.	321,555.	29,504.
15 JAY MURPHY BOARD OF DIRECTOR	(i)	364,906.	6,992.	24,074.	11,000.	20,394.	427,366.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
16 SUSAN MASUMOTO-NONAKA VP	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	251,114.	54,790.	43,353.	78,601.	14,395.	442,253.	39,290.

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

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

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1	DAVID OKABE EVP, CFO & TREASURER	(i) 0.	0.	0.	0.	0.	0.	0.
	(ii) 500,415.	187,300.	205,849.	383,699.	14,314.	1,291,577.	202,213.	
2	KENNETH B. ROBBINS, M.D. EVP	(i) 0.	0.	0.	0.	0.	0.	0.
	(ii) 471,387.	159,966.	277,115.	326,911.	15,094.	1,250,473.	257,608.	
3	STEVEN ROBERTSON EVP & CIO	(i) 0.	0.	0.	0.	0.	0.	0.
	(ii) 403,975.	148,888.	151,764.	294,455.	15,314.	1,014,396.	157,506.	
4	MICHAEL ROBINSON VP	(i) 0.	0.	0.	0.	0.	0.	0.
	(ii) 212,168.	37,258.	19,365.	65,066.	9,550.	343,407.	34,211.	
5	KATIE SHIGEMITSU COMPLIANCE OFFICER	(i) 0.	0.	0.	0.	0.	0.	0.
	(ii) 196,308.	0.	1,493.	20,666.	13,886.	232,353.	0.	
6	DAVID STUMBAUGH VP	(i) 0.	0.	0.	0.	0.	0.	0.
	(ii) 189,716.	23,870.	15,729.	45,536.	21,455.	296,306.	0.	
7	RAYMOND P. VARA JR. BOARD OF DIRECTOR, PRESIDENT	(i) 0.	0.	0.	0.	0.	0.	0.
	(ii) 983,890.	524,511.	405,536.	1,024,223.	24,253.	2,962,413.	552,114.	
8	ROBERT WOTRING II, M.D. BOARD OF DIRECTOR, CHAIR	(i) 259,350.	10,311.	16,822.	11,000.	7,052.	304,535.	0.
	(ii) 0.	0.	0.	0.	0.	0.	0.	
9	GERI YOUNG, M.D. CMO	(i) 0.	0.	0.	0.	0.	0.	0.
	(ii) 361,637.	31,139.	96,405.	63,445.	12,034.	564,660.	40,911.	
10	DANIEL B JUDD PHYSICIAN	(i) 869,537.	3,818.	43,060.	2,750.	20,915.	940,080.	0.
	(ii) 0.	0.	0.	0.	0.	0.	0.	
11	SURENDRA D RAO PHYSICIAN	(i) 719,680.	1,453.	12,819.	11,000.	20,915.	765,867.	0.
	(ii) 0.	0.	0.	0.	0.	0.	0.	
12	DEREK S JOHNSON PHYSICIAN	(i) 672,399.	4,327.	54,361.	11,000.	20,394.	762,481.	0.
	(ii) 0.	0.	0.	0.	0.	0.	0.	
13	ALYSSA A CARNEGIE PHYSICIAN	(i) 609,298.	5,407.	41,959.	11,000.	12,081.	679,745.	0.
	(ii) 0.	0.	0.	0.	0.	0.	0.	
14	ANDREW SO PHYSICIAN	(i) 581,416.	1,273.	49,706.	11,000.	19,953.	663,348.	0.
	(ii) 0.	0.	0.	0.	0.	0.	0.	
15	THOMAS MUNDELL FORMER OFFICER	(i) 0.	0.	0.	0.	0.	0.	0.
	(ii) 0.	0.	228,079.	0.	10,006.	238,085.	0.	
16		(i)						
	(ii)							

**Part III Supplemental Information**

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

FORM 990, SCHEDULE J, PART I, LINE 3

SUPPLEMENTAL COMPENSATION INFORMATION

THE ORGANIZATION'S CHIEF EXECUTIVE OFFICER IS PAID BY ITS TAX EXEMPT PARENT, HAWAI'I PACIFIC HEALTH ('HPH'), AND IS DISCLOSED AS A PERSON PAID BY A RELATED ORGANIZATION. SEE SCHEDULE O FORM 990 PART VI, LINE 15A FOR THE PROCESS USED BY HPH TO DETERMINE COMPENSATION.

FORM 990, SCHEDULE J, PART I, LINE 4A

SEVERANCE PAY

THE FOLLOWING INDIVIDUAL RECEIVED A SEVERANCE PAYMENT DURING THE YEAR:

THOMAS MUNDELL - \$228,079

FORM 990, SCHEDULE J, PART I, LINE 4B

SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN

THE RESTORATION PLAN WAS DESIGNED TO RESTORE BENEFITS THAT ARE LOST DUE TO LIMITS IMPOSED BY SECTIONS 401 AND 415 OF THE INTERNAL REVENUE CODE ON COMPENSATION CONSIDERED UNDER SUCH PLANS.

