

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

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

OMB No. 1545-0047

2023

Open to Public Inspection

A For the **2023** calendar year, or tax year beginning **10/01/2023** and ending **09/30/2024**

B Check if applicable:

- ☐ Address change
☐ Name change
☐ Initial return
☐ Final return/terminated
☐ Amended return
☐ Application pending

C Name of organization

THE OUTER BANKS HOSPITAL, INC.

Doing business as OUTER BANKS HEALTH

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

2100 STANTONSBURG ROAD

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

GREENVILLE, NC 27835

F Name and address of principal officer: RONALD SLOAN

SAME AS "C" ABOVE

D Employer identification number

56-2112733

E Telephone number

(252) 847-5129

G Gross receipts \$

146,632,400.

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

H(b) Are all subordinates included? ☐ Yes ☐ No

If "No," attach a list. See instructions.

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

J Website: WWW.OUTERBANKSHEALTH.ORG

H(c) Group exemption number

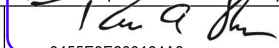
K Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other **L** Year of formation: 2002 **M** State of legal domicile: NC

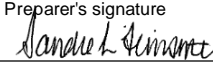
Part I Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities: TO ADVANCE AND SUPPORT THE HEALTHCARE NEEDS OF THE COMMUNITIES OF EASTERN NORTH CAROLINA.
	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 10
	4	Number of independent voting members of the governing body (Part VI, line 1b) 4 7
	5	Total number of individuals employed in calendar year 2023 (Part V, line 2a) 5 NONE
	6	Total number of volunteers (estimate if necessary) 6 77
	7a	Total unrelated business revenue from Part VIII, column (C), line 12 7a NONE
7b	Net unrelated business taxable income from Form 990-T, Part I, line 11 7b NONE	
Revenue	8	Contributions and grants (Part VIII, line 1h) 181,402. 3,165,116.
	9	Program service revenue (Part VIII, line 2g) 125,064,152. 136,581,520.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d) 1,527,039. 2,199,187.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) 1,937,798. 4,686,577.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12) 128,710,391. 146,632,400.
	Expenses	13
14		Benefits paid to or for members (Part IX, column (A), line 4) NONE NONE
15		Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) 49,121,828. 60,060,423.
16a		Professional fundraising fees (Part IX, column (A), line 11e) NONE NONE
b		Total fundraising expenses (Part IX, column (D), line 25) NONE
17		Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e) 67,548,521. 75,442,586.
18		Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25) 116,906,754. 135,736,702.
Net Assets or Fund Balances	19	Revenue less expenses. Subtract line 18 from line 12 11,803,637. 10,895,698.
	20	Total assets (Part X, line 16) 139,648,014. 144,937,932.
	21	Total liabilities (Part X, line 26) 22,565,818. 28,460,038.
	22	Net assets or fund balances. Subtract line 21 from line 20 117,082,196. 116,477,894.

Part II Signature Block

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

Sign Here

0455E0E200164A3...
Signature of officer **RONALD SLOAN** **PRESIDENT**
Type or print name and title
Date **7/16/2025**

Paid Preparer Use Only
Print/Type preparer's name **SANDRA L FEINSMITH** Preparer's signature  Date **07/16/2025** Check ☐ if self-employed PTIN **P01064157**
Firm's name **BDO USA** Firm's EIN **13-5381590**
Firm's address **421 FAYETTEVILLE STREET, SUITE 300 RALEIGH, NC 27601** Phone no. **919-278-1936**

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** (2023)

**Application for Extension of Time To File an Exempt Organization
Return or Excise Taxes Related to Employee Benefit Plans**File a separate application for each return.
Go to www.irs.gov/Form8868 for the latest information.

OMB No. 1545-0047

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

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

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

Part I - Identification

Type or Print File by the due date for filing your return. See instructions.	Name of exempt organization, employer, or other filer, see instructions. THE OUTER BANKS HOSPITAL, INC.	Taxpayer identification number (TIN) 56-2112733
	Number, street, and room or suite no. If a P.O. box, see instructions. 2100 STANTONSBURG ROAD	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. GREENVILLE, NC 27835	

Enter the Return Code for the return that this application is for (file a separate application for each return) **01**

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 4720 (other than individual)	09
Form 4720 (individual)	03	Form 5227	10
Form 990-PF	04	Form 6069	11
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 8870	12
Form 990-T (trust other than above)	06	Form 5330 (individual)	13
Form 990-T (corporation)	07	Form 5330 (other than individual)	14
Form 1041-A	08		

• After you enter your Return Code, complete either Part II or Part III. Part III, including signature, is applicable only for an extension of time to file Form 5330.

• If this application is for an extension of time to file Form 5330, you must enter the following information.

Plan Name _____
Plan Number _____
Plan Year Ending (MM/DD/YYYY) _____

Part II - Automatic Extension of Time To File for Exempt Organizations (see instructions)

JENNIFER WORSLEY
The books are in the care of 2100 STANTONSBURG ROAD GREENVILLE NC 27834
Telephone No. 252 847-2254 Fax No. _____

• If the organization does not have an office or place of business in the United States, check this box ☐

• If this is for a Group Return, enter the organization's four-digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box, ☐. If it is for part of the group, check this box ☐ and attach a list with the names and TINs of all members the extension is for.

1 I request an automatic 6-month extension of time until 08/15, 2025, to file the **exempt organization return** for the organization named above. The extension is for the organization's return for:

☐ calendar year 20____ or
☒ tax year beginning 10/01, 2023, and ending 09/30, 2024.

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

3a If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$	NONE
b If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$	NONE
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$	NONE

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

Form **8868** (Rev. 1-2024)

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response or note to any line in this Part III ☐ Yes ☒ No**1** Briefly describe the organization's mission:

TO ENHANCE THE QUALITY OF LIFE FOR THE RESIDENTS AND VISITORS OF DARE
COUNTY AND THE SURROUNDING REGION BY PROMOTING WELLNESS AND PROVIDING
THE HIGHEST QUALITY HEALTHCARE SERVICES.

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 \$ 124,433,248. including grants of \$ 233,693.) (Revenue \$ 115,714,652.)
OUTPATIENT AND EMERGENCY SERVICES:

PROVIDED EMERGENCY SERVICES TO 20,284 PATIENTS 24 HOURS A DAY FOR
365 DAYS. PROVIDED OUTPATIENT DIAGNOSTIC AND THERAPEUTIC SERVICES
TO 33,623 PATIENTS. PERFORMED 2,167 OUTPATIENT SURGICAL
PROCEDURES.

4b (Code:) (Expenses \$ NONE including grants of \$ NONE) (Revenue \$ 20,866,868.)
INPATIENT SERVICES:

PROVIDED INPATIENT CARE 24 HOURS A DAY FOR 365 DAYS TO 1,634
PATIENTS. DELIVERED 288 BABIES. PERFORMED 187 INPATIENT SURGICAL
PROCEDURES.

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

4d Other program services (Describe on Schedule O.)

(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses 124,433,248.

Part IV Checklist of Required Schedules

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

Part IV Checklist of Required Schedules (continued)

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

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

	Yes	No
1a Enter the number reported in box 3 of Form 1096. Enter -0- if not applicable		
1b Enter the number of Forms W-2G included on line 1a. Enter -0- if not applicable		
1c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		

Part V Statements Regarding Other IRS Filings and Tax Compliance (continued)		Yes	No
2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a NONE		
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b		
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a		X
b If "Yes," has it filed a Form 990-T for this year? <i>If "No" to line 3b, provide an explanation on Schedule O</i>	3b		
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)? . .	4a		X
b If "Yes," enter the name of the foreign country _____ See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).			
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a		X
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		X
c If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c		
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a		X
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b		
7 Organizations that may receive deductible contributions under section 170(c).			
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a		X
b If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		X
d If "Yes," indicate the number of Forms 8282 filed during the year 7d			
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e		X
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		X
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g		
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h		
8 Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	8		
9 Sponsoring organizations maintaining donor advised funds.			
a Did the sponsoring organization make any taxable distributions under section 4966?	9a		
b Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?	9b		
10 Section 501(c)(7) organizations. Enter:			
a Initiation fees and capital contributions included on Part VIII, line 12 10a			
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities 10b			
11 Section 501(c)(12) organizations. Enter:			
a Gross income from members or shareholders 11a			
b Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) 11b			
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a		
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year 12b			
13 Section 501(c)(29) qualified nonprofit health insurance issuers.			
a Is the organization licensed to issue qualified health plans in more than one state?	13a		
Note: See the instructions for additional information the organization must report on Schedule O.			
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans 13b			
c Enter the amount of reserves on hand 13c			
14a Did the organization receive any payments for indoor tanning services during the tax year?	14a		X
b If "Yes," has it filed a Form 720 to report these payments? <i>If "No," provide an explanation on Schedule O</i>	14b		
15 Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year?	15		X
If "Yes," see the instructions and file Form 4720, Schedule N.			
16 Is the organization an educational institution subject to the section 4968 excise tax on net investment income? If "Yes," complete Form 4720, Schedule O.	16		X
17 Section 501(c)(21) organizations. Did the trust, or any disqualified or other person engage in any activities that would result in the imposition of an excise tax under section 4951, 4952, or 4953?	17		
If "Yes," complete Form 6069.			

Part VI Governance, Management, and Disclosure. For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes on Schedule O. See instructions.Check if Schedule O contains a response or note to any line in this Part VI ☒ X**Section A. Governing Body and Management**

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

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

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

Section C. Disclosure

- 17** List the states with which a copy of this Form 990 is required to be filed _____
- 18** Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A, if applicable), 990, and 990-T (section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
☐ Own website ☒ Another's website ☒ Upon request ☐ Other (explain on Schedule O)
- 19** Describe on Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
- 20** State the name, address, and telephone number of the person who possesses the organization's books and records.
 JENNIFER WORSLEY 2100 STANTONSBURG ROAD GREENVILLE, NC 27834

252-847-2254

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

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See the instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (box 5 of Form W-2, box 6 of Form 1099-MISC, and/or box 1 of Form 1099-NEC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

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

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below 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/ 1099-NEC)	(E) Reportable compensation from related organizations (W-2/ 1099-MISC/ 1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) CHRISTOPHER MANN PHYSICIAN	40.00 NONE					X		674,021.	NONE	52,461.
(2) JAY BRILEY BOARD MEMBER (THRU 12/23)	2.00 50.00	X						NONE	512,320.	175,853.
(3) MATTHEW MCKENNA PHYSICIAN	40.00 NONE					X		563,675.	NONE	54,900.
(4) GARY HUNTER ANESTHESIOLOGIST	40.00 NONE					X		585,839.	NONE	31,831.
(5) JEFFREY CHASE PHYSICIAN	40.00 NONE					X		540,945.	NONE	48,698.
(6) VAN SMITH BOARD MEMBER (AS OF 3/24)	2.00 50.00	X						NONE	397,137.	180,449.
(7) AMANDA PETTIBONE POND PHYSICIAN	40.00 NONE					X		532,845.	NONE	44,009.
(8) RONALD SLOAN PRESIDENT	40.00 NONE			X				326,014.	NONE	131,498.
(9) MARCELLA BRYANT VP, CLINICAL OPERATIONS	40.00 NONE				X			204,034.	NONE	60,417.
(10) TODD WARLITNER VP, FINANCE-CRITICAL ACCESS	16.00 24.00				X			76,464.	114,696.	56,198.
(11) AMY MONTGOMERY SECRETARY	40.00 NONE			X				166,002.	NONE	34,567.
(12) ROBERT TULL VICE CHAIR/CHAIR	2.00 NONE	X						NONE	NONE	NONE
(13) JASON WAUGHTEL VICE CHAIR (AS OF 5/24)	2.00 NONE	X						NONE	NONE	NONE
(14) STUART BELL BOARD MEMBER (THRU 3/24)	2.00 NONE	X						NONE	NONE	NONE

Form **990** (2023)

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) MYRA BOWEN BOARD MEMBER	2.00 NONE	X						NONE	NONE	NONE
(16) PETE BURKHIMER BOARD MEMBER	2.00 NONE	X						NONE	NONE	NONE
(17) JAMIE FOUNTAIN, MD BOARD MEMBER	2.00 NONE	X						NONE	NONE	NONE
(18) JASON HIGGINSON, MD BOARD MEMBER (AS OF 9/24)	2.00 NONE	X						NONE	NONE	NONE
(19) REESE JACKSON BOARD MEMBER	2.00 NONE	X						NONE	NONE	NONE
(20) TESS JUDGE CHAIR/BOARD MEMBER	2.00 NONE	X						NONE	NONE	NONE
(21) MYRA LADD-BONE BOARD MEMBER	2.00 NONE	X						NONE	NONE	NONE
(22) CINDY THORNSVARD BOARD MEMBER (THRU 3/24)	2.00 NONE	X						NONE	NONE	NONE
1b Sub-total								3,669,839.	1,024,153.	870,881.
c Total from continuation sheets to Part VII, Section A								NONE	NONE	NONE
d Total (add lines 1b and 1c)								3,669,839.	1,024,153.	870,881.

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 ► 101

	Yes	No
3 Did the organization list any former 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
SEE SCHEDULE O		

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 ► 29

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

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants, and Other Similar Amounts	1a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations	1d				
	e	Government grants (contributions) . .	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above .	1f	3,165,116.			
	g	Noncash contributions included in lines 1a-1f	1g	\$			
	h	Total. Add lines 1a-1f		3,165,116.			
	Program Service Revenue				Business Code		
2a		OUTPATIENT SERVICES	621110	115,714,652.	115,714,652.		
b		INPATIENT SERVICES	621110	20,866,868.	20,866,868.		
c							
d							
e							
f		All other program service revenue					
g		Total. Add lines 2a-2f		136,581,520.			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		2,161,996.		NONE	2,161,996.
	4	Income from investment of tax-exempt bond proceeds . . .		NONE			
	5	Royalties		NONE			
			(i) Real	(ii) Personal			
	6a	Gross rents	6a	193,826.			
	b	Less: rental expenses	6b				
	c	Rental income or (loss)	6c	193,826.	NONE		
	d	Net rental income or (loss)		193,826.			193,826.
	7a	Gross amount from sales of assets other than inventory		(i) Securities	(ii) Other		
	b	Less: cost or other basis and sales expenses . .	7b				
	c	Gain or (loss)	7c		37,191.		
	d	Net gain or (loss)		37,191.			37,191.
	8a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	8a	NONE			
	b	Less: direct expenses	8b	NONE			
	c	Net income or (loss) from fundraising events		NONE			
	9a	Gross income from gaming activities. See Part IV, line 19	9a	NONE			
	b	Less: direct expenses	9b	NONE			
	c	Net income or (loss) from gaming activities		NONE			
	10a	Gross sales of inventory, less returns and allowances	10a	NONE			
b	Less: cost of goods sold	10b	NONE				
c	Net income or (loss) from sales of inventory		NONE				
Miscellaneous Revenue				Business Code			
	11a	OTHER REVENUE	900099	4,212,548.			4,212,548.
	b	CAFETERIA MEALS	722514	177,719.			177,719.
	c	REBATES	900099	76,016.			76,016.
	d	All other revenue	900099	26,468.			26,468.
	e	Total. Add lines 11a-11d		4,492,751.			
12	Total revenue. See instructions			146,632,400.	136,581,520.	NONE	6,885,764.

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**Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.**

	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21	233,693.	233,693.		
2 Grants and other assistance to domestic individuals. See Part IV, line 22	NONE			
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16	NONE			
4 Benefits paid to or for members	NONE			
5 Compensation of current officers, directors, trustees, and key employees	1,086,183.		1,086,183.	
6 Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	NONE			
7 Other salaries and wages	48,675,601.	47,143,866.	1,531,735.	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	1,307,687.	1,242,303.	65,384.	
9 Other employee benefits	5,658,893.	5,505,777.	153,116.	
10 Payroll taxes	3,332,059.	3,165,456.	166,603.	
11 Fees for services (nonemployees):				
a Management	56,177.	44,942.	11,235.	
b Legal	27,488.		27,488.	
c Accounting	63,586.		63,586.	
d Lobbying	3,436.		3,436.	
e Professional fundraising services. See Part IV, line 17	NONE			
f Investment management fees	NONE			
g Other. (If line 11g amount exceeds 10% of line 25, column (A), amount, list line 11g expenses on Schedule O.)	SEE SCHE O 33,753,639.	27,002,911.	6,750,728.	NONE
12 Advertising and promotion	298,675.	238,940.	59,735.	
13 Office expenses	315,749.	284,174.	31,575.	
14 Information technology	112,014.	22,403.	89,611.	
15 Royalties	NONE			
16 Occupancy	1,223,246.	978,597.	244,649.	
17 Travel	145,286.	116,229.	29,057.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	NONE			
19 Conferences, conventions, and meetings	NONE			
20 Interest	264,015.		264,015.	
21 Payments to affiliates	NONE			
22 Depreciation, depletion, and amortization	4,351,246.	4,351,246.		
23 Insurance	695,730.	139,146.	556,584.	
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A), amount, list line 24e expenses on Schedule O.)				
a MEDICAL SUPPLIES	22,124,052.	22,124,052.		
b BAD DEBT	11,164,582.	11,164,582.		
c ALL OTHER EXPENSES	843,665.	674,931.	168,734.	
d				
e All other expenses				
25 Total functional expenses. Add lines 1 through 24e	135,736,702.	124,433,248.	11,303,454.	NONE
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

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

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	NONE	1	NONE
	2 Savings and temporary cash investments.	15,521,141.	2	28,499,435.
	3 Pledges and grants receivable, net	NONE	3	NONE
	4 Accounts receivable, net	24,239,758.	4	18,353,363.
	5 Loans and other receivables from any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons	NONE	5	NONE
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B).	NONE	6	NONE
	7 Notes and loans receivable, net	NONE	7	NONE
	8 Inventories for sale or use	2,033,403.	8	2,094,352.
	9 Prepaid expenses and deferred charges	157,394.	9	230,410.
	10 a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 114,067,575.		
	b Less: accumulated depreciation.	10b 57,025,573.		
	11 Investments - publicly traded securities.	50,790,003.	10c	57,042,002.
	12 Investments - other securities. See Part IV, line 11	38,300,939.	11	31,854,989.
	13 Investments - program-related. See Part IV, line 11.	NONE	12	NONE
	14 Intangible assets	NONE	13	NONE
	15 Other assets. See Part IV, line 11	NONE	14	NONE
16 Total assets. Add lines 1 through 15 (must equal line 33)	8,605,376.	15	6,863,381.	
	139,648,014.	16	144,937,932.	
Liabilities	17 Accounts payable and accrued expenses.	20,342,186.	17	25,004,588.
	18 Grants payable	NONE	18	NONE
	19 Deferred revenue	NONE	19	NONE
	20 Tax-exempt bond liabilities	NONE	20	NONE
	21 Escrow or custodial account liability. Complete Part IV of Schedule D	NONE	21	NONE
	22 Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons	NONE	22	NONE
	23 Secured mortgages and notes payable to unrelated third parties	NONE	23	NONE
	24 Unsecured notes and loans payable to unrelated third parties.	NONE	24	NONE
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	2,223,632.	25	3,455,450.
	26 Total liabilities. Add lines 17 through 25.	22,565,818.	26	28,460,038.
	Net Assets or Fund Balances	Organizations that follow FASB ASC 958, check here and complete lines 27, 28, 32, and 33. <input checked="" type="checkbox"/>		
27 Net assets without donor restrictions		117,082,196.	27	116,477,894.
28 Net assets with donor restrictions.		NONE	28	NONE
Organizations that do not follow FASB ASC 958, check here and complete lines 29 through 33. <input type="checkbox"/>				
29 Capital stock or trust principal, or current funds			29	
30 Paid-in or capital surplus, or land, building, or equipment fund			30	
31 Retained earnings, endowment, accumulated income, or other funds			31	
32 Total net assets or fund balances		117,082,196.	32	116,477,894.
33 Total liabilities and net assets/fund balances.		139,648,014.	33	144,937,932.

Form **990** (2023)

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	146,632,400.
2	Total expenses (must equal Part IX, column (A), line 25)	2	135,736,702.
3	Revenue less expenses. Subtract line 2 from line 1	3	10,895,698.
4	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	4	117,082,196.
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain on Schedule O).	9	-11,500,000.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	10	116,477,894.

Part XII Financial Statements and ReportingCheck 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 on Schedule O.
- 2a** Were the organization's financial statements compiled or reviewed by an independent accountant?
If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both:
☐ 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 on 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 Uniform Guidance, 2 C.F.R. Part 200, Subpart F?
- 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 on Schedule O and describe any steps taken to undergo such audits . . .

	Yes	No
2a		X
2b	X	
2c	X	
3a	X	
3b	X	

Form **990** (2023)

SCHEDULE A
(Form 990)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

Attach to Form 990 or Form 990-EZ.

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

OMB No. 1545-0047

2023

**Open to Public
Inspection**

Name of the organization

THE OUTER BANKS HOSPITAL, INC.

Employer identification number

56-2112733

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

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

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

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

Schedule A (Form 990) 2023

Part II **Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**
 (Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2019	(b) 2020	(c) 2021	(d) 2022	(e) 2023	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3.						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f).						
6 Public support. Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2019	(b) 2020	(c) 2021	(d) 2022	(e) 2023	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
11 Total support. Add lines 7 through 10						
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First 5 years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2023 (line 6, column (f), divided by line 11, column (f))	14	%
15 Public support percentage from 2022 Schedule A, Part II, line 14	15	%
16a 33 1/3% support test - 2023. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here . The organization qualifies as a publicly supported organization.		<input type="checkbox"/>
b 33 1/3% support test - 2022. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here . The organization qualifies as a publicly supported organization		<input type="checkbox"/>
17a 10%-facts-and-circumstances test - 2023. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and stop here . Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization.		<input type="checkbox"/>
b 10%-facts-and-circumstances test - 2022. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and stop here . Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization.		<input type="checkbox"/>
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions		<input type="checkbox"/>

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2019	(b) 2020	(c) 2021	(d) 2022	(e) 2023	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b.						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2019	(b) 2020	(c) 2021	(d) 2022	(e) 2023	(f) Total
9 Amounts from line 6.						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included on line 10b, whether or not the business is regularly carried on.						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						
14 First 5 years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2023 (line 8, column (f), divided by line 13, column (f))	15	%
16 Public support percentage from 2022 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2023 (line 10c, column (f), divided by line 13, column (f))	17	%
18 Investment income percentage from 2022 Schedule A, Part III, line 17	18	%

- 19a 33 1/3% support tests - 2023.** 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 - 2022.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization . . ☐
- 20 Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions . . ☐

Part IV Supporting Organizations

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

Section A. All Supporting Organizations

	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 lines 3b and 3c 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 box 12a or 12b in Part I, answer lines 4b and 4c 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 lines 5b and 5c 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 Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
c Substitutions only. 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).</i>		
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described on line 7? <i>If "Yes," complete Part I of Schedule L (Form 990).</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 on 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 on 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 line 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
11 Has the organization accepted a gift or contribution from any of the following persons?		
a A person who directly or indirectly controls, either alone or together with persons described on lines 11b and 11c below, the governing body of a supported organization?		
b A family member of a person described on line 11a above?		
c A 35% controlled entity of a person described on line 11a or 11b above? If "Yes" to line 11a, 11b, or 11c, provide detail in Part VI .		
11a		
11b		
11c		

Section B. Type I Supporting Organizations

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

Section C. Type II Supporting Organizations

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

Section D. All Type III Supporting Organizations

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

Section E. Type III Functionally Integrated Supporting Organizations

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

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

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

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1 Net short-term capital gain	1		
2 Recoveries of prior-year distributions	2		
3 Other gross income (see instructions)	3		
4 Add lines 1 through 3.	4		
5 Depreciation and depletion	5		
6 Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6		
7 Other expenses (see instructions)	7		
8 Adjusted Net Income (subtract lines 5, 6, and 7 from line 4)	8		
Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1 Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):			
a Average monthly value of securities	1a		
b Average monthly cash balances	1b		
c Fair market value of other non-exempt-use assets	1c		
d Total (add lines 1a, 1b, and 1c)	1d		
e Discount claimed for blockage or other factors (<i>explain in detail in Part VI</i>):			
2 Acquisition indebtedness applicable to non-exempt-use assets	2		
3 Subtract line 2 from line 1d.	3		
4 Cash deemed held for exempt use. Enter 0.015 of line 3 (for greater amount, see instructions).	4		
5 Net value of non-exempt-use assets (subtract line 4 from line 3)	5		
6 Multiply line 5 by 0.035.	6		
7 Recoveries of prior-year distributions	7		
8 Minimum Asset Amount (add line 7 to line 6)	8		
Section C - Distributable Amount			Current Year
1 Adjusted net income for prior year (from Section A, line 8, column A)	1		
2 Enter 0.85 of line 1.	2		
3 Minimum asset amount for prior year (from Section B, line 8, column A)	3		
4 Enter greater of line 2 or line 3.	4		
5 Income tax imposed in prior year	5		
6 Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions).	6		
7 <input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions).			

Schedule A (Form 990) 2023

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

Section D - Distributions		Current Year
1	Amounts paid to supported organizations to accomplish exempt purposes	1
2	Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	2
3	Administrative expenses paid to accomplish exempt purposes of supported organizations	3
4	Amounts paid to acquire exempt-use assets	4
5	Qualified set-aside amounts (prior IRS approval required - <i>provide details in Part VI</i>)	5
6	Other distributions (<i>describe in Part VI</i>). See instructions.	6
7	Total annual distributions. Add lines 1 through 6.	7
8	Distributions to attentive supported organizations to which the organization is responsive (<i>provide details in Part VI</i>). See instructions.	8
9	Distributable amount for 2023 from Section C, line 6	9
10	Line 8 amount divided by line 9 amount	10

Section E - Distribution Allocations (see instructions)		(i) Excess Distributions	(ii) Underdistributions Pre-2023	(iii) Distributable Amount for 2023
1	Distributable amount for 2023 from Section C, line 6			
2	Underdistributions, if any, for years prior to 2023 (reasonable cause required - <i>explain in Part VI</i>). See instructions.			
3	Excess distributions carryover, if any, to 2023			
a	From 2018			
b	From 2019			
c	From 2020			
d	From 2021			
e	From 2022			
f	Total of lines 3a through 3e			
g	Applied to underdistributions of prior years			
h	Applied to 2023 distributable amount			
i	Carryover from 2018 not applied (see instructions)			
j	Remainder. Subtract lines 3g, 3h, and 3i from line 3f.			
4	Distributions for 2023 from Section D, line 7: \$			
a	Applied to underdistributions of prior years			
b	Applied to 2023 distributable amount			
c	Remainder. Subtract lines 4a and 4b from line 4.			
5	Remaining underdistributions for years prior to 2023, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, <i>explain in Part VI</i> . See instructions.			
6	Remaining underdistributions for 2023. Subtract lines 3h and 4b from line 1. For result greater than zero, <i>explain in Part VI</i> . See instructions.			
7	Excess distributions carryover to 2024. Add lines 3j and 4c.			
8	Breakdown of line 7:			
a	Excess from 2019			
b	Excess from 2020			
c	Excess from 2021			
d	Excess from 2022			
e	Excess from 2023			

Schedule A (Form 990) 2023

**Schedule B
(Form 990)**

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

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

OMB No. 1545-0047

2023

Name of the organization

Employer identification number

THE OUTER BANKS HOSPITAL, INC.

56-2112733

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

☒ 501(c)(3) (enter number) organization

☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

☐ 527 political organization

Form 990-PF

☐ 501(c)(3) exempt private foundation

☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation

☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

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

General Rule

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

Special Rules

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

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

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

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

Name of organization

THE OUTER BANKS HOSPITAL, INC.

Employer identification number

56-2112733

Part I **Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	N/A	\$ 3,105,773.	Person <input checked="checked" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
2	N/A	\$ 34,343.	Person <input checked="checked" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
3	N/A	\$ 15,000.	Person <input checked="checked" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
4	N/A	\$ 10,000.	Person <input checked="checked" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization

THE OUTER BANKS HOSPITAL, INC.

Employer identification number

56-2112733

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

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

Name of organization

THE OUTER BANKS HOSPITAL, INC.

Employer identification number

56-2112733

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

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

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
_____	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
_____		_____	
_____		_____	
_____		_____	
_____	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
_____		_____	
_____		_____	
_____		_____	
_____	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
_____		_____	
_____		_____	
_____		_____	
_____	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
_____		_____	
_____		_____	
_____		_____	

SCHEDULE C
(Form 990)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

For Organizations Exempt From Income Tax Under Section 501(c) and Section 527

Complete if the organization is described below. Attach to Form 990 or Form 990-EZ.
Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2023

**Open to Public
Inspection**

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

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

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

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

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

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

Name of organization	Employer identification number
THE OUTER BANKS HOSPITAL, INC.	56-2112733

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

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

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

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

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

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

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

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

Schedule C (Form 990) 2023

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

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

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

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

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below.

See the separate instructions for lines 2a through 2f.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2020	(b) 2021	(c) 2022	(d) 2023	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column (e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Schedule C (Form 990) 2023

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

For each "Yes," response on lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.	(a)		(b)
	Yes	No	Amount
1 During the year, did the filing organization attempt to influence foreign, national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a Volunteers?		X	
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		X	
c Media advertisements?		X	
d Mailings to members, legislators, or the public?		X	
e Publications, or published or broadcast statements?		X	
f Grants to other organizations for lobbying purposes?		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body?		X	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		X	
i Other activities?	X		3,436.
j Total. Add lines 1c through 1i			3,436.
2a Did the activities in line 1 cause the organization to not be described in section 501(c)(3)?		X	
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

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

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

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

Part IV Supplemental Information

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

Part IV Supplemental Information (continued)

PART II-B, LINE 1, LOBBYING ACTIVITIES:

25.93% OF DUES TO NCHA ARE ALLOCATED TO LOBBYING.

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization

THE OUTER BANKS HOSPITAL, INC.

Supplemental Financial Statements

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

Attach to Form 990.

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

OMB No. 1545-0047

2023

Open to Public
Inspection

Employer identification number

56-2112733

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts

Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate value of contributions to (during year)		
3 Aggregate value of grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?		<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?		<input type="checkbox"/> Yes <input type="checkbox"/> No

Part II Conservation Easements

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

1 Purpose(s) of conservation easements held by the organization (check all that apply).	
<input type="checkbox"/> Preservation of land for public use (for example, recreation or education)	<input type="checkbox"/> Preservation of a historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> Preservation of open space	
2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.	
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included on line 2a	2c
d Number of conservation easements included on line 2c acquired after July 25, 2006, and not on a historic structure listed in the National Register	2d
3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year	
4 Number of states where property subject to conservation easement is located	
5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?	<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year	
7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year	
8 Does each conservation easement reported on line 2d above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.	