AMOUNT PAID OUT DURING THE YEAR BY RELATED ORGANIZATIONS:

**Part III Supplemental Information**

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

RAYMOND P. VARA JR. - \$177,421

KENNETH B. ROBBINS, MD - \$126,800

DAVID OKABE - \$64,485

GAIL LERCH - \$51,544

ARTHUR GLADSTONE - \$50,854

CHARLES R. CHING - \$42,085

STEVEN ROBERTSON - \$46,746

JENNIE CHAHANOVICH - \$22,324

ANNUAL AND LONG TERM INCENTIVE PLAN

THE ANNUAL AND LONG TERM INCENTIVE PLANS ARE AFFORDED TO EXECUTIVES BASED ON ANNUAL AND LONG TERM SYSTEM GOALS THAT ARE NOT BASED ON A PERCENTAGE OF NET EARNINGS.

AMOUNT PAID OUT DURING THE YEAR BY RELATED ORGANIZATIONS:

RAYMOND P. VARA JR. - \$404,511

KENNETH B. ROBBINS, M.D. - \$139,966

DAVID OKABE - \$147,300



**Part III Supplemental Information**

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

GAIL LERCH - \$119,264

CHARLES R. CHING - \$113,240

STEVEN ROBERTSON - \$118,888

ARTHUR GLADSTONE - \$146,837

MELINDA ASHTON, M.D. - \$124,439

JENNIE CHAHANOVICH - \$108,270

EARL INOUYE - \$46,572

SUSAN NONAKA - \$44,790

WARREN CHAIKO - \$60,780

GERI YOUNG, M.D. - \$31,139

MICHAEL ROBINSON - \$37,258

BRANDT FARIAS - \$48,281

LORRIE-ANN LUKE - \$33,615

DAVID STUMBAUGH - \$22,610

DAWN DUNBAR - \$49,694

**SCHEDULE O  
(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

Name of the organization

KAUA'I MEDICAL CLINIC

**Supplemental Information to Form 990 or 990-EZ**

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

▶ Attach to Form 990 or 990-EZ.

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

OMB No. 1545-0047

**2018**

**Open to Public  
Inspection**

Employer identification number

99-0326099

FORM 990, PART III, LINE 4A

DESCRIPTION OF ORGANIZATION'S MISSION

THE KAUA'I MEDICAL CLINIC IS A NOT-FOR-PROFIT MULTI-SPECIALTY CLINIC  
WHOSE MISSION IS TO CREATE A HEALTHIER HAWAI'I.

DESCRIPTION OF PROGRAM SERVICES

ESTABLISHED IN 1967, KAUA'I MEDICAL CLINIC HAS PROVIDED THE RESIDENTS AND  
VISITORS OF KAUA'I WITH PRIMARY AND SPECIALTY CARE FOR MORE THAN 50  
YEARS. KAUA'I MEDICAL CLINIC PARTNERS WITH WILCOX MEDICAL CENTER AS PART  
OF WILCOX HEALTH. KAUA'I MEDICAL CLINIC OFFERS MORE THAN 20 SPECIALTIES  
AT FIVE LOCATIONS: THE MAIN CLINIC IN LIHU'E, KAUA'I URGENT CARE CLINIC  
IN LIHU'E, AND THREE SATELLITE CLINICS IN KAPA'A, KOLOA AND ELE'ELE.  
KAUA'I MEDICAL CLINIC HAS 284 EMPLOYEES AND 99 PHYSICIANS. IN FISCAL YEAR  
2019, TOTAL CLINIC ENCOUNTERS WERE 343,176.

SPECIALTY UNITS

KAUA'I MEDICAL CLINIC IS KAUA'I'S ONLY MULTI-SPECIALTY GROUP. IT PROVIDES  
CARE IN CARDIOLOGY, FAMILY MEDICINE, GASTROENTEROLOGY, GENERAL MEDICINE,  
GENERAL SURGERY, HEMATOLOGY, INFECTIOUS DISEASES, INTERNAL MEDICINE,  
NEUROLOGY, OBSTETRICS AND GYNECOLOGY, ONCOLOGY, ORTHOPEDIC SURGERY,  
OTOLARYNGOLOGY, PEDIATRICS, PHYSIATRY, PODIATRY AND UROLOGY. THIS RANGE  
OF SPECIALTIES, MULTIPLE LOCATIONS, AND AFFILIATION WITH HAWAI'I PACIFIC  
HEALTH SIGNIFICANTLY INCREASES ACCESS TO CARE FOR KAUA'I RESIDENTS AND  
VISITORS. KAUA'I MEDICAL CLINIC PATIENTS ENJOY EASY APPOINTMENT

Name of the organization KAUA'I MEDICAL CLINIC	Employer identification number 99-0326099
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SCHEDULING, URGENT CARE SERVICES, CHRONIC DISEASE MANAGEMENT, DIABETES CONSULTATION AND EDUCATION, DIAGNOSTIC IMAGING AND FINANCIAL COUNSELING.

COMMUNITY

KAUA'I MEDICAL CLINIC IS AN ACTIVE COMMUNITY PARTNER. IN FISCAL 2019, ITS HEALTH EDUCATION, PREVENTION PROGRAMS AND SUPPORT GROUPS FOCUSED ON DIABETES, SPORTS MEDICINE, HEART ATTACK/STROKE, WATER SAFETY, INJURY PREVENTION AND HEALTH FAIRS. TOGETHER WITH WILCOX MEDICAL CENTER, THE CLINIC HOSTED OR SPONSORED A VARIETY OF COMMUNITY HEALTH EDUCATION EVENTS, AND STAFF SUPPORTED THEIR COMMUNITY BY PARTICIPATING IN ANNUAL CHARITABLE ENDEAVORS. THESE INCLUDED "KIDS SUMMER FEST," "KIDS FEST," "KAUA'I MARATHON," SEVERAL PHYSICIAN-LED COMMUNITY WALKS, "KEIKI BIKE AND SKATEBOARD SAFETY DAY," "DIABETES AWARENESS EXPO," "CANCER CARE VIDEO TELECONFERENCE," "GETTING A GRIP WITH ARTHRITIS VIDEO TELECONFERENCE," "VALENTINE IN PARADISE VIDEO TELECONFERENCE," AND "KOLOA SUGAR MILL RUN." KAUA'I MEDICAL CLINIC TREATS ALL PATIENTS, REGARDLESS OF THEIR ABILITY TO PAY, THUS SERVING (WITH WILCOX MEMORIAL HOSPITAL) AS ONE OF THE COMMUNITY'S SAFETY NET PROVIDERS OF HEALTH CARE. IN FISCAL YEAR 2019, KAUA'I MEDICAL CLINIC PROVIDED \$5,842,104 WORTH OF CARE TO PATIENTS WHO WERE UNINSURED OR UNABLE TO PAY FOR THEIR CARE, AS WELL AS OTHER COMMUNITY BENEFITS.

FORM 990, PART V, LINE 1A

HAWAII PACIFIC HEALTH (HPH), THE ORGANIZATION'S TAX EXEMPT PARENT, PAYS ALL VENDORS. THEREFORE, HPH ISSUES FORM 1099S UNDER ITS TAX ID.

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FORM 990, PART VI, LINE 6

MEMBERS OR STOCKHOLDERS

HAWAI'I PACIFIC HEALTH IS THE SOLE MEMBER WHO HAS THE RIGHT TO PARTICIPATE IN THE ORGANIZATION'S GOVERNANCE WITH THE RIGHT TO ELECT THE MEMBERS OF THE GOVERNING BODY AND/OR APPROVE SIGNIFICANT DECISIONS OF THE GOVERNING BODY.

FORM 990, PART VI, LINE 7A

POWER TO ELECT AND TO APPOINT MEMBERS

HAWAI'I PACIFIC HEALTH IS THE SOLE MEMBER AND HAS THE POWER TO APPROVE THE ELECTION OF MEMBERS OF THE GOVERNING BODY. HAWAI'I PACIFIC HEALTH, AS MEMBER, ALSO HAS THE POWER TO ELECT ONE OR MORE EX OFFICIO VOTING MEMBERS OF THE GOVERNING BODY.

FORM 990, PART VI, LINE 7B

DECISIONS RESERVED TO MEMBERS OR STOCKHOLDERS

THE MEMBER SHALL HAVE THE EXCLUSIVE POWER TO TAKE AND DIRECT THE FOLLOWING ACTIONS OF THE CORPORATION:

(1) NOMINATE CANDIDATES TO THE BOARD FOR THE FOLLOWING POSITIONS: THE PRESIDENT/CHIEF EXECUTIVE OFFICER, TREASURER, SECRETARY, EXECUTIVE VICE-PRESIDENT/CHIEF FINANCIAL OFFICER, OTHER EXECUTIVE VICE-PRESIDENTS, SENIOR VICE-PRESIDENTS, ASSISTANT SECRETARIES, AND ALL VICE-PRESIDENTS EXCEPT THE OPERATING UNIT VICE-PRESIDENTS, AS SUCH TERM IS DEFINED IN THE BYLAWS;

(2) DELEGATE MANAGEMENT AUTHORITIES FROM THE BOARD TO OFFICERS OR COMMITTEES OF THE CORPORATION IN ACCORDANCE WITH A DELEGATED AUTHORITIES