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

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

1a If the organization elected, as permitted under FASB ASC 958, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide in Part XIII the text of the footnote to its financial statements that describes these items.	
b If the organization elected, as permitted under FASB 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 FASB 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) 2023

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

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

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

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

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

Part IV Escrow and Custodial Arrangements

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

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

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

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

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

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

Part V Endowment Funds

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

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

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

- a Board designated or quasi-endowment _____ %
 b Permanent endowment _____ %
 c Term endowment _____ %

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

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

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

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

Part VI Land, Buildings, and Equipment

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		5,525,175.		5,525,175.
b Buildings		67,157,021.	32,069,142.	35,087,879.
c Leasehold improvements		464,435.	461,992.	2,443.
d Equipment		30,331,552.	21,354,835.	8,976,717.
e Other		10,589,392.	3,139,604.	7,449,788.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, line 10c, column (B))				57,042,002.

Part VII Investments - Other Securities

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

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

Part VIII Investments - Program Related

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

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

Part IX Other Assets

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

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

Part X Other Liabilities

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

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) DUE TO THIRD PARTY PAYORS	3,186,450.
(3) RESERVE FOR PROFESSIONAL LIABILITY	269,000.
(4) _____	
(5) _____	
(6) _____	
(7) _____	
(8) _____	
(9) _____	
Total. (Column (b) must equal Form 990, Part X, line 25, col. (B)).	3,455,450.

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

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

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

1	Total revenue, gains, and other support per audited financial statements	1	135,467,818.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains (losses) on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII.)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	135,467,818.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII.)	4b	11,164,582.
c	Add lines 4a and 4b	4c	11,164,582.
5	Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12.)	5	146,632,400.

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

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

1	Total expenses and losses per audited financial statements	1	124,572,120.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIII.)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	124,572,120.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII.)	4b	11,164,582.
c	Add lines 4a and 4b	4c	11,164,582.
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.)	5	135,736,702.

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.

SEE SUPPLEMENTAL PAGE

Part XIII Supplemental Information *(continued)*

PART X, LINE 2:

THE OUTER BANKS HOSPITAL, INC. HAS BEEN DETERMINED TO QUALIFY AS A
TAX-EXEMPT ORGANIZATION UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE
CODE.

THE OUTER BANKS HOSPITAL, INC. HAS REVIEWED ITS TAX POSITIONS FOR ALL
OPEN YEARS AND HAS CONCLUDED THAT NO MATERIAL LIABILITIES EXIST AS OF
SEPTEMBER 30, 2024 AND 2023. THE OUTER BANKS HOSPITAL, INC. FILES TAX
RETURNS WITH THE U.S. FEDERAL AND STATE OF NORTH CAROLINA JURISDICTIONS.
WITH FEW EXCEPTIONS, THE OUTER BANKS HOSPITAL, INC. IS NO LONGER SUBJECT
TO U.S. FEDERAL EXAMINATIONS BY TAX AUTHORITIES FOR YEARS BEFORE 2021.

PART XI, LINE 4B - OTHER ADJUSTMENTS:

BAD DEBT	\$11,164,582.
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PART XII, LINE 4B - OTHER ADJUSTMENTS:

BAD DEBT	\$11,164,582.
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SCHEDULE H
(Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

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

OMB No. 1545-0047

2023

Open to Public
Inspection

Name of the organization

THE OUTER BANKS HOSPITAL, INC.

Employer identification number

56-2112733

Part I Financial Assistance and Certain Other Community Benefits at Cost

	Yes	No
1a Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	1a X	
b If "Yes," was it a written policy?	1b X	
2 If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year: <input checked="" type="checkbox"/> Applied uniformly to all hospital facilities <input type="checkbox"/> Applied uniformly to most hospital facilities <input type="checkbox"/> Generally tailored to individual hospital facilities		
3 Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year.		
a Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing free care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care: <input type="checkbox"/> 100% <input type="checkbox"/> 150% <input checked="" type="checkbox"/> 200% <input type="checkbox"/> Other _____ %	3a X	
b Did the organization use FPG as a factor in determining eligibility for providing discounted care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care: <input checked="" type="checkbox"/> 200% <input type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% <input type="checkbox"/> Other _____ %	3b X	
c If the organization used factors other than FPG in determining eligibility, describe in Part VI the criteria used for determining eligibility for free or discounted care. Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care.		
4 Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	4 X	
5a Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a X	
b If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	5b X	
c If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?	5c	X
6a Did the organization prepare a community benefit report during the tax year?	6a X	
b If "Yes," did the organization make it available to the public?	6b X	
Complete the following table using the worksheets provided in the Schedule H instructions. Do not submit these worksheets with the Schedule H.		

7 Financial Assistance and Certain Other Community Benefits at Cost						
Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)			1,625,083.		1,625,083.	1.30
b Medicaid (from Worksheet 3, column a)			6,691,380.	13,957,226.	NONE	NONE
c Costs of other means-tested government programs (from Worksheet 3, column b) . .						
d Total. Financial Assistance and Means-Tested Government Programs . . .			8,316,463.	13,957,226.	1,625,083.	1.30
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4) .	15	3,897.	485,755.		485,755.	0.39
f Health professions education (from Worksheet 5)	4	146.	259,961.		259,961.	0.21
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)	5	35,846.	269,146.		269,146.	0.22
j Total. Other Benefits	24	39,889.	1,014,862.		1,014,862.	0.82
k Total. Add lines 7d and 7j .	24	39,889.	9,331,325.	13,957,226.	2,639,945.	2.12

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

Schedule H (Form 990) 2023

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

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1 Physical improvements and housing	1		33,097.		33,097.	0.02
2 Economic development	1		10,952.		10,952.	0.01
3 Community support	1		54,797.		54,797.	0.04
4 Environmental improvements						
5 Leadership development and training for community members	1	15.	1,537.		1,537.	NONE
6 Coalition building	1		8,199.		8,199.	0.01
7 Community health improvement advocacy						
8 Workforce development	1	41.	6,081.		6,081.	NONE
9 Other						
10 Total	6	56.	114,663.		114,663.	0.08

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

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

Section B. Medicare

5 Enter total revenue received from Medicare (including DSH and IME)	5	27,545,072.
6 Enter Medicare allowable costs of care relating to payments on line 5	6	29,702,804.
7 Subtract line 6 from line 5. This is the surplus (or shortfall)	7	-2,157,732.
8 Describe in Part VI the extent to which any shortfall reported on line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used:		
<input type="checkbox"/> Cost accounting system <input checked="" type="checkbox"/> Cost to charge ratio <input type="checkbox"/> Other		

Section C. Collection Practices

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

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

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

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

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

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

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

1 THE OUTER BANKS HOSPITAL, INC.
 4800 SOUTH CROATAN HIGHWAY
 NAGS HEAD NC 27959

	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (describe)	Facility reporting group
<u>1</u>	H0273									
<u>2</u>	X			X	X		X			
<u>3</u>										
<u>4</u>										
<u>5</u>										
<u>6</u>										
<u>7</u>										
<u>8</u>										
<u>9</u>										
<u>10</u>										

Part V Facility Information (continued)**Section B. Facility Policies and Practices**

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

Name of hospital facility or letter of facility reporting group: THE OUTER BANKS HOSPITAL, INC.

Line number of hospital facility, or line numbers of hospital

facilities in a facility reporting group (from Part V, Section A): 1

		Yes	No
Community Health Needs Assessment			
1	Was the hospital facility first licensed, registered, or similarly recognized by a state as a hospital facility in the current tax year or the immediately preceding tax year?	1	X
2	Was the hospital facility acquired or placed into service as a tax-exempt hospital in the current tax year or the immediately preceding tax year? If "Yes," provide details of the acquisition in Section C	2	X
3	During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 12	3	X
If "Yes," indicate what the CHNA report describes (check all that apply):			
a	<input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
b	<input checked="" type="checkbox"/> Demographics of the community		
c	<input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d	<input checked="" type="checkbox"/> How data was obtained		
e	<input checked="" type="checkbox"/> The significant health needs of the community		
f	<input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g	<input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h	<input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
i	<input checked="" type="checkbox"/> The impact of any actions taken to address the significant health needs identified in the hospital facility's prior CHNA(s)		
j	<input type="checkbox"/> Other (describe in Section C)		
4	Indicate the tax year the hospital facility last conducted a CHNA: 2021		
5	In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	5	X
6a	Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C	6a	X
b	Was the hospital facility's CHNA conducted with one or more organizations other than hospital facilities? If "Yes," list the other organizations in Section C	6b	X
7	Did the hospital facility make its CHNA report widely available to the public?	7	X
If "Yes," indicate how the CHNA report was made widely available (check all that apply):			
a	<input checked="" type="checkbox"/> Hospital facility's website (list url): SEE PART V DISCLOSURE		
b	<input type="checkbox"/> Other website (list url):		
c	<input checked="" type="checkbox"/> Made a paper copy available for public inspection without charge at the hospital facility		
d	<input type="checkbox"/> Other (describe in Section C)		
8	Did the hospital facility adopt an implementation strategy to meet the significant community health needs identified through its most recently conducted CHNA? If "No," skip to line 11	8	X
9	Indicate the tax year the hospital facility last adopted an implementation strategy: 2021		
10	Is the hospital facility's most recently adopted implementation strategy posted on a website?	10	X
a	If "Yes," (list url): SEE PART V DISCLOSURE		
b	If "No," is the hospital facility's most recently adopted implementation strategy attached to this return?	10b	
11	Describe in Section C how the hospital facility is addressing the significant needs identified in its most recently conducted CHNA and any such needs that are not being addressed together with the reasons why such needs are not being addressed.		
12a	Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	12a	X
b	If "Yes" to line 12a, did the organization file Form 4720 to report the section 4959 excise tax?	12b	
c	If "Yes" to line 12b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$		

Part V Facility Information (continued)**Financial Assistance Policy (FAP)**

Name of hospital facility or letter of facility reporting group: THE OUTER BANKS HOSPITAL, INC.

	Yes	No
Did the hospital facility have in place during the tax year a written financial assistance policy that:		
13 Explained eligibility criteria for financial assistance, and whether such assistance included free or discounted care? If "Yes," indicate the eligibility criteria explained in the FAP:	13 X	
a <input checked="" type="checkbox"/> Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of <u>200.0000</u> % and FPG family income limit for eligibility for discounted care of <u>200.0000</u> %		
b <input type="checkbox"/> Income level other than FPG (describe in Section C)		
c <input checked="" type="checkbox"/> Asset level		
d <input checked="" type="checkbox"/> Medical indigency		
e <input type="checkbox"/> Insurance status		
f <input type="checkbox"/> Underinsurance status		
g <input type="checkbox"/> Residency		
h <input type="checkbox"/> Other (describe in Section C)		
14 Explained the basis for calculating amounts charged to patients?	14 X	
15 Explained the method for applying for financial assistance?	15 X	
If "Yes," indicate how the hospital facility's FAP or FAP application form (including accompanying instructions) explained the method for applying for financial assistance (check all that apply):		
a <input checked="" type="checkbox"/> Described the information the hospital facility may require an individual to provide as part of their application		
b <input checked="" type="checkbox"/> Described the supporting documentation the hospital facility may require an individual to submit as part of their application		
c <input checked="" type="checkbox"/> Provided the contact information of hospital facility staff who can provide an individual with information about the FAP and FAP application process		
d <input type="checkbox"/> Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications		
e <input type="checkbox"/> Other (describe in Section C)		
16 Was widely publicized within the community served by the hospital facility?	16 X	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply):		
a <input checked="" type="checkbox"/> The FAP was widely available on a website (list url): <u>SEE PART V DISCLOSURE</u>		
b <input checked="" type="checkbox"/> The FAP application form was widely available on a website (list url): <u>SEE PART V DISCLOSURE</u>		
c <input checked="" type="checkbox"/> A plain language summary of the FAP was widely available on a website (list url): <u>SEE PART V DISCLOSURE</u>		
d <input checked="" type="checkbox"/> The FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
e <input checked="" type="checkbox"/> The FAP application form was available upon request and without charge (in public locations in the hospital facility and by mail)		
f <input checked="" type="checkbox"/> A plain language summary of the FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
g <input checked="" type="checkbox"/> Individuals were notified about the FAP by being offered a paper copy of the plain language summary of the FAP, by receiving a conspicuous written notice about the FAP on their billing statements, and via conspicuous public displays or other measures reasonably calculated to attract patients' attention		
h <input type="checkbox"/> Notified members of the community who are most likely to require financial assistance about availability of the FAP		
i <input checked="" type="checkbox"/> The FAP, FAP application form, and plain language summary of the FAP were translated into the primary language(s) spoken by Limited English Proficiency (LEP) populations		
j <input type="checkbox"/> Other (describe in Section C)		

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

Name of hospital facility or letter of facility reporting group: THE OUTER BANKS HOSPITAL, INC.

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

Policy Relating to Emergency Medical Care

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

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

Name of hospital facility or letter of facility reporting group: THE OUTER BANKS HOSPITAL, INC.

		Yes	No
22	Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care:		
a	<input type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service during a prior 12-month period		
b	<input checked="" type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period		
c	<input type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicaid, either alone or in combination with Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period		
d	<input type="checkbox"/> The hospital facility used a prospective Medicare or Medicaid method		
23	During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care? If "Yes," explain in Section C.	23	X
24	During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual? If "Yes," explain in Section C.	24	X

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Part V Facility Information (continued)

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

THE OUTER BANKS HOSPITAL, INC.:

PART V, SECTION B, LINE 5:

INPUT WAS GATHERED FROM A BROAD RANGE OF REMARKABLE LEADERS AND STAKEHOLDERS ACROSS DARE COUNTY WHO ARE PASSIONATE ABOUT THE HEALTH AND WELLBEING OF THE RESIDENTS. THE OUTER BANKS HOSPITAL DIRECTLY COLLABORATED WITH DARE COUNTY HEALTH AND HUMAN SERVICES DEPARTMENT AND SEVERAL PARTNERS INCLUDING: BREAKING THROUGH TASK FORCE MEMBERS, COMMUNITY CARE CLINIC OF DARE, DARE COUNTY EMERGENCY MEDICAL SERVICES, DARE COUNTY HEALTH & HUMAN SERVICES, DARE COUNTY HEALTH & HUMAN SERVICES BOARD, DARE COUNTY SCHOOLS, DARE COUNTY SHERIFF'S OFFICE, DEMENTIA FRIENDLY TASK FORCE, GEM ADULT DAY SERVICES, HOTLINE, INTERFAITH COMMUNITY OUTREACH, INC., MANO AL HERMANO, OUTER BANKS COMMUNITY COLLABORATIVE, OUTER BANKS COMMUNITY FOUNDATION, SAVING LIVES TASK FORCE MEMBERS, THE OUTER BANKS MEDICAL GROUP, AND THE OUTER BANKS HOSPITAL BOARD OF DIRECTORS IN THE PLANNING, DATA REVIEW, AND PRIORITIZATION PROCESS TO COMPLETE THE 2022 DARE COUNTY COMMUNITY HEALTH NEEDS ASSESSMENT.