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MATRIX ADOPTED BY THE MEMBER BOARD;

- (3) AMEND THE BYLAWS;
- (4) DETERMINE AND EFFECT THE CORPORATION'S PARTICIPATION IN ALL LONG TERM FINANCING TRANSACTIONS WHICH ARE IN EXCESS OF ONE (1) YEAR AND/OR FOR ONE MILLION DOLLAR (\$1,000,000) OR MORE;
- (5) SELECT BANKS, TRUST COMPANIES, OR OTHER DEPOSITORIES TO WHICH THE CORPORATION'S FUNDS SHALL BE DEPOSITED;
- (6) DIRECT, MANAGE AND CONTROL THE CUSTODY, ADVISORY SERVICE AND ASSET MANAGEMENT OF THE FINANCIAL ASSETS OF THE CORPORATION;
- (7) EFFECT INTER-CORPORATE TRANSFERS BY AND BETWEEN THE CORPORATION AND ANY AFFILIATE;
- (8) DEVELOP AND IMPLEMENT THE GENERAL POLICIES REGARDING THE CORPORATION'S PHYSICIAN AND EXECUTIVE COMPENSATION AND BENEFIT PLANS;
- (9) FORM A NEW CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP OR OTHER ORGANIZATION THAT IS OWNED SOLELY BY THE CORPORATION;
- (10) EXCEPT AS OTHERWISE PROVIDED IN THE BYLAWS OR AS REQUIRED BY THE LAW OF THE STATE OF HAWAI'I, SELL, LEASE OR OTHERWISE TRANSFER FIFTY PERCENT (50%) OR MORE OF THE THEN CURRENT AMOUNT, AS REPORTED UNDER GENERALLY ACCEPTED ACCOUNTING PRINCIPLES, OF THE TOTAL ASSETS HELD BY WILCOX MEMORIAL HOSPITAL, KAUA'I MEDICAL CLINIC AND WILCOX HEALTH FOUNDATION (THE WILCOX AFFILIATES);
- (11) EXCEPT AS PROVIDED IN THE BYLAWS OR AS REQUIRED BY THE LAWS OF THE STATE OF HAWAI'I, SELL, LEASE OR TRANSFER OF OPERATIONS OR ACTIVITIES OF THE WILCOX AFFILIATES WHICH GENERATE FIFTY PERCENT (50%) OR MORE OF THE TOTAL NET REVENUES, AS REPORTED UNDER GENERALLY ACCEPTED ACCOUNTING

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PRINCIPLES, OF THE WILCOX AFFILIATES DURING THE PRIOR FISCAL YEAR;

(12) CLOSE THE CLINICAL FACILITIES OWNED AND OPERATED BY THE CORPORATION;

PROVIDED, THAT, AFTER THE EFFECTIVE DATE OF THE BYLAWS, ANY ELIMINATION OF A CLINICAL SERVICE PROVIDED BY THE CORPORATION MUST ALSO BE APPROVED BY THE BOARD;

(13) CONVERT THE CLINIC OWNED AND OPERATED BY THE CORPORATION INTO A FACILITY NO LONGER OFFERING MEDICAL SERVICES; PROVIDED, THAT, AFTER THE EFFECTIVE DATE OF THE BYLAWS, ANY ELIMINATION OF A CLINICAL SERVICE PROVIDED BY THE CORPORATION MUST ALSO BE APPROVED BY THE BOARD;

(14) AFTER CONSULTING WITH THE BOARD, REMOVE THE PRESIDENT/CHIEF EXECUTIVE OFFICER, EXECUTIVE VICE-PRESIDENT/CHIEF FINANCIAL OFFICER, TREASURER, SECRETARY, OTHER EXECUTIVE VICE-PRESIDENTS, SENIOR VICE-PRESIDENTS, ASSISTANT SECRETARIES, AND ALL VICE-PRESIDENTS EXCEPT THE OPERATING UNIT VICE-PRESIDENTS; PROVIDED, HOWEVER, THAT TO REMOVE OR TERMINATE THE PRESIDENT/CHIEF EXECUTIVE OFFICER WILL REQUIRE THE PRESIDENT/CHIEF EXECUTIVE OFFICER OF THE MEMBER TO FULLY COLLABORATE AND CONSULT WITH THE BOARD AND SEEK THE BOARD'S ADVANCE CONSENT FOR SUCH REMOVAL OR TERMINATION. IF THE BOARD DOES NOT CONCUR WITH THE PROPOSED REMOVAL OR TERMINATION OF THE PRESIDENT/CHIEF EXECUTIVE OFFICER, SUCH REMOVAL OR TERMINATION WILL REQUIRE THE APPROVAL OF A MAJORITY OF THE MEMBERS ON THE MEMBER BOARD;

(15) AFTER CONSULTING WITH THE BOARD, DEVELOP AND PROMULGATE THE CORPORATE GOALS AND THE LONG RANGE AND STRATEGIC PLANS OF THE CORPORATION; AND

(16) AFTER CONSULTING WITH THE BOARD, DEVELOP AND IMPLEMENT THE ANNUAL

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CAPITAL, OPERATING, AND CASH FLOW BUDGETS.