PRIMARY AND SECONDARY DATA WAS COLLECTED AND REVIEWED BETWEEN APRIL 1 AND JUNE 30, 2021. PRIMARY DATA INCLUDED A COMMUNITY OPINION SURVEY AVAILABLE IN PAPER AND AN ELECTRONIC VERSION. THE LEADERSHIP TEAM USED GRASS ROOT EFFORTS TO DISTRIBUTE THE COMMUNITY HEALTH OPINION SURVEY TO A BROAD RANGE OF PEOPLE IN THE COMMUNITY, TARGETING DIFFERENT INCOME LEVELS, INCLUDING UNDERSERVED MEMBERS OF THE COMMUNITY, THE ELDERLY, AND THE GENERAL POPULATION. IN DARE COUNTY A TOTAL OF 1,034 ENGLISH SURVEY RESPONSES WERE RECEIVED: 1,029 IN ENGLISH AND 5 IN SPANISH. DUE TO THE COVID -19 PANDEMIC THE COUNTIES DID NOT OFFER FOCUS GROUPS FOR THE 2022 CHNA AS IT HAD IN PREVIOUS YEARS.

ADDITIONALLY, THE COUNTY CHNA'S WERE PART OF THE HEALTH ENC COLLABORATIVE ALIGNING THE CHNA CYCLE WITH 35 ADDITIONAL COUNTIES IN EASTERN NC. THIS ALIGNMENT PLANS TO PROMOTE COMMUNITY HEALTH IMPROVEMENT ACTIVITIES ACROSS COUNTY LINES.

THE OUTER BANKS HOSPITAL, INC.:

PART V, SECTION B, LINE 6B:

OUTER BANKS HOSPITAL COLLABORATED WITH DARE COUNTY HEALTH AND HUMAN SERVICES DEPARTMENT.

Part V Facility Information (continued)

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

THE OUTER BANKS HOSPITAL, INC.:

PART V, SECTION B, LINE 7A AND 10A:

THE HOSPITAL MAKES ITS COMMUNITY HEALTH NEEDS ASSESSMENT AND MOST RECENTLY ADOPTED IMPLEMENTATION STRATEGY AVAILABLE TO THE PUBLIC ON THE HOSPITAL'S WEBSITE:

[HTTPS://WWW.ECUHEALTH.ORG/ABOUT-US/COMMUNITY/HEALTH-NEEDS-ASSESSMENT/](https://www.ecuhealth.org/about-us/community/health-needs-assessment/)

THE OUTER BANKS HOSPITAL, INC.:

PART V, SECTION B, LINE 11:

THE LEADERSHIP AND PARTNERSHIP GROUP MENTIONED IN PART V SECTION B LINE 5 HAVE A LONG HISTORY OF WORKING TOGETHER ON THE COMMUNITY NEEDS. TOGETHER, BASED ON THE DATA AND EXISTING WORK AMONG THE PARTNERS, THEY DETERMINED CANCER, OLDER ADULTS & RELATED ISSUES, MENTAL HEALTH, SUBSTANCE USE, AND ACCESS TO HEALTH SERVICES AS THE SIGNIFICANT HEALTH NEEDS FOR DARE COUNTY. THE GROUP DISCUSSED RESOURCES AVAILABLE AND THE ROLES OF THE PARTNERS, AS NO ONE ORGANIZATION CAN ADDRESS THE COMMUNITY HEALTH NEEDS ALONE, WHEN THEY CHOSE THE PRIORITIES FOR THE OUTER BANKS HOSPITAL. THE PRIORITIES APPROVED BY THE OUTER BANKS BOARD OF DIRECTORS WERE MENTAL HEALTH, SUBSTANCE ABUSE, AND ACCESS TO HEALTH SERVICES.

THE OUTER BANKS BOARD OF DIRECTORS ALSO APPROVED AN "ON-GOING" SET OF IMPLEMENTATION STRATEGIES FOR THE HOSPITAL TO ADDRESS FOR THE THREE-YEAR CYCLE.

MENTAL HEALTH: THE OUTER BANKS HOSPITAL REMAINS ACTIVELY ENGAGED IN SUPPORTING COMMUNITY HEALTH INITIATIVES AND WELLNESS PROGRAMS. REPRESENTATIVES FROM THE HOSPITAL WILL PARTICIPATE IN THE HEALTHY CAROLINIANS BREAKING THROUGH TASK FORCE AND THE HEALTHY CAROLINIANS ADULT COLLABORATIVE ON MENTAL HEALTH TASK FORCE TO ADDRESS CRITICAL HEALTH CONCERNS. ALSO, THE HOSPITAL PRIORITIZES WELLNESS THROUGH PROGRAMS OFFERED BY THE CENTER FOR HEALTHY LIVING AND ITS OUTREACH DEPARTMENT, SUCH AS FREE YOGA CLASSES AND WELLNESS CAMPS DURING THE WARMER MONTHS (19 EVENTS WITH 2,055 PARTICIPANTS).

SUBSTANCE ABUSE: THE OUTER BANKS HOSPITAL IS DEDICATED TO ADDRESSING TOBACCO CESSATION, SUBSTANCE ABUSE, AND ALCOHOL USE REDUCTION IN THE COMMUNITY THROUGH VARIOUS INITIATIVES. THE HOSPITAL PAID TO CERTIFY PROVIDERS IN TOBACCO CESSATION AND GRAY AREA DRINKING. ALSO, QUARTERLY MEDICINE DROP EVENTS ARE ORGANIZED IN PARTNERSHIP WITH THE DARE COUNTY SHERIFF'S DEPARTMENT AND SERVED 5 INDIVIDUALS. FINALLY, A HOSPITAL REPRESENTATIVE SERVES ON THE SAVING LIVES TASK FORCE, CONTRIBUTING TO ITS PROGRAMS, TOWN HALL EVENTS, AND OVERALL MISSION.

Part V Facility Information (continued)

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

ACCESS TO HEALTH SERVICES: THE OUTER BANKS HOSPITAL IS DEEPLY COMMITTED TO IMPROVING ACCESS TO CARE AND ADDRESSING COMMUNITY HEALTH NEEDS THROUGH VARIOUS INITIATIVES. A REPRESENTATIVE FROM THE HOSPITAL AND MEDICAL GROUP SERVES ON THE ACCESS TO CARE COMMUNITY TASK FORCE, AND EFFORTS TO EXPAND PRIMARY AND SPECIALTY CARE INCLUDE HIRING NEW PRIMARY CARE PHYSICIANS AT TWO OBMG PRACTICES IN 2022. ADDITIONALLY, A NEW HEALTH COACH VEHICLE EQUIPPED WITH PRIVATE EXAM SPACES IS SET TO PROVIDE FREE SCREENINGS AND FLU VACCINES ACROSS THE OUTER BANKS, INCLUDING MAINLAND DARE COUNTY AND LOWER CURRITUCK COUNTY. THE HOSPITAL'S COMMUNITY WELLNESS PROGRAM OFFERED FREE WELLNESS SCREENINGS (57 SCREENINGS), RESOURCE INFORMATION, AND REFERRALS FOR UNINSURED INDIVIDUALS, AND CONTINUES TO PROVIDE FREE CANCER SCREENINGS FOR BREAST, LUNG, AND COLON CANCER TO THOSE WITHOUT INSURANCE (3 SCREENINGS).

ADDITIONALLY, THE HOSPITAL PROVIDES COMMUNITY HEALTH GRANTS TO NON-PROFIT ORGANIZATIONS THAT CONCENTRATE ON THESE THREE PRIORITIES. SO FAR IN THIS THREE-YEAR CYCLE \$205,000 WAS DISTRIBUTED. SEE PART VI LINE 1, PART 1, LINE 7, I FOR MORE DETAILS.

THE OUTER BANKS HOSPITAL, INC.:

PART V, SECTION B, LINE 16A, 16B, AND 16C:

THE HOSPITAL MAKES ITS FINANCIAL ASSISTANCE POLICY, APPLICATION, AND PLAIN LANGUAGE SUMMARY AVAILABLE AT THE FOLLOWING WEBSITE:

[HTTPS://WWW.ECUHEALTH.ORG/PATIENTS-AND-FAMILIES/YOUR-BILL/FINANCIAL-ASSISTANCE/](https://www.ecuhealth.org/patients-and-families/your-bill/financial-assistance/)

Part V Facility Information *(continued)***Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**
(list in order of size, from largest to smallest)

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

Name and address	Type of facility (describe)
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	

Schedule H (Form 990) 2023

Part VI Supplemental Information

Provide the following information.

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

PART I, LINE 6A:

ECU HEALTH PREPARES THE COMMUNITY BENEFIT REPORT. THE NUMERIC DATA IN
THIS REPORT IS BASED ON THE FORM 990, SCHEDULE H CRITERIA.

PART I, LINE 7, FINANCIAL ASSISTANCE AND CERTAIN OTHER COMMUNITY BENEFITS:

COSTS WERE CALCULATED USING THE ESTIMATED COST TO CHARGE RATIO FROM THE
NORTH CAROLINA HOSPITAL ASSOCIATION'S ADVOCACY NEEDS DATA INITIATIVE
WHICH IS THE STANDARD FOR REPORTING COMMUNITY BENEFITS IN NORTH CAROLINA.

DURING MARCH 2023, THE HEALTHCARE ACCESS AND STABILIZATION PROGRAM (HASP)
WAS ENACTED BY THE STATE OF NORTH CAROLINA AND IS A FEDERALLY FUNDED
PROGRAM THROUGH THE CENTER FOR MEDICARE & MEDICAID SERVICES (CMS) TO
ENHANCE MEDICAID REIMBURSEMENT. HASP WAS SPECIFICALLY DESIGNED TO
STRENGTHEN VULNERABLE RURAL HOSPITALS, SUCH AS THOSE IN THE ECU HEALTH
SYSTEM, AND PROVIDE THEM FINANCIAL STABILITY TO CARE FOR ALL MEMBERS OF
THEIR COMMUNITY. DURING SEPTEMBER 2023, CMS APPROVED HASP AND THE

Part VI Supplemental Information

Provide the following information.

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

INCREASED REIMBURSEMENTS TO BE MADE FOR SERVICES PROVIDED FOR THE PERIOD JULY 1, 2023 TO JUNE 30, 2025. FOR THE YEAR ENDED SEPTEMBER 30, 2024, ECU HEALTH RECOGNIZED \$261.7 MILLION AS NET PATIENT SERVICE REVENUE, NET OF ASSESSMENTS OF APPROXIMATELY \$86.3 MILLION. INCLUDED IN THESE 2024 HASP REVENUE IS 3 MONTHS RELATED TO THE 2023 FISCAL YEAR TOTALING \$42.1 MILLION, NET OF ASSESSMENTS. THE HASP PROGRAM BRINGS REIMBURSEMENTS IN LINE MORE CLOSELY WITH THE ACTUAL COST OF CARE, HELPING TO STABILIZE OUR HEALTHCARE SAFETY NET. THESE FUNDS PLAY A CRITICAL ROLE IN ALLOWING ECU HEALTH TO FULFIL ITS COMMITMENT TO THE CARE AND WELL-BEING OF THE PATIENTS WE SERVE AND ALLOWS US TO FOCUS ON PROVIDING SAFE, HIGH-QUALITY CARE TO ALL, REGARDLESS OF A PATIENT'S ABILITY TO PAY.

MEDICAID EXPANSION BROUGHT HEALTHCARE COVERAGE TO APPROX 34,000 IN OUR ECU HEALTH SERVICE AREA WHO WERE PREVIOUSLY UNINSURED, THEREBY IMPROVING HEALTH OUTCOMES AND FINANCIAL SECURITY FOR MANY FAMILIES. GOING FORWARD, HASP PAYMENTS, AND A HIGHER HOSPITAL TAX, ALSO HAS A NEW REQUIREMENT THAT HOSPITALS AGREE TO A MEDICAL DEBT INCENTIVE PROGRAM. HOSPITALS ARE NOT RECEIVING NEW MONEY TO IMPLEMENT THE MEDICAL DEBT MITIGATION PLAN,

Part VI Supplemental Information

Provide the following information.

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

RATHER, HOSPITALS LIKE ECU HEALTH ARE RECEIVING THE FULL AMOUNT OF REIMBURSEMENT OWED TO THEM BY PARTICIPATING IN THE PLAN. MEDICAL DEBT IS A COMPLEX ISSUE AND CAN NOT BE SOLVED SOLELY BY HOSPITALS AND HEALTHCARE PROVIDERS. THERE IS SIGNIFICANT WORK TO BE DONE TO DEVELOP FINANCIALLY SUSTAINABLE SOLUTIONS TO ADDRESS MEDICAL DEBT THAT INCLUDES HEALTH INSURANCE PLANS, PROVIDERS, EMPLOYERS, BUSINESS LEADERS AND GOVERNMENT PARTNERS.

MOST PEOPLE STRUGGLING WITH MEDICAL DEBT ARE INSURED. NO MATTER HOW GENEROUS, HOSPITAL FINANCIAL ASSISTANCE WILL NEVER BE A SUBSTITUTE FOR A HEALTH INSURANCE PLAN THAT COVERS PREVENTIVE AND NECESSARY CARE AT AN AFFORDABLE PRICE ON THE FRONT AND BACK END OF COVERAGE. ECU HEALTH PROVIDES HIGH-QUALITY CARE FOR EVERYONE WHO WALKS THROUGH OUR DOORS, REGARDLESS OF THEIR ABILITY TO PAY. INABILITY TO PAY FOR SERVICES SHOULD NOT DETER ANYONE FROM SEEKING NEEDED MEDICAL CARE. THAT IS WHY ECU HEALTH HAS DEVELOPED AND COMMITTED TO PRINCIPLES AND GUIDELINES FOR ASSISTING UNINSURED PATIENTS, AS WELL AS UNDERINSURED PATIENTS, AND GUIDELINES FOR DEBT COLLECTION, THAT PROVIDE SIGNIFICANT PATIENT ASSISTANCE AND

Part VI Supplemental Information

Provide the following information.

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

ECU HEALTH IS COMMITTED TO HELPING PATIENTS PLAN FOR MEDICAL BILLS BY OFFERING FINANCIAL COUNSELING AND FINANCIAL ASSISTANCE PROGRAMS AND WORK HARD TO INFORM PATIENTS ABOUT THE FINANCIAL ASSISTANCE POLICIES. IN 2024, ECU HEALTH PROVIDED \$54.0 MILLION IN CHARITY CARE AND FORGAVE \$33.7 MILLION IN BAD DEBT.

PART I, LINE 7, OTHER BENEFITS:

COMMUNITY HEALTH IMPROVEMENT SERVICES & COMMUNITY BENEFIT OPERATIONS (E)
THE OUTER BANK HOSPITAL DEDICATED 551 HOURS OF STAFF TIME TO COMMUNITY HEALTH IMPROVEMENT SERVICES, SERVING 3,897 INDIVIDUALS WITH A TOTAL COMMUNITY BENEFIT EXPENSE OF \$151,585. THESE SERVICES INCLUDED COMMUNITY OUTREACH INITIATIVES SUCH AS OFFERING ADVANCE CARE PLANNING AT NO CHARGE TO ASSIST WITH COMPLETING ADVANCE DIRECTIVES, FLU SHOT CLINICS THAT REACHED 415 INDIVIDUALS, AND HEALTH EDUCATION CLASSES IN THE COMMUNITY THAT REACHED 2,593 INDIVIDUALS ON TOPICS SUCH AS ADDICTION, NUTRITION,

Part VI Supplemental Information

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BLOOD PRESSURE, STROKE RISK, AND DINNER WITH A DOC. FREE WELLNESS

SCREENINGS MEASURED BLOOD PRESSURE, BLOOD SUGAR, WEIGHT, BMI, AND

CHOLESTEROL.

DARE COUNTY UTILIZED 5,802 HOURS OF STAFF TIME FOR COMMUNITY BENEFIT

OPERATIONS, WITH A TOTAL COMMUNITY BENEFIT EXPENSE OF \$334,170. THE

COMBINED TOTAL COMMUNITY BENEFIT EXPENSE FOR COMMUNITY HEALTH IMPROVEMENT

SERVICES AND COMMUNITY BENEFIT OPERATIONS AMOUNTED TO \$485,755.

HEALTH PROFESSIONAL EDUCATION (F)

THE OUTER BANKS HOSPITAL DEDICATED 3,767 HOURS OF STAFF TIME TO HEALTH

PROFESSIONS EDUCATION, SERVING 146 INDIVIDUALS WITH A TOTAL COMMUNITY

BENEFIT EXPENSE OF \$259,961. THIS INCLUDED 10 HOURS FOR MEDICAL STUDENTS,

2,528 HOURS FOR NURSING INTERNSHIPS/PRECEPTORSHIPS, AND 1,222 HOURS FOR

OTHER HEALTH PROFESSIONS SUCH AS RADIOLOGY, EMT, SURGICAL TECH, AND

OCCUPATIONAL THERAPY. THE PROGRAM AIMED TO PROVIDE COMPREHENSIVE TRAINING

AND HANDS-ON EXPERIENCE TO FUTURE HEALTHCARE PROFESSIONALS. NURSING

INTERNSHIPS ALLOWED STUDENTS TO WORK CLOSELY WITH EXPERIENCED NURSES IN

Part VI Supplemental Information

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VARIOUS CLINICAL SETTINGS, ENHANCING THEIR PRACTICAL SKILLS AND CLINICAL KNOWLEDGE. EMS TRAINEES PARTICIPATED IN EMERGENCY RESPONSE SCENARIOS TO ENHANCE THEIR READINESS FOR REAL-LIFE SITUATIONS, ENSURING THEY ARE WELL-PREPARED TO HANDLE EMERGENCIES EFFICIENTLY. RADIOLOGY INTERNS LEARNED IMAGING PROCEDURES CRITICAL FOR ACCURATE DIAGNOSIS AND TREATMENT PLANNING, PROVIDING THEM WITH ESSENTIAL SKILLS FOR THEIR FUTURE CAREERS.

CASH AND IN-KIND CONTRIBUTIONS FOR COMMUNITY BENEFIT (I)
THE OUTER BANKS HOSPITAL DEDICATED 267 HOURS OF STAFF TIME TO CASH AND IN-KIND CONTRIBUTIONS, SERVING 35,846 INDIVIDUALS WITH A TOTAL COMMUNITY BENEFIT EXPENSE OF \$269,146. THESE CONTRIBUTIONS INCLUDED \$119,020 IN CASH DONATIONS, \$110,000 IN GRANTS, SERVING 31,755 INDIVIDUALS, AND \$40,126 IN IN-KIND DONATIONS. THE CASH AND IN-KIND DONATIONS SUPPORTED VARIOUS ACTIVITIES, SUCH AS BLOOD DRIVES THAT SERVED 708 INDIVIDUALS, PROVIDING \$5,499 FOR TRANSPORTATION ASSISTANCE.

THE GRANTS PROVIDED ASSISTANCE WITH DARE COUNTY TRANSPORTATION, HELPING 27 AREA RESIDENTS WITH 42 TRIPS TO ATTEND MEDICAL APPOINTMENTS AND CANCER

Part VI Supplemental Information

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TREATMENTS, TRAVELING 5,615 MILES. GRANT DOLLARS SUPPLEMENTED THE BREAST AND CERVICAL CANCER CONTROL PROGRAM (BCCCP) IN DARE COUNTY, SERVING 76 WOMEN WITH 138 CLINICAL SERVICES INCLUDING BREAST EXAMS, MAMMOGRAMS, ULTRASOUNDS, PATHOLOGY AND RADIOLOGY CONSULTS, BIOPSIES, AND SURGICAL BREAST PROCEDURES. THESE WOMEN WERE ALSO ELIGIBLE FOR CERVICAL CANCER SCREENINGS. ANOTHER GRANT ADDRESSED PRENATAL HEALTH AND INFANT MORTALITY, PROVIDING 130 PRENATAL ULTRASOUNDS AND 30 NSTS TO 67 UNINSURED WOMEN TO DETERMINE FETAL GROWTH, HIGH-RISK PREGNANCIES, AND POTENTIAL MEDICAL COMPLICATIONS.

PART II, COMMUNITY BUILDING ACTIVITIES:

THE OUTER BANKS HOSPITAL DEDICATED 1,093 HOURS OF STAFF TIME TO COMMUNITY BUILDING ACTIVITIES, SERVING 56 INDIVIDUALS, WITH A TOTAL COMMUNITY BENEFIT EXPENSE OF \$114,663. THIS EXPENSE WAS COMPRISED OF \$33,097 FOR PHYSICAL IMPROVEMENTS/HOUSING, \$10,952 FOR ECONOMIC DEVELOPMENT, \$54,797 FOR COMMUNITY SUPPORT, \$1,537 FOR LEADERSHIP DEVELOPMENT, \$8,199 FOR COALITION BUILDING, AND \$6,081 FOR OTHER INITIATIVES.

Part VI Supplemental Information

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SPECIFIC INITIATIVES INCLUDED MEMBERSHIP IN THE CHILDREN AND YOUTH PARTNERSHIP AND OUTER BANKS HOTLINE, WHICH FOCUS ON ASSISTING RESIDENTS WITH CRISIS INTERVENTION AND PREVENTION SERVICES. EXECUTIVES SERVED ON THE OUTER BANKS CHAMBER AND DARE COUNTY HOUSING TASK FORCE, ADDRESSING HOUSING ISSUES AFFECTING RESIDENTS. ADDITIONALLY, THE HOSPITAL OFFERED A HEALTHCARE CAREERS EXPLORATION PROGRAM TO HIGH SCHOOL STUDENTS, ALLOWING THEM TO LEARN ABOUT HEALTHCARE CAREERS BY SHADOWING PROFESSIONALS IN DEPARTMENTS SUCH AS THE EMERGENCY DEPARTMENT, LABORATORY SERVICES, RADIOLOGY, AND THE CANCER CENTER.

PART III, LINE 2:

BAD DEBT IS BASED ON AGING CATEGORIES, CURRENT ECONOMIC CONDITIONS AND HISTORICAL COLLECTION EXPERIENCE; AND IS RECORDED IN THE PERIOD IN WHICH COLLECTION IS CONSIDERED DOUBTFUL.

Part VI Supplemental Information

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PART III, LINE 3:

IN CONNECTION WITH THE PRESUMPTIVE ELIGIBILITY CONSIDERATION OF THE
AFFORDABLE CARE ACT, THE OUTER BANKS HOSPITAL DOES NOT REFLECT ANY BAD
DEBT IN CONNECTION WITH FAP-ELIGIBLE PATIENTS. THESE PATIENTS ARE
PRESUMED TO BE PART OF THE MEDICAID POPULATION AND AFFORDED COVERAGE AS
SUCH.

PART III, LINE 4:

THE FINANCIAL STATEMENTS OF THE OUTER BANKS HOSPITAL ARE PRESENTED ON A
STAND ALONE BASIS; THE TEXT OF THE FOOTNOTE FROM PAGE 20 IS PRESENTED
BELOW:

PATIENT ACCOUNTS RECEIVABLE, NET
PATIENT ACCOUNTS RECEIVABLES ARE REPORTED NET OF ESTIMATED ALLOWANCES FOR
CONTRACTUAL ADJUSTMENTS AND ALLOWANCES FOR BAD DEBTS AND ARE RECORDED IN
THE PERIOD IN WHICH COLLECTION IS CONSIDERED DOUBTFUL. ESTIMATED

Part VI Supplemental Information

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ALLOWANCES FOR BAD DEBTS ARE APPROXIMATELY \$7.8 MILLION AS OF SEPTEMBER 30, 2024.

PART III, LINE 8:

THE SHORTFALL OF MEDICARE REVENUE TO MEDICARE WAS CALCULATED ACCORDING TO THE COST TO CHARGE RATIO. ALLOWABLE COSTS OF CARE SHOULD BE CONSIDERED COMMUNITY BENEFIT BECAUSE IN THE AREA SERVED BY THE OUTER BANKS HOSPITAL, THERE ARE NO OTHER PROVIDERS AVAILABLE TO PROVIDE THE REQUIRED SERVICES. THEREFORE, THE CARE WOULD BECOME A GOVERNMENT OBLIGATION AND IS TREATED AS A COMMUNITY BENEFIT PROVIDED BY THE OUTER BANKS HOSPITAL.

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PART III, LINE 9B:

RECOMMENDED PATIENT ACCOUNTS WILL CONTINUE TO GO THROUGH THE ACCOUNTS RECEIVABLE BILLING CYCLE AS NORMAL. WHEN THE ACCOUNT REACHES THE CUSTOMER SERVICE/COLLECTIONS MANAGER, FINANCIAL COUNSELING SUPERVISOR OR PATIENT ACCOUNTS SUPERVISOR, BASED ON THE INFORMATION GIVEN, A DECISION WILL BE MADE WHETHER TO PROCEED WITH COLLECTION OR REFER THE ACCOUNT FOR APPROVAL OF CHARITY CARE. THE PROCESS WILL OCCUR AS FOLLOWS:

I. FINANCIAL COUNSELORS WILL TRY TO LOCATE THIRD PARTY PAYORS. IF NOT ELIGIBLE FOR ANY THIRD-PARTY COVERAGE (INCLUDING CHARITIES), THEY MAY, BASED UPON THE FINANCIAL INFORMATION RECEIVED, RECOMMEND THE PATIENT FOR CHARITY CARE.

II. PATIENT COUNSELORS WILL REVIEW FOR ANY THIRD-PARTY PAYORS AND VERIFY EMPLOYMENT AND ASSETS. A CHARITY CARE APPLICATION WILL NEED TO BE COMPLETED ALONG WITH TAX RETURN, PAY STUBS, SOCIAL SECURITY AWARD LETTER AND OTHER FINANCIAL INFORMATION AS MAY BE REQUIRED.

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III. THE PATIENT ACCOUNTS SUPERVISOR, FINANCIAL COUNSELING SUPERVISOR OR CUSTOMER SERVICE/COLLECTIONS MANAGER, BASED UPON ACCOUNT BALANCE AND THE INFORMATION GIVEN, WILL MAKE A DECISION WHETHER TO PROCEED WITH COLLECTION OR REFER THE PATIENT ACCOUNT FOR APPROVAL FOR CHARITY CARE. PRESUMPTIVE ELIGIBILITY FOR CHARITY CARE - THERE ARE OCCASIONS IN WHICH A PATIENT MAY APPEAR ELIGIBLE FOR A CHARITY CARE DISCOUNT, BUT THERE IS NO FINANCIAL ASSISTANCE INFORMATION AVAILABLE TO SUPPORT FINANCIAL AID.

A. SOME PATIENTS ARE PRESUMED TO BE ELIGIBLE FOR CHARITY CARE DISCOUNTS ON THE BASIS OF INDIVIDUAL LIFE CIRCUMSTANCES (E.G., HOMELESSNESS PATIENTS WITH NO INCOME, BANKRUPTCY, DECEASED PATIENTS WITH NO ESTATE OR SPOUSE, ETC.)

B. THROUGH THE ASSISTANCE OF A THIRD-PARTY VENDOR AND CERTAIN ALGORITHMS, IN CONJUNCTION WITH OUR CHARITY POLICY GUIDELINES, ALL ACCOUNTS, PRIOR TO OUTSIDE COLLECTION AGENCY REFERRAL, WILL BE TESTED FOR PRESUMPTIVE CHARITY.

C. THE ACCOUNTS DEEMED CHARITY WILL BE ADJUSTED OFF AND THE REMAINING ACCOUNTS WILL BE REFERRED TO AN OUTSIDE COLLECTION AGENCY.

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D. ONCE THE AGENCY HAS HAD THE ACCOUNTS FOR SIX MONTHS AND HAS DEEMED
THEM UNCOLLECTIBLE, THE ACCOUNTS WITH BALANCES OF \$1,580 OR GREATER WILL
REMAIN WITH THE AGENCY AND BE KEPT ON THE PATIENT'S CREDIT FILE.

E. THE ACCOUNTS RETURNED TO THE HOSPITAL WILL BE PLACED IN A UNIQUE
FINANCIAL CLASS AND WILL NOT BE PURSUED FOR COLLECTIONS.

PART VI, LINE 2:

THE ORGANIZATION ASSESSES COMMUNITY NEED IN CONJUNCTION WITH THE STATE
AFFILIATED COUNTY HEALTH DEPARTMENTS AND OTHER LOCAL HEALTH CARE
ORGANIZATIONS. THIS HAS BEEN DESCRIBED IN DETAIL IN SCHEDULE H, PART V,
SECTION C, LINES 5 AND 11.

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PART VI, LINE 3:

INFORMATION IS AVAILABLE ON THE ORGANIZATION'S WEBSITE AND AT
REGISTRATION FOR PATIENTS. IN ADDITION, FACE TO FACE FINANCIAL COUNSELING
IS AVAILABLE TO PATIENTS AND THEIR FAMILIES IN THE CENTRAL BUSINESS
OFFICE.

PART VI, LINE 4:

THE PRIMARY SERVICE AREA FOR THE OUTER BANKS HOSPITAL ENCOMPASSES DARE
COUNTY. DARE COUNTY IS LOCATED ALONG THE COAST IN NORTHEASTERN NORTH
CAROLINA. MUNICIPALITIES WITHIN DARE COUNTY INCLUDE AVON, BUXTON, FRISCO,
HATTERAS, MANNS HARBOR, KITTY HAWK, MANTEO, NAGS HEAD, KILL DEVIL HILLS,
SOUTHERN SHORES, AND DUCK.

THE FOLLOWING DATA WAS COLLECTED AS PART OF THE 2022 CHNA:

AS OF 2019, THE POPULATION OF DARE COUNTY HAD INCREASED BY 3% SINCE 2016

Part VI Supplemental Information

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TO AN ESTIMATED 37,009 PERMANENT RESIDENTS. THE PROJECTED POPULATION GROWTH FOR DARE COUNTY IS EXPECTED TO BE AROUND 47,026 PEOPLE BY 2029. THE POPULATION WAS EVENLY DIVIDED AMONG MALES (50%) AND FEMALES (50%). THE WHITE POPULATION ACCOUNTS FOR 92.7% OF THE TOTAL POPULATION; HISPANIC OR LATINO RESIDENTS MAKE UP 7.5%; AND BLACKS/AFRICAN AMERICANS COMPRISE 3.0%. AMERICAN INDIAN, ALASKAN NATIVE, ASIAN, PACIFIC ISLANDER, NATIVE HAWAIIAN, AND MULTIRACIAL PERSONS REPRESENT 3.1% OF THE TOTAL POPULATION.