THE CORPORATION SHALL NOT TAKE THE FOLLOWING ACTIONS WITHOUT FIRST OBTAINING MEMBER BOARD APPROVAL:

- (1) ADD ANY DIRECTOR TO THE BOARD;
- (2) REMOVE ANY DIRECTOR FROM THE BOARD;
- (3) AMEND THE ARTICLES;
- (4) ENTER INTO ANY UNBUDGETED CONTRACTS ON BEHALF OF THE CORPORATION WHICH REQUIRE ANNUAL PAYMENTS ON BEHALF OF THE CORPORATION EXCEEDING ONE MILLION DOLLARS (\$1,000,000) IN VALUE;
- (5) ACQUIRE ASSETS WORTH OVER ONE MILLION DOLLARS (\$1,000,000);
- (6) ACQUIRE SHARES IN ANOTHER CORPORATION;
- (7) SELL, LEASE OR OTHERWISE TRANSFER FIFTY PERCENT (50%) OR MORE OF THE THEN CURRENT AMOUNT, AS REPORTED UNDER GENERALLY ACCEPTED ACCOUNTING PRINCIPLES, OF THE TOTAL ASSETS HELD BY THE WILCOX AFFILIATES;
- (8) SELL, LEASE, EXCHANGE OR DISPOSE OF FIFTY PERCENT (50%) OR MORE OF THE PROPERTY AND ASSETS HELD BY THE CORPORATION TO ANY ENTITY THAT IS NOT AN AFFILIATE;
- (9) SELL, LEASE OR TRANSFER OF OPERATIONS OR ACTIVITIES OF THE WILCOX AFFILIATES WHICH GENERATE FIFTY PERCENT (50%) OR MORE OF THE TOTAL NET REVENUES, AS REPORTED UNDER GENERALLY ACCEPTED ACCOUNTING PRINCIPLES, OF THE WILCOX AFFILIATES DURING THE PRIOR FISCAL YEAR;
- (10) MERGE THE CORPORATION WITH ANY ENTITY;
- (11) DISSOLVE OR LIQUIDATE THE CORPORATION;
- (12) ISSUE THE CORPORATION'S MEMBERSHIP TO ANYONE OTHER THAN THE MEMBER;

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(13) FORM A JOINT VENTURE OR OTHER BUSINESS RELATIONSHIP (OTHER THAN THE ORDINARY COURSE OF BUSINESS CONTRACTS) BETWEEN THE CORPORATION AND ANY PERSON OR ENTITY; AND

(14) DEVELOP A NEW LINE OF BUSINESS OR A NEW SERVICE.

FORM 990, PART VI, LINE 11B

PROCESS USED TO REVIEW THE FORM 990

VARIOUS SCHEDULES OF THE 990 ARE PREPARED PRIMARILY BY STAFF WITHIN THE ACCOUNTING AREA OF THE ORGANIZATION SUCH AS MANAGEMENT OF THE OPERATING UNITS, HR, LEGAL, ETC. DISCLOSURE NARRATIVES ARE WRITTEN AND COMPILED INTERNALLY BASED ON INPUT AND DISCUSSION WITH FINANCIAL ANALYSTS AND THE CHIEF OPERATING OFFICER/EXECUTIVE DIRECTOR OF THE REPORTING ENTITY. THE CHIEF OPERATING OFFICER/EXECUTIVE DIRECTOR OF EACH REPORTING ENTITY REVIEWS AND APPROVES THE DISCLOSURE NARRATIVES WHICH DESCRIBES THE MISSION/PURPOSE AND PROGRAM ACCOMPLISHMENTS OF THEIR ORGANIZATION. SENIOR MANAGEMENT OF THE HEALTH CARE SYSTEM REVIEWS THE 990S OF EACH FILING ORGANIZATION WITHIN THE HEALTH CARE SYSTEM. ONCE SENIOR MANAGEMENT HAS COMPLETED ITS REVIEW, THE 990S ARE THEN PROVIDED TO THE GOVERNANCE AND NOMINATING COMMITTEE OF THE HEALTH CARE SYSTEM'S BOARD OF DIRECTORS FOR THEIR REVIEW.