DARE COUNTY WAS A TIER 2 COUNTY AND REMAINS A TIER 2 COUNTY, MEANING IT IS NOT ONE OF THE 40 MOST ECONOMICALLY DISTRESSED COUNTIES IN NORTH CAROLINA. IN 2021, DARE COUNTY'S MEDIAN HOUSEHOLD INCOME WAS REPORTED TO BE \$59,381, WHICH IS HIGHER THAN THE MEDIAN HOUSEHOLD INCOME IN NORTH CAROLINA. ADDITIONALLY, THE POVERTY RATE IN DARE COUNTY IS 9.0%, WHICH IS LOWER THAN THE STATE AND THE REGION. THESE FACTORS CONTRIBUTE TO THE HEALTH CHALLENGES IDENTIFIED IN THE 2022 COMMUNITY HEALTH NEEDS ASSESSMENT.

ADDITIONALLY, SEE INFORMATION POSTED AT

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- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

[HTTPS://WWW.ECUHEALTH.ORG/ABOUT-US/COMMUNITY/HEALTH-NEEDS-ASSESSMENT/](https://www.ecuhealth.org/about-us/community/health-needs-assessment/)

PART VI, LINE 5:

THIS HAS BEEN DESCRIBED IN DETAIL IN SCHEDULE H, PART V, SECTION C, LINES
5 AND 11.

ADDITIONALLY, SEE INFORMATION POSTED AT

[HTTPS://WWW.ECUHEALTH.ORG/ABOUT-US/COMMUNITY/HEALTH-NEEDS-ASSESSMENT/](https://www.ecuhealth.org/about-us/community/health-needs-assessment/)

PART VI, LINE 6:

OUR MISSION AT ECU HEALTH IS TO IMPROVE THE HEALTH AND WELL-BEING OF
EASTERN NORTH CAROLINA. OUR VISION IS TO BECOME THE NATIONAL MODEL FOR
RURAL HEALTH AND WELLNESS BY CREATING A PREMIER, TRUSTED HEALTH CARE
DELIVERY SYSTEM WHILE REMAINING TRUE TO OUR VALUES OF INTEGRITY,
COMPASSION, EDUCATION, ACCOUNTABILITY, SAFETY AND TEAMWORK.

Part VI Supplemental Information

Provide the following information.

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

OUR OPERATIONAL IMPERATIVES DRIVE ECU HEALTH PERFORMANCE AND OUTCOMES.

THESE IMPERATIVES ARE EXPERIENCE, FINANCE, QUALITY, WELL-BRING, EQUITY &

INCLUSION. WE KEEP PATIENTS, FAMILIES, TEAM MEMBERS AND COMMUNITIES AT

THE CENTER OF EVERYTHING THAT WE DO. WE ARE MANAGING LIVES THROUGH A

MODERN DELIVERY SYSTEM OF HEALTH CARE IN AN ACADEMIC AND RURAL SETTING TO

DELIVERY SAFE, HIGHLY RELIABLE HUMAN CENTERED CARE.

ECU HEALTH IS A NORTH CAROLINA NON-PROFIT CORPORATION WITH HEADQUARTERS

IN GREENVILLE, NORTH CAROLINA. ECU HEALTH AND ITS AFFILIATES OPERATE AN

INTEGRATED HEALTH CARE DELIVERY SYSTEM THAT SERVES A TOTAL MARKET OF

APPROXIMATELY 1.4 MILLION PEOPLE IN 29 CONTIGUOUS COUNTIES IN EASTERN

NORTH CAROLINA. THE HEALTH SYSTEM INCLUDES HOSPITALS, PHYSICIAN

PRACTICES, OUTPATIENT SERVICES, HOME HEALTH, HOSPICE, AND WELLNESS

SERVICES. THE HEALTH SYSTEM'S OWNED HOSPITALS ARE ECU HEALTH MEDICAL

CENTER, WHICH IS A TERTIARY CARE HOSPITAL AND AN ACADEMIC MEDICAL CENTER,

THAT INCLUDES THE ECU HEALTH BEAUFORT HOSPITAL AS A DEPARTMENT OPERATING

AS A CAMPUS OF ECU HEALTH MEDICAL CENTER AND SEVEN OTHER ACUTE CARE

HOSPITALS: ECU HEALTH ROANOKE-CHOWAN HOSPITAL, ECU HEALTH EDGECOMBE

Part VI Supplemental Information

Provide the following information.

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

HOSPITAL, ECU HEALTH CHOWAN HOSPITAL, ECU HEALTH BERTIE HOSPITAL, ECU HEALTH DUPLIN HOSPITAL, ECU HEALTH NORTH HOSPITAL, AND THE OUTER BANKS HOSPITAL. ECU HEALTH MEDICAL CENTER SERVES AS THE TEACHING HOSPITAL FOR THE BRODY SCHOOL OF MEDICINE, EAST CAROLINA SCHOOLS OF NURSING AND ALLIED HEALTH, PITT COMMUNITY COLLEGE AND BEAUFORT COMMUNITY COLLEGE. THE SYSTEM ALSO SERVES AS A REGIONAL REFERRAL CENTER FOR EASTERN NORTH CAROLINA.

IN OUR RURAL HEALTH CARE SETTING, WE ARE FACED WITH UNIQUE CHALLENGES. ONE OF THE CHALLENGES IS ACCESS TO CARE. FACTORS INFLUENCING ACCESS INCLUDE PATIENT FACTORS SUCH AS TRANSPORTATION NEEDS AS WELL AS PROVIDER AND STAFFING SHORTAGES. SHORTAGES IN STAFFING INFLATE THE COST OF PROVIDING CARE THROUGH THE USE OF LOCCUM AND TEMPORARY LABOR AND CAUSE ADDITIONAL FINANCIAL STRAINS RELATED TO THE HIGH PERCENTAGE OF GOVERNMENT PAYORS AS WELL AS THE UNINSURED POPULATION IN OUR REGION. MANY COUNTIES IN WHICH ECU HEALTH OPERATES ARE DESIGNATED AS HEALTH PROFESSIONAL SHORTAGE AREA (HPSA). AS A RESULT, OUR EMERGENCY DEPARTMENTS BECOME A PRIMARY CARE ACCESS POINT AND CAUSE OVERLOAD ON THE SYSTEM WHICH RESULT IN CAPACITY CONSTRAINTS FOR BEDS NEEDED FOR ADMISSIONS AND BOARDERS

Part VI Supplemental Information

Provide the following information.

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

WAITING FOR TRANSFERS TO BEHAVIORAL HEALTH FACILITIES.

ECU HEALTH HAS MADE A CONSCIOUS DECISION TO PROVIDE CERTAIN SERVICES FOR THE BENEFIT OF THE COMMUNITY ALTHOUGH VOLUMES ARE NOT LARGE ENOUGH TO GENERATE A PROFIT. ONE EXAMPLE OF THESE SERVICES ARE OB SERVICES WHERE LESS THAN 1 BABY IS BORN A DAY IN SOME OF OUR REGIONAL HOSPITALS; HOWEVER, DUE TO OUR RURAL NATURE WE BELIEVE IT WOULD BE DETRIMENTAL TO OUR COMMUNITY TO NOT MAINTAIN THESE SERVICES. ECU HEALTH IS CONTINUOUSLY COLLABORATING ON WAYS TO INCREASE ACCESS SUCH AS THROUGH USE OF TELEMEDICINE TO PROVIDE HIGH LEVEL CARE TO OUR REGIONAL HOSPITALS BY USING RESOURCED AT OUR ACADEMIC MEDICAL CENTER TO KEEP PATIENTS CLOSE TO HOME WHEN POSSIBLE.

ADDITIONALLY. SEE INFORMATION POSTED AT

[HTTPS://WWW.ECUHEALTH.ORG/ABOUT-US/COMMUNITY/HEALTH-NEEDS-ASSESSMENT/](https://www.ecuhealth.org/about-us/community/health-needs-assessment/)

Part VI Supplemental Information

Provide the following information.

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

PART VI, LINE 7, LIST OF STATES RECEIVING COMMUNITY BENEFIT REPORT:

NC

SCHEDULE I
(Form 990)

Department of the Treasury
Internal Revenue Service

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

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

Attach to Form 990.

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

OMB No. 1545-0047

2023

Open to Public
Inspection

Name of the organization

THE OUTER BANKS HOSPITAL, INC.

Employer identification number

56-2112733

Part I General Information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ☒ Yes ☐ No
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

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

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section (if applicable)	(d) Amount of cash grant	(e) Amount of noncash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of noncash assistance	(h) Purpose of grant or assistance
(1) CHILDREN & YOUTH PARTNERSHIP P.O. BOX 2539 KILL DEVIL HILLS, NC 27948	56-1885539	501(C)(3)	15,500.				COMMUNITY BENEFIT GRANT PROGRAM
(2) COMMUNITY CARE CLINIC OF DARE P.O. BOX 1000 MANTEO, NC 27954	20-2230717	501(C)(3)	85,000.				SUPPORT IN HIRING EXECUTIVE DIRECTOR
(3) CROSS ROADS OBX ASSOCIATION 111 W CARLTON KILL DEVIL HILLS, NC 27948	37-2004420	501(C)(3)	7,750.				COMMUNITY BENEFIT GRANT PROGRAM
(4) DARE COUNTY HEALTH DEPARTMENT 109 EXETER STREET MANTEO, NC 27954	56-6000293	GOVT ENTITY	18,000.				COMMUNITY BENEFIT GRANT PROGRAM
(5) DARE COUNTY TRANSPORTATION 954 MARSHALL C COLLINS DR MANTEO, NC 27954	56-6000293	GOVT ENTITY	8,500.				COMMUNITY BENEFIT GRANT PROGRAM
(6) FOOD FOR THOUGHT, INC. P.O. BOX 1167 KITTY HAWK, NC 27949	20-5501784	501(C)(3)	6,000.				COMMUNITY BENEFIT GRANT PROGRAM
(7) INTERFAITH COMMUNITY P.O. BOX 87 NAGS HEAD, NC 27959	22-3902355	501(C)(3)	20,000.				COMMUNITY BENEFIT GRANT PROGRAM
(8) NC AQUARIUM SOCIETY 3125 POPLARWOOD COURT RALEIGH, NC 27604	56-1512990	501(C)(3)	7,500.				COMMUNITY BENEFIT GRANT PROGRAM
(9) OUTER BANKS CHAMBER OF COMMERCE P.O. BOX 1757 KILL DEVIL HILLS, NC 27948	56-0899110	501(C)(6)	7,700.				EVENT SPONSORSHIP
(10) OUTER BANKS DEMENTIA FRIENDLY COALITION P.O. BOX 752 KITTY HAWK, NC 27949	85-0522723	501(C)(3)	5,250.				EVENT SPONSORSHIP
(11) OUTER BANKS HOTLINE P.O. BOX 1490 MANTEO, NC 27954	58-1414606	501(C)(3)	10,000.				COMMUNITY BENEFIT GRANT PROGRAM
(12)							

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table 10

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

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

Schedule I (Form 990) 2023

Part III

Grants and Other Assistance to Domestic Individuals. Complete if the organization answered "Yes" on Form 990, Part IV, line 22.
Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1					
2					
3					
4					
5					
6					
7					

Part IV

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

PART I, LINE 2:

TOBH MAINTAINS RECORDS TO SUBSTANTIATE ALL DISBURSEMENTS MADE IN
ACCORDANCE WITH ITS DOCUMENT RETENTION POLICY. ALL GRANTS AND ASSISTANCE
ARE APPROVED AT THE APPROPRIATE LEVEL OUTLINED IN ITS POLICY AND
PROCEDURES.

SCHEDULE J
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization

THE OUTER BANKS HOSPITAL, INC.

Compensation Information

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

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

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

OMB No. 1545-0047

2023

Open to Public
Inspection

Employer identification number

56-2112733

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

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

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

- a Receive a severance payment or change-of-control payment?
- b Participate in or receive payment from a supplemental nonqualified retirement plan?
- c Participate in or receive payment from an equity-based compensation arrangement?
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

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

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

- a The organization?
- b Any related organization?
- If "Yes" on line 5a or 5b, describe in Part III.

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

- a The organization?
- b Any related organization?
- If "Yes" on line 6a or 6b, describe in Part III.

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

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

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

Yes No

1b

2

4a

4b

4c

5a

5b

6a

6b

7

8

9

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

Schedule J (Form 990) 2023

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

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

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC and/or 1099-NEC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)–(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
CHRISTOPHER MANN 1 PHYSICIAN	(i)	674,021.	NONE	NONE	NONE	52,461.	726,482.	NONE
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
JAY BRILEY 2 BOARD MEMBER (THRU 12/23)	(i)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
	(ii)	455,176.	57,144.	NONE	131,913.	43,940.	688,173.	NONE
MATTHEW MCKENNA 3 PHYSICIAN	(i)	563,675.	NONE	NONE	NONE	54,900.	618,575.	NONE
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
GARY HUNTER 4 ANESTHESIOLOGIST	(i)	575,839.	10,000.	NONE	NONE	31,831.	617,670.	NONE
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
JEFFREY CHASE 5 PHYSICIAN	(i)	540,945.	NONE	NONE	NONE	48,698.	589,643.	NONE
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
VAN SMITH 6 BOARD MEMBER (AS OF 3/24)	(i)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
	(ii)	377,403.	19,734.	NONE	135,942.	44,507.	577,586.	NONE
AMANDA PETTIBONE POND 7 PHYSICIAN	(i)	532,845.	NONE	NONE	NONE	44,009.	576,854.	NONE
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
RONALD SLOAN 8 PRESIDENT	(i)	288,576.	37,438.	NONE	75,647.	55,851.	457,512.	NONE
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
MARCELLA BRYANT 9 VP, CLINICAL OPERATIONS	(i)	193,784.	10,250.	NONE	21,668.	38,749.	264,451.	NONE
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
TODD WARLITNER 10 VP, FINANCE-CRITICAL ACCESS	(i)	72,806.	3,658.	NONE	8,099.	14,380.	98,943.	NONE
	(ii)	109,208.	5,488.	NONE	12,148.	21,571.	148,415.	NONE
AMY MONTGOMERY 11 SECRETARY	(i)	165,335.	667.	NONE	3,336.	31,231.	200,569.	NONE
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
12	(i)							
	(ii)							
13	(i)							
	(ii)							
14	(i)							
	(ii)							
15	(i)							
	(ii)							
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.

PART I, LINE 3:

THE TOP MANAGEMENT OFFICIAL IS THE PRESIDENT WHO IS AN EMPLOYEE OF TOBH.

THE COMPENSATION IS DETERMINED BY THE COMPENSATION AND BENEFITS COMMITTEE

OF THE ECU HEALTH BOARD USING COMPARATIVE DATA FROM LIKE ORGANIZATIONS

AND INPUT FROM CONSULTANTS. COMPENSATION OF OTHER OFFICERS AND KEY

EMPLOYEES IS ALSO DETERMINED BY THE COMPENSATION AND BENEFITS COMMITTEE

OF THE ECU HEALTH BOARD USING COMPARATIVE DATA FROM LIKE ORGANIZATIONS

AND INPUT FROM CONSULTANTS. ALL COMPENSATION DISCUSSIONS AND ACTIONS ARE

DOCUMENTED AND APPROVED IN THE MINUTES OF THE COMMITTEE.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Name of the organization

THE OUTER BANKS HOSPITAL, INC.

Supplemental Information to Form 990 or 990-EZ

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

► Attach to Form 990 or 990-EZ.

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

OMB No. 1545-0047

2023

**Open to Public
Inspection**

Employer identification number

56-2112733

FORM 990, PART III, LINE 4A:

OVERVIEW OF UNIVERSITY HEALTH SYSTEMS OF EASTERN CAROLINA:

OUR MISSION AT ECU HEALTH IS TO IMPROVE THE HEALTH AND WELL-BEING OF
EASTERN NORTH CAROLINA. OUR MISSION, VISION AND VALUES CONTINUE TO LEAD
US ON A VOYAGE TO EXCELLENCE. BECAUSE THE PEOPLE WE TAKE CARE OF ARE OUR
NEIGHBORS, FRIENDS AND FAMILY THEY DESERVE THE BEST.

ECU HEALTH IS A NORTH CAROLINA NON-PROFIT CORPORATION WITH HEADQUARTERS
IN GREENVILLE, NORTH CAROLINA. ECU HEALTH AND ITS AFFILIATES OPERATE AN
INTEGRATED HEALTH CARE DELIVERY SYSTEM THAT SERVES A TOTAL MARKET OF
APPROXIMATELY 1.4 MILLION PEOPLE IN 29 CONTIGUOUS COUNTIES IN EASTERN
NORTH CAROLINA. THE HEALTH SYSTEM INCLUDES HOSPITALS, PHYSICIAN
PRACTICES, OUTPATIENT SERVICES, HOME HEALTH, HOSPICE, AND WELLNESS
SERVICES. THE HEALTH SYSTEM'S OWNED HOSPITALS ARE ECU HEALTH MEDICAL
CENTER, WHICH IS A TERTIARY CARE HOSPITAL AND AN ACADEMIC MEDICAL CENTER,
THAT INCLUDES THE ECU HEALTH BEAUFORT HOSPITAL AS A DEPARTMENT OPERATING
AS A CAMPUS OF ECU HEALTH MEDICAL CENTER AND SEVEN OTHER ACUTE CARE
HOSPITALS: ECU HEALTH ROANOKE-CHOWAN HOSPITAL, ECU HEALTH EDGEcombe
HOSPITAL, ECU HEALTH CHOWAN HOSPITAL, ECU HEALTH BERTIE HOSPITAL, ECU
HEALTH DUPLIN HOSPITAL, ECU HEALTH NORTH HOSPITAL, AND THE OUTER BANKS
HOSPITAL. ECU HEALTH MEDICAL CENTER SERVES AS THE TEACHING HOSPITAL FOR
THE BRODY SCHOOL OF MEDICINE, EAST CAROLINA SCHOOLS OF NURSING AND ALLIED
HEALTH, PITT COMMUNITY COLLEGE AND BEAUFORT COMMUNITY COLLEGE. THE SYSTEM
ALSO SERVES AS A REGIONAL REFERRAL CENTER FOR EASTERN NORTH CAROLINA.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Name of the organization

THE OUTER BANKS HOSPITAL, INC.

Supplemental Information to Form 990 or 990-EZ

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

► Attach to Form 990 or 990-EZ.

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

OMB No. 1545-0047

2023

**Open to Public
Inspection**

Employer identification number

56-2112733

THE SYSTEM'S NINE OWNED HOSPITALS ARE LICENSED TO OPERATE 1,708 BEDS.

EACH HOSPITAL IS LICENSED BY THE DIVISION OF FACILITY SERVICES OF THE

NORTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES AND APPROVED AS A

PROVIDER BY THE MEDICARE AND MEDICAID PROGRAMS. ECU HEALTH AND ITS

HOSPITALS AND AFFILIATE ORGANIZATIONS PROVIDE SERVICES TO PATIENTS

WITHOUT REGARD TO THEIR ABILITY TO PAY. IN FISCAL YEAR 2024 ECU HEALTH'S

COMBINED PATIENT CARE STATISTICS WERE: INPATIENT ADMISSIONS, 68,152;

INPATIENT DAYS OF CARE, 385,435; SURGERIES, 56,012; BIRTHS, 6,690; AND

OUTPATIENT VISITS, 450,414. OUR SYSTEM'S WORKFORCE INCLUDED 13,090

EMPLOYEES.

EACH OF ECU HEALTH'S HOSPITALS OPERATES AN EMERGENCY ROOM, WHICH IS OPEN

24 HOURS A DAY. ECU HEALTH MEDICAL CENTER ALSO OFFERS A FULL SPECTRUM OF

TRAUMA SERVICES. EMERGENCY AND TRAUMA SERVICES ARE PROVIDED TO PATIENTS

WITHOUT REGARD TO THEIR ABILITY TO PAY. IN FISCAL YEAR 2024 ECU HEALTH

PROVIDED CARE TO 274,505 EMERGENCY ROOM PATIENTS.

ECU HEALTH'S BOARD OF DIRECTORS CONSISTS OF 11 VOTING MEMBERS, SIX OF

WHOM MUST BE CURRENT OR FORMER PITT COUNTY, NORTH CAROLINA APPOINTEES OF

ECU HEALTH MEDICAL CENTER'S BOARD OF TRUSTEES AND FIVE OF WHOM MUST BE

CURRENT OR FORMER BOARD OF GOVERNORS OF THE UNIVERSITY OF NORTH CAROLINA

APPOINTEES OF ECU HEALTH MEDICAL CENTER'S BOARD OF TRUSTEES.

ECU HEALTH MEDICAL CENTER, IN AFFILIATION WITH THE BRODY SCHOOL OF

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Name of the organization

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OMB No. 1545-0047

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**Open to Public
Inspection**

Employer identification number

THE OUTER BANKS HOSPITAL, INC.

56-2112733

MEDICINE, WHICH IS OWNED BY THE STATE OF NORTH CAROLINA, OPERATES 30
RESIDENT-TRAINING PROGRAMS WITH OVER 400 MEDICAL RESIDENTS. THIS
RELATIONSHIP ENABLES ECU HEALTH MEDICAL CENTER AND THE BRODY SCHOOL OF
MEDICINE TO COMBINE THEIR RESOURCES FOR THE PROVISION OF QUALITY PATIENT
CARE, MEDICAL EDUCATION AND RESEARCH FOR THE RESIDENTS OF EASTERN NORTH
CAROLINA. THE BRODY SCHOOL OF MEDICINE HAS THREE IMPORTANT GOALS:
EDUCATING PRIMARY CARE PHYSICIANS, MAKING MEDICAL CARE MORE READILY
AVAILABLE TO THE PEOPLE OF EASTERN NORTH CAROLINA, AND PROVIDING
OPPORTUNITIES TO MINORITY AND DISADVANTAGED STUDENTS.

AS A NON-PROFIT ORGANIZATION, ECU HEALTH REINVESTS ALL EXCESS OF REVENUES
OVER EXPENSES IN PROGRAMS, SERVICES, AND FACILITIES THAT PROVIDE ACCESS
TO PATIENT CARE AND HEALTH SERVICES TO THE CITIZENS OF EASTERN CAROLINA.

OVERVIEW OF ECU HEALTH COMMUNITY BENEFIT PROGRAMS

1. EASTERN NORTH CAROLINA IS COMPRISED OF 1.4 MILLION PEOPLE LIVING IN
14,000 SQUARE MILES. BOUNDARIES ARE FROM I-95 EAST TO THE COAST, AND FROM
THE VIRGINIA LINE DOWN TO AND INCLUDING ONSLOW COUNTY. THE AREA IS
LARGELY RURAL AND LARGELY POOR, WITH HIGHER THAN STATE OR NATIONAL
AVERAGE RATES FOR POVERTY AND UNINSURED. HEALTH STATUS INDICATORS SHOW
INCREASED INCIDENCE OF DISEASE IN THE REGION, ESPECIALLY CANCER, HEART
DISEASE AND STROKE. ECU HEALTH DETERMINES PRIORITIES FOR TARGET
POPULATIONS BY WORKING IN CONCERT WITH MEDICAL AND COMMUNITY AGENCY
PARTNERS IN ONGOING ASSESSMENT OF THE MOST PRESSING HEALTH CARE NEEDS.

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MANY EFFORTS OVER THE PAST DECADE HAVE FOCUSED ON DIABETES, PEDIATRIC
ASTHMA, SCHOOL HEALTH, INJURY PREVENTION, ACCESS TO CARE, NUTRITION
ENHANCEMENT, PHYSICAL ACTIVITIES AND CHRONIC DISEASE SCREENINGS. ALSO,
SPECIAL PROGRAMS TO MANAGE THE CARE OF MEDICAID ENROLLEES, ADDRESS ACCESS
TO BOTH MEDICAL CARE AND MEDICATIONS FOR THE UNINSURED, AND COORDINATION
OF SERVICES FOR CHILDREN WITH OBESITY HAVE BEEN UNDERTAKEN. THE
POPULATIONS THAT ARE SERVED BY ADDRESSING THESE ISSUES ARE LARGELY THE
POOR, THE UNDERSERVED, AND MINORITIES. DETERMINATION OF SPECIFIC
POPULATIONS TO ADDRESS OCCURS WHEN PARTNERS SUCH AS THE NORTH CAROLINA
DEPARTMENT OF HEALTH AND HUMAN SERVICES, LOCAL HEALTH DEPARTMENTS, COUNTY
COALITIONS, TASK FORCES, AND PHYSICIANS IDENTIFY A QUANTIFIABLE NEED, AND
COMMUNITY PARTNERS ARE ENGAGED TO WORK TOGETHER WITH THE HEALTH SYSTEM.

2. FUNDING FOR COMMUNITY HEALTH PROGRAMS IS OBTAINED FROM BOTH THE
OPERATING FUNDS OF ECU HEALTH ENTITIES AND EXTERNAL GRANT-AWARDING
ORGANIZATIONS. THE ECU HEALTH BOARD ANNUALLY PROVIDES FINANCIAL SUPPORT
FOR THE COMMUNITY BENEFIT INITIATIVES PROGRAM BASED WITHIN EACH ECU
HEALTH HOSPITAL. FUNDS ARE AWARDED TO COMMUNITY AGENCIES THAT
SUCCESSFULLY DEMONSTRATE BOTH NEED AND A WELL-DESIGNED PLAN TO ADDRESS
ONE OF THE HEALTH PRIORITIES IDENTIFIED IN THE COMMUNITY HEALTH
ASSESSMENT PROCESS. THESE FUNDS ARE THEN AWARDED TO COMMUNITY AGENCIES
THAT SUCCESSFULLY DEMONSTRATE BOTH NEED AND A WELL-DESIGNED PLAN TO
ADDRESS ONE OF THE FOUNDATION'S PRIORITY CATEGORIES. IN ADDITION, EACH
ECU HEALTH HOSPITAL FINANCIALLY SUPPORTS COMMUNITY HEALTH RESOURCES
WITHIN ITS OPERATING BUDGET. PROGRAMS VARY ACCORDING TO THE HOSPITAL'S

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FINANCIAL ABILITY AND COMMUNITY NEED, BUT ALL INCLUDE COLLABORATIVE EFFORTS WITH LOCAL HEALTH DEPARTMENTS, INCLUDING HEALTH SCREENINGS AND EDUCATION TO TARGETED POPULATIONS. ECU HEALTH ALSO HAS A SUCCESSFUL TRACK RECORD OF OBTAINING COMMUNITY HEALTH PROGRAM SUPPORT FROM EXTERNAL AGENCIES THAT AWARD GRANT FUNDING TO APPROVE PROJECTS. THE ECU HEALTH GRANTS OFFICE WAS ESTABLISHED IN 2008 AND SERVES AS THE CENTRAL POINT FOR GRANT MINING, ACQUISITION AND MANAGEMENT OF GRANTS AWARDED TO ECU HEALTH HOSPITALS FOR COMMUNITY-BASED PROGRAMS. GRANT FUNDS ARE UTILIZED TO DEMONSTRATE THE EFFECTIVENESS OF A PROPOSED COMMUNITY PROGRAM, MEASURE THE OUTCOMES ACHIEVED, AND GARNER LONG-TERM SUSTAINABILITY FROM EITHER THE HEALTH SYSTEM, OTHER COMMUNITY AGENCIES OR AS A COLLABORATIVE PROGRAM. MANY COMMUNITY HEALTH PROGRAMS ARE COLLABORATIVE IN NATURE WITH LOCAL SERVICE AGENCIES, AND OFTEN A PORTION OF THE GRANT FUNDS ARE USED TO SUPPORT RESOURCES OR SERVICES IN THESE AGENCIES

3. COMMUNITY HEALTH PRIORITIES ARE DETERMINED FOLLOWING THE COMPLETION OF A COMMUNITY HEALTH NEEDS ASSESSMENT EVERY THREE YEARS. THE COMMUNITY HEALTH NEEDS ASSESSMENT INCLUDES INPUT FROM COMMUNITY MEMBERS RECEIVED THROUGH COMMUNITY SURVEYS AND FOCUS GROUP DISCUSSIONS, AS WELL AS A REVIEW OF SECONDARY HEALTH DATA. COMMUNITY ALLIANCES, PARTNERS AND ORGANIZATIONS, INCLUDING LOCAL HEALTH DEPARTMENTS, PARTICIPATE IN THIS REVIEW. A LIST OF THE MOST PRESSING HEALTH ISSUES ARE COMPILED FOR EACH COMMUNITY AND THEN PRIORITIZED FOLLOWING AN ASSESSMENT OF CURRENT HEALTH RESOURCES TO ADDRESS THE IDENTIFIED HEALTH ISSUES. ESTABLISHED RESOURCES/COALITIONS AND NEW PARTNERSHIPS ARE FORMED TO ADDRESS THE

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IDENTIFIED HEALTH PRIORITIES

4. COMMUNITY HEALTH PRIORITIES ARE ALSO ESTABLISHED IN RESPONSE TO A
COMPELLING NEED IDENTIFIED BY HEALTH PRACTITIONERS OR COMMUNITY GROUPS.
ECU HEALTH IS FORTUNATE TO HAVE A STRONG COLLABORATIVE PARTNERSHIP WITH
EAST CAROLINA UNIVERSITY AND WORKS CLOSELY WITH THE SCHOOLS WITHIN THE
HEALTH SCIENCES DIVISION, ESPECIALLY THE BRODY SCHOOL OF MEDICINE.

FORM 990, PART III, LINE 4A CONTINUATION:

PROVIDED BELOW ARE A FEW HIGHLIGHTS OF THE COMMUNITY BENEFIT AND
EDUCATION ACTIVITIES:

COMMUNITY HEALTH IMPROVEMENT SERVICES: COMMUNITY HEALTH IMPROVEMENT
SERVICES ARE PROGRAMS AND SERVICES THAT MEET AN IDENTIFIED NEED AND ARE
OFFERED TO THE COMMUNITY AT LITTLE OR NO CHARGE. ECU HEALTH HOSPITALS
SPONSOR PROGRAMS THAT IMPROVE ACCESS TO HEALTH CARE FOR THE UNDERSERVED
AND ENHANCE THE IDENTIFICATION AND MANAGEMENT OF CHRONIC DISEASES, SUCH
AS CANCER, DIABETES AND HEART DISEASE. HERE ARE A FEW EXAMPLES OF THESE
PROGRAMS:

- MEDICAL ASSISTANCE PROGRAMS FOR UNINSURED PATIENTS
- SUPPORT FOR COMMUNITY COALITIONS FOCUSED ON HEALTH
- SUPPORT OF LOCAL FEDERALLY QUALIFIED HEALTH CENTER
- SUPPORT FOR HEALTHY NEIGHBORS FAITH HEALTH PARTNERSHIP
- SUPPORT FOR SCHOOL HEALTH PARTNERSHIP

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HEALTH PROFESSIONAL EDUCATION: PREPARING FUTURE HEALTH CARE PROFESSIONALS IS IMPORTANT TO US. OUR HOSPITALS PROVIDE CLINICAL SETTINGS FOR STUDENTS OF HEALTH PROFESSIONS, SUCH AS FUTURE PHYSICIANS, NURSES AND OTHER ALLIED HEALTH PROFESSIONALS. WE ALSO SUPPORT STUDENTS THROUGH DEFERRED FORGIVABLE LOANS AND INTERNSHIPS INCLUDING RESIDENT TRAINING, NURSING CLINIC SITES, ALLIED HEALTH PROFESSIONALS, AND FINANCIAL SUPPORT OF NURSING PROGRAMS.