THE GOVERNANCE AND NOMINATING COMMITTEE OF THE PARENT ENTITY'S (HAWAII PACIFIC HEALTH "HPH") BOARD PROVIDES OVERSIGHT FOR THE 990 REPORTING AND REVIEWS THE 990S FOR EACH ENTITY PRIOR TO FILING. IN ADDITION, THE 990S FOR EACH ENTITY ARE MADE AVAILABLE TO THE BOARD MEMBERS OF EACH SUBSIDIARY UNIT OF HPH AND THE HPH BOARD OF DIRECTORS THROUGH A BOARD



Name of the organization KAUA'I MEDICAL CLINIC	Employer identification number 99-0326099
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MEMBER PORTAL FOR REVIEW PRIOR TO THE FILING OF THE 990. THE 990S WILL BE POSTED TO HPH'S WEB SITE FOR PUBLIC ACCESS AFTER THE FILING OF THE RETURN WITH THE IRS.

FORM 990, PART VI, LINE 12C

MONITORING & ENFORCEMENT OF COMPLIANCE WITH CONFLICT OF INTEREST POLICY ANNUALLY, EACH DIRECTOR, OFFICER, KEY EMPLOYEE AND MEMBER OF A COMMITTEE WITH BOARD DELEGATED POWERS SHALL ANNUALLY SIGN A STATEMENT WHICH AFFIRMS THAT SUCH PERSON:

- 1) RECEIVED A COPY OF THE CONFLICT OF INTEREST ("COI") POLICY;
- 2) HAS READ AND UNDERSTANDS THE POLICY;
- 3) AGREES TO COMPLY WITH THE POLICY; AND
- 4) UNDERSTANDS THAT THE ORGANIZATION IS A CHARITABLE ORGANIZATION AND THAT IN ORDER TO MAINTAIN ITS FEDERAL TAX EXEMPTION, THE ORGANIZATION MUST ENGAGE PRIMARILY IN ACTIVITIES WHICH ACCOMPLISH ONE OR MORE OF ITS TAX-EXEMPT PURPOSES.

THE IN-HOUSE LEGAL DEPARTMENT DISTRIBUTES THE STATEMENT REQUEST AND REVIEWS THE COI STATEMENTS RETURNED. IDENTIFIED CONFLICTS OF INTEREST ARE PRESENTED TO THE BOARD FOR REVIEW, DELIBERATION AND CONFIRMATION/REFUTATION THAT A CONFLICT OF INTEREST EXISTS. IF A CONFLICT OF INTEREST HAS BEEN FOUND, THE INDIVIDUAL MAY ADDRESS THE BOARD AND EXPLAIN THE TRANSACTION OR ARRANGEMENT CAUSING THE CONFLICT. AFTER THE PRESENTATION, THE INDIVIDUAL IS EXCUSED FROM THE MEETING AND SHALL NOT PARTICIPATE WITH ANY DISCUSSION OR VOTE ON MATTERS PERTAINING TO THE TRANSACTION OR ARRANGEMENT.

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IN MEETINGS WHERE APPLICATION OF THE COI POLICY OCCURS, THE MEETING MINUTES INCLUDE NATURE OF THE FINANCIAL INTEREST/CONFLICT, NAME(S) OF THE PERSON(S) WITH THE POTENTIAL OR ACTUAL CONFLICT, ANY ACTION TAKEN TO ASSIST IN THE DETERMINATION OF WHETHER A CONFLICT EXISTED, INCLUDING ANY DISCUSSION OF ALTERNATIVE ARRANGEMENTS, THE BOARD'S DECISION(S) REGARDING THE CONFLICT AND NAMES OF PERSON PRESENT IN THE DISCUSSION AND VOTES RELATING TO THE TRANSACTION OR ARRANGEMENT.

FORM 990, PART VI, LINE 15

PROCESS OF DETERMINING COMPENSATION

THE CEO OF THE ORGANIZATION IS NOT COMPENSATED BY THE FILING ORGANIZATION, BUT RATHER BY THE TAX EXEMPT PARENT HAWAI'I PACIFIC HEALTH ("HPH"). FOLLOWING IS THE PROCESS THAT THE PARENT ORGANIZATION UNDERTAKES TO APPROVE THE CEO'S COMPENSATION.

COMPENSATION FOR HAWAI'I PACIFIC HEALTH ("HPH") EXECUTIVES (VICE PRESIDENT AND ABOVE) IS SET BY THE HPH COMPENSATION COMMITTEE, WHICH IS COMPOSED SOLELY OF INDEPENDENT, COMMUNITY-BASED MEMBERS OF THE HPH BOARD OF DIRECTORS. ON AN ANNUAL BASIS, THE HPH BOARD CHAIRPERSON (WHO IS INDEPENDENT) SELECTS A NEUTRAL THIRD PARTY EXECUTIVE COMPENSATION CONSULTANT TO REVIEW THE EXECUTIVES' COMPENSATION AND BENEFITS. THE CONSULTANT PROVIDES A WRITTEN REPORT TO THE COMPENSATION COMMITTEE AT ITS ANNUAL MEETING. INCLUDED IN THE REPORT IS MARKET BASED DATA FROM LIKE ORGANIZATIONS. THE COMPENSATION COMMITTEE MAKES FINAL DECISIONS REGARDING COMPENSATION AND BENEFITS AT THE MEETING AFTER REVIEW AND DISCUSSION OF

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THE CONSULTANT'S REPORT, AND SUCH DECISIONS ARE DOCUMENTED IN THE COMPENSATION COMMITTEE MEETING MINUTES. COMMUNITY BASED DIRECTORS OF THE ORGANIZATION ARE NOT COMPENSATED.

CERTAIN EMPLOYED PHYSICIANS MAY BE OFFICERS OR AN IDENTIFIED KEY EMPLOYEE OF THE REPORTING OR RELATED ORGANIZATION. PHYSICIAN COMPENSATION IS ALSO HANDLED IN THE SAME MANNER AS EXECUTIVE COMPENSATION, WITH THE HPH COMPENSATION COMMITTEE RECEIVING A REPORT FROM A NEUTRAL CONSULTANT AND FOLLOWING THE SAME PROCESS AS DESCRIBED ABOVE ON AN ANNUAL BASIS. THIS PROCESS WAS COMPLETED ON MARCH 13, 2019 TO REVIEW PHYSICIAN COMPENSATION, AND ON AUGUST 22, 2019 TO REVIEW EXECUTIVE COMPENSATION.

FORM 990, PART VI, LINE 19

PROCESS OF MAKING DOCUMENTS AVAILABLE TO THE PUBLIC

THE CONFLICT OF INTEREST POLICY AND STANDARDS OF CONDUCT ARE AVAILABLE ON THE HAWAI'I PACIFIC HEALTH WEBSITE. THE CONSOLIDATED AUDITED FINANCIAL STATEMENTS ARE AVAILABLE TO THE PUBLIC VIA THE HAWAI'I PACIFIC HEALTH WEBSITE.

FORM 990, PART IX, LINE 11G

OTHER FEES EXCEDING 10% OF TOTAL EXPENSE

\$4,638,609 - INTERNAL SERVICE PROVIDER

\$ 703,253 - VARIOUS SERVICES

\$ 636,466 - SERVICES PHYSICIAN

\$ 556,846 - SERVICES PROVIDED BY WMH STAFF FOR ENVIRONMENTAL CLEANING SERVICES

Name of the organization KAUA 'I MEDICAL CLINIC	Employer identification number 99-0326099
--	--

\$ 493,115 - SERVICES PROVIDED BY WMH STAFF FOR HEALTH INFO MGMT  
 \$ 271,169 - ELECTRICAL SERVICES PROVIDED BY WMH STAFF FOR PLANT/GROUND  
 MAINTENANCE, SECURITY SERVICES  
 \$ 246,487 - REPAIRS AND MAINTENANCE  
 \$ 242,125 - URGENT CARE STAFF HOURS  
 \$ 203,547 - COURIER SERVICES, SPD STAFF HOURS  
 \$ 151,628 - KAPAA CLINIC  
 \$ 131,165 - ELEELE CLINIC  
 \$ 60,539 - COLLECTION FEES  
 \$ 51,138 - SERVICES CONSULTING  
 \$ 32,785 - SERVICES LAUNDRY  
 \$ 26,009 - SERVICES CONTRACT RECURRING  
 \$ 22,607 - SERVICES MEDICAL  
 \$ 150 - BUS PASS  
 \$ (1,291) - EXPENSE RECOVERY  
 \_\_\_\_\_  
 \$8,466,347

FORM 990, PART XI, LINE 9

OTHER CHANGES IN NET ASSETS

\$ 21,046,790 - EQUITY TRANSFERS WITH HPH  
 \$( 2) - ROUNDING  
 \_\_\_\_\_

\$ 21,046,790 - TOTAL

Name of the organization KAUA'I MEDICAL CLINIC	Employer identification number 99-0326099
---	--

ATTACHMENT 1

990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS

<u>NAME AND ADDRESS</u>	<u>DESCRIPTION OF SERVICES</u>	<u>COMPENSATION</u>
COMPHEALTH, INC. PO BOX 972651 DALLAS, TX 75397-2651	HEALTHCARE STAFFING	536,999.
GATESIDE, INC. 522 AHUI ST HONOLULU, HI 96813	CONSTRUCTION	222,414.
VIRTUAL RADIOLOGIC CORPORATION 25983 NETWORK PLACE CHICAGO, IL 60673-1259	RADIOLOGY	171,782.
SHIOI CONSTRUCTION, INC. 4011 HALAU ST LIHUE, HI 96766	CONSTRUCTION SVCS	157,157.
PRESS GANEY ASSOC., INC. PO BOX 88335 MILWAUKEE, WI 53288-0335	HEALTH CARE SURVEY	106,674.

**SCHEDULE R  
(Form 990)**

**Related Organizations and Unrelated Partnerships**

OMB No. 1545-0047

**2018**

**Open to Public  
Inspection**

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.

▶ Attach to Form 990.

▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

Department of the Treasury  
Internal Revenue Service

Name of the organization

KAUA'I MEDICAL CLINIC

Employer identification number

99-0326099

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

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(1) KAPI'OLANI MEDICAL CTR WOMEN & CHILDREN 99-0177350 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	HOSPITAL	HI	501(C)(3)	3	N/A	X	
(2) KAPI'OLANI MEDICAL SPECIALISTS 99-0322406 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	HEALTH CARE	HI	501(C)(3)	10	N/A	X	
(3) PALI MOMI FOUNDATION 38-3840327 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	FUNDRAISING	HI	501(C)(3)	7	N/A	X	
(4) PALI MOMI MEDICAL CENTER 99-0274038 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	HOSPITAL	HI	501(C)(3)	3	N/A	X	
(5) PROVIDERS INSURANCE CORPORATION 71-0893000 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	NFP INSURANCE	HI	501(C)(3)	12B, II	N/A	X	
(6) STRAUB CLINIC & HOSPITAL 91-2151670 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	HOSPITAL	HI	501(C)(3)	3	N/A	X	
(7) STRAUB FOUNDATION 99-0109350 55 MERCHANT STREET, 26TH FLOOR HONOLULU, HI 96813	RESEARCH/EDUC	HI	501(C)(3)	7	N/A	X	

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

Schedule R (Form 990) 2018

**SCHEDULE R  
(Form 990)**

**Related Organizations and Unrelated Partnerships**

OMB No. 1545-0047

**2018**

**Open to Public  
Inspection**

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.

▶ Attach to Form 990.

▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

Department of the Treasury  
Internal Revenue Service

Name of the organization

KAUA'I MEDICAL CLINIC

Employer identification number

99-0326099

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

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(1) WILCOX HEALTH FOUNDATION 99-0204242 3-3420 KUHIO HIGHWAY LIHUE, HI 96766	FUNDRAISING	HI	501(C)(3)	7	N/A	X	
(2) WILCOX MEMORIAL HOSPITAL 99-0074365 3-3420 KUHIO HIGHWAY LIHUE, HI 96766	HOSPITAL	HI	501(C)(3)	3	N/A	X	
(3) HAWAI'I PACIFIC HEALTH 99-0246363 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	ADMIN. SVCS	HI	501(C)(3)	12B, III-FI	N/A		X
(4) KAPI'OLANI HEALTH FOUNDATION 99-0246364 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	FUNDRAISING	HI	501(C)(3)	7	N/A	X	
(5)							
(6)							
(7)							

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

Schedule R (Form 990) 2018

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512 - 514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V - UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) ASC PACIFIC VENTURES, LLC SEE PART VII	AMB. SURG. CTR	AL	N/A									
(2)												
(3)												
(4)												
(5)												
(6)												
(7)												

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No
(1) HAWAI'I PACIFIC HEALTH PARTNERS INC 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813 99-0318588	HOLDING COMPANY	HI	N/A	C CORP					
(2) HICORD, INC 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813 99-0251496	INVESTMENT	HI	N/A	C CORP					
(3) STRAUB PHARMACY, INC 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813 99-0145107	INACTIVE	HI	N/A	C CORP					
(4)									
(5)									
(6)									
(7)									



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

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

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

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

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) KAPI'OLANI MED CTR WOMEN & CHILDREN	Q	99,832.	FMV
(2) STRAUB CLINIC & HOSPITAL	S	322,586.	FMV
(3) WILCOX MEMORIAL HOSPITAL	Q	2,281,580.	FMV
(4) WILCOX MEMORIAL HOSPITAL	S	61,822.	FMV
(5) WILCOX MEMORIAL HOSPITAL	P	1,137,494.	FMV
(6) WILCOX MEMORIAL HOSPITAL	R	50,930.	FMV

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

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

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

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

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) PROVIDERS INSURANCE CORPORATION	R	1,552,184.	FMV
(2)			
(3)			
(4)			
(5)			
(6)			

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

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

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V - UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	
(1)													
(2)													
(3)													
(4)													
(5)													
(6)													
(7)													
(8)													
(9)													
(10)													
(11)													
(12)													
(13)													
(14)													
(15)													
(16)													

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**Part VII** **Supplemental Information**

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

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SCHEDULE R, PART III

ASC PACIFIC VENTURES, LLC

EIN: 27-0540034

ADDRESS: 3000 RIVERCHASE GALLERIA, STE 500 BIRMINGHAM, AL 35244

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