RESEARCH: EAST CAROLINA UNIVERSITY (ECU) CONDUCTS RESEARCH TO EVALUATE NEW TREATMENTS AND PROTOCOLS. THESE STUDIES HELP HEALTH PROFESSIONALS EVERYWHERE PROVIDE QUALITY CARE TO PATIENTS. ECU HEALTH SUPPORTS THIS THROUGH VARIOUS MEANS INCLUDING SUPPORTING THE INSTITUTIONAL REVIEW BOARD AT ECU AND PROVIDING STUDY SITES.

FINANCIAL AND IN-KIND CONTRIBUTIONS: ECU HEALTH DONATES MONEY AND IN-KIND SERVICES TO COMMUNITY GROUPS AND ACTIVITIES THAT SHARE OUR MISSION OF IMPROVING HEALTH. THEY INCLUDE MEALS ON WHEELS, THE BLOOD CONNECTION BLOOD DRIVES, MEDICAL SUPPLIES TO EMERGENCY MEDICAL SERVICES, FREE MEDICATIONS TO QUALIFYING PATIENTS, AND LOCAL HIGH SCHOOL AND COMMUNITY COLLEGE ALLIED HEALTH PROGRAMS. ECU HEALTH HOSPITALS ARE KEY PARTNERS IN FUNDRAISING FOR ORGANIZATIONS SUCH AS THE UNITED WAY, AMERICAN HEART ASSOCIATION, AND THE AMERICAN CANCER SOCIETY.

COMMUNITY BUILDING: COMMUNITY-BUILDING ACTIVITIES INCLUDE PROGRAM THAT ARE NOT DIRECTLY RELATED TO HEALTH CARE BUT ADDRESS UNDERLYING ISSUES

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THAT IMPACT THE HEALTH OF COMMUNITIES. POVERTY, CRIME, HOMELESSNESS,
WORKFORCE DEVELOPMENT AND ECONOMIC DEVELOPMENT ALL AFFECT THE OVERALL
HEALTH OF COMMUNITIES. ECU HEALTH HAS PROVIDED SUPPORT FOR OUR LOCAL
CHAMBERS OF COMMERCE, INVESTMENTS IN COMMUNICATION INFRASTRUCTURE VIA
INFORMATION TECHNOLOGY CONNECTIONS, SUPPORT FOR THE TEEN LEADERSHIP
ACADEMY, RECRUITMENT OF PHYSICIANS TO OUR RURAL COMMUNITIES, AND PROGRAMS
THAT ENCOURAGE STUDENTS TO PURSUE HEALTH CAREERS.

FORM 990, PART VI, SECTION A, LINE 1A:

THE BOARD OF DIRECTORS MAY CREATE AN EXECUTIVE COMMITTEE CONSISTING OF
TWO OR MORE VOTING MEMBERS. THE EXECUTIVE COMMITTEE SHALL HAVE AND MAY
EXERCISE, IN THE INTERIM BETWEEN MEETINGS OF THE BOARD OF DIRECTORS, AND
EXCEPT AS OTHERWISE PROVIDED IN SECTION 8 OF THE BYLAWS, ALL THE POWERS OF
THE BOARD OF DIRECTORS.

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

ACCORDING TO THE ORGANIZATION'S AMENDED AND RESTATED BYLAWS, ARTICLE II,
THE ORGANIZATION HAS TWO MEMBERS, EAST CAROLINA HEALTH AND CHESAPEAKE
HOSPITAL AUTHORITY.

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

EACH MEMBER HAS THE RIGHT TO APPOINT BOARD MEMBERS. EAST CAROLINA HEALTH
APPOINTS 6 BOARD MEMBERS AND CHESAPEAKE HOSPITAL AUTHORITY APPOINTS 4
BOARD MEMBERS.

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

THE FOLLOWING ACTIONS SHALL NOT BE TAKEN WITHOUT UNANIMOUS CONSENT OF THE
MEMBERS:

(A) POSSESS PROPERTY. POSSESS CORPORATION PROPERTY FOR OTHER THAN A
PURPOSE OF THE CORPORATION; OR ASSIGN, TRANSFER, OR PLEDGE THE RIGHTS OF
THE CORPORATION IN SPECIFIC PROPERTY, FOR OTHER THAN THE EXCLUSIVE
BENEFIT OF THE CORPORATION.

(B) INVEST FUNDS. EMPLOY, OR PERMIT TO BE EMPLOYED, THE FUNDS OR ASSETS
OF THE CORPORATION IN ANY MANNER EXCEPT FOR THE EXCLUSIVE BENEFIT OF THE
CORPORATION; OR COMMINGLE THE CORPORATION'S FUNDS WITH ITS OWN OR ANY
OTHER PERSON'S FUNDS;

(C) ADDITIONAL CAPITAL CONTRIBUTIONS. CAUSE THE CORPORATION TO REQUIRE
ADDITIONAL CAPITAL CONTRIBUTIONS BEYOND THE AMOUNTS NECESSARY TO COVER
THE COST OF THE CORPORATION'S CERTIFICATE OF NEED PROJECT FOR THE
DEVELOPMENT OF AN ACUTE CARE HOSPITAL IN DARE COUNTY, INCLUDING THE
ACQUISITION OF REAL PROPERTY AND WORKING CAPITAL, WHICH THE MEMBERS HAVE
ALREADY SPECIFICALLY COMMITTED;

(D) ADMIT MEMBERS. CAUSE THE CORPORATION TO ADMIT NEW MEMBERS;

(E) MERGE OR DISSOLUTION. CAUSE THE CORPORATION TO MERGE WITH OR INTO ANY
OTHER ENTITY OR ANY ENTITY TO MERGE WITH OR INTO THE CORPORATION OR CAUSE

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THE CORPORATION TO DISSOLVE;

(F) AMENDMENT. AMEND THE CORPORATION'S ARTICLES OF INCORPORATION OR
BYLAWS.

(G) CON LITIGATION. COMMENCE OR SETTLE ANY LITIGATION ASSOCIATED WITH THE
ISSUANCE OF A CERTIFICATE OF NEED FOR AN ACUTE CARE HOSPITAL IN DARE
COUNTY;

(H) SALE OF ASSETS. SELL ALL OR SUBSTANTIALLY ALL OF THE ASSETS OF THE
CORPORATION; OR

(I) BUSINESS OF CORPORATION. CHANGE THE TYPE OF BUSINESS IN WHICH THE
CORPORATION IS ENGAGED FROM THE OPERATION OF AN ACUTE CARE HOSPITAL AND
THE PROVISION OF RELATED MEDICAL SERVICES IN DARE COUNTY, NORTH CAROLINA.

FORM 990, PART VI, SECTION B, LINE 11B:

FORM 990 IS MADE AVAILABLE TO BOARD MEMBERS BY POSTING TO A BOARD
MEMBER'S WEBSITE. ANY BOARD MEMBER WHO DOES NOT HAVE THE ABILITY TO
ACCESS THE RETURN IN THIS MANNER WILL RECEIVE A COPY VIA ELECTRONIC OR
REGULAR MAIL. THE RETURN IS ALSO REVIEWED BY THE CHIEF FINANCIAL OFFICER,
CHIEF GENERAL COUNSEL AND THE CHIEF AUDIT AND COMPLIANCE OFFICER OF ECU
HEALTH PRIOR TO FILING.

FORM 990, PART VI, SECTION B, LINE 12C:

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ALL OFFICERS, BOARD MEMBERS AND KEY EMPLOYEES ARE REQUIRED TO COMPLETE A YEARLY COMPREHENSIVE CONFLICT OF INTEREST QUESTIONNAIRE. THESE RESPONSES ARE REVIEWED BY LEGAL COUNSEL AND ANY POTENTIAL OR ACTUAL CONFLICTS ARE BROUGHT TO THE BOARD FOR DISPOSITION. BOARD MEMBERS ARE INSTRUCTED TO REPORT ANY POTENTIAL CONFLICTS ARISING DURING THE YEAR FOR REVIEW. BOARD MEMBERS ARE REQUIRED TO RECUSE THEMSELVES FROM VOTING ON ISSUES IN WHICH THEY ARE DEEMED TO HAVE A CONFLICT.

FORM 990, PART VI, SECTION B, LINE 15:

THE COMPENSATION IS DETERMINED BY THE COMPENSATION AND BENEFITS COMMITTEE OF THE ECU HEALTH BOARD USING COMPARATIVE DATA FROM LIKE ORGANIZATIONS AND INPUT FROM CONSULTANTS. THIS PROCESS IS PERFORMED EVERY YEAR. COMPENSATION OF OTHER OFFICERS AND KEY EMPLOYEES IS ALSO DETERMINED BY THE COMPENSATION AND BENEFITS COMMITTEE OF THE ECU HEALTH BOARD USING COMPARATIVE DATA FROM LIKE ORGANIZATIONS AND INPUT FROM CONSULTANTS. THIS PROCESS IS PERFORMED EVERY YEAR. ALL COMPENSATION DISCUSSIONS AND ACTIONS ARE DOCUMENTED AND APPROVED IN THE MINUTES OF THE COMMITTEE.

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

THE ORGANIZATION MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC UPON REQUEST FOR THE SAME PERIOD OF DISCLOSURE AS SET FORTH IN IRC SECTION 6104(D).

FORM 990, PART XI, LINE 9, CHANGES IN NET ASSETS:

NET ASSET TRANSFER \$(11,500,000)

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FORM 990, PART XII, LINE 2C:

THE PROCESS HAS NOT CHANGED FROM THE PRIOR YEAR.

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FORM 990, PART VII-COMPENSATION OF THE 5 HIGHEST PAID IND. CONTRACTORS

NAME AND ADDRESS	DESCRIPTION OF SERVICES	COMPENSATION
AMN HEALTHCARE P.O. BOX 281923 ATLANTA, GA 30384	TEMP LABOR SERVICES	4,238,792.
MEDICAL SOLUTIONS, LLC 1010 N 102ND STREET OMAHA, NE 68114	LOCUMS/TEMP LABOR	1,121,242.
SODEXO, INC. & AFFILIATES P.O. BOX 905374 CHARLOTTE, NC 28290	CONTRACT LABOR & MGT	797,919.
WEATHERBY LOCUMS, INC. P.O. BOX 972633 DALLAS, TX 75397	LOCUMS/TEMP LABOR	750,629.
CHESAPEAKE REGIONAL MEDICAL GROUP 667 KINGSBOROUGH SQUARE CHESAPEAKE, VA 23320	HOSP/MEDICAL GROUP	637,048.

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FORM 990, PART IX - OTHER FEES

=====

DESCRIPTION	(A) TOTAL FEES	(B) PROGRAM SERVICE EXP.	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING EXPENSES
-----	-----	-----	-----	-----
CONTRACTED SERVICES	33,753,639.	27,002,911.	6,750,728.	NONE
TOTALS	-----	-----	-----	-----
	33,753,639.	27,002,911.	6,750,728.	NONE
	=====	=====	=====	=====

SCHEDULE R
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Related Organizations and Unrelated Partnerships

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

Attach to Form 990.

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

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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) OUTER BANKS PROFESSIONAL SERVICES, LLC 27-0484506 604 AMANDA STREET MANTEO, NC 27954	SEE PART VII	NC	19,689,886.	8,615,457.	SEE PART VII
(2) OUTER BANKS MEDICAL OFFICE BUILDING, LLC 16-1740979 4810 SOUTH CROATAN HWY NAGS HEAD, NC 37959	SEE PART VII	NC	856,860.	8,953,956.	SEE PART VII
(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
SEE SUPPLEMENTAL PAGE							
(1)							
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							

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

Schedule R (Form 990) 2023

PART II - IDENTIFICATION OF RELATED TAX-EXEMPT ORGANIZATIONS

(A) NAME\ADDRESS\EIN	(B) ACTIVITY	(C) LEGAL DOMICILE	(D) EXEMPT CODE	(E) CHARITY STATUS	(F) DIRECT CONTROLLING	(G) SEC 512 YES	NO

UNIV HEALTH SYSTEMS OF EASTERN CAROLINA 2100 STANTONSBURG ROAD	56-2141073 GREENVILLE, NC 27835 HEALTHCARE	NC	501(C)(3)	12C-III FI	N/A		X
PITT COUNTY MEMORIAL HOSPITAL, INC. 2100 STANTONSBURG ROAD	56-0585243 GREENVILLE, NC 27835 HOSPITAL	NC	501(C)(3)	LINE 3	ECU HEALTH		X
PCMH MANAGEMENT, INC. 2100 STANTONSBURG ROAD	56-1690740 GREENVILLE, NC 27835 MEDICAL PROP.	NC	501(C)(2)	N/A	ECU HEALTH		X
VIDANT MEDICAL GROUP, LLC. 2100 STANTONSBURG ROAD	38-3740839 GREENVILLE, NC 27835 HEALTHCARE	NC	501(C)(3)	LINE 10	ECU HEALTH		X
EAST CAROLINA HEALTH 2100 STANTONSBURG ROAD	56-2003393 GREENVILLE, NC 27835 HOSPITAL	NC	501(C)(3)	LINE 3	ECU HEALTH		X
HEALTHACCESS, INC. 2100 STANTONSBURG ROAD	56-1396133 GREENVILLE, NC 27835 HEALTHCARE	NC	501(C)(3)	LINE 12B,II	ECU HEALTH		X
EAST CAROLINA HEALTH-BERTIE 2100 STANTONSBURG ROAD	56-2072002 GREENVILLE, NC 27835 HOSPITAL	NC	501(C)(3)	LINE 3	ECU HEALTH		X
EAST CAROLINA HEALTH-CHOWAN 2100 STANTONSBURG ROAD	56-2101090 GREENVILLE, NC 27835 HOSPITAL	NC	501(C)(3)	LINE 3	ECU HEALTH		X
EAST CAROLINA HEALTH-HERITAGE 2100 STANTONSBURG ROAD	56-2093700 GREENVILLE, NC 27835 HOSPITAL	NC	501(C)(3)	LINE 3	ECU HEALTH		X
EAST CAROLINA HEALTH-BEAUFORT 2100 STANTONSBURG ROAD	45-2436270 GREENVILLE, NC 27835 HOSPITAL	NC	501(C)(3)	LINE 3	ECU HEALTH		X

THE OUTER BANKS HOSPITAL, INC.

56-2112733

(A) NAME\ADDRESS\EIN	(B) ACTIVITY	(C) LEGAL DOMICILE	(D) EXEMPT CODE	(E) CHARITY STATUS	(F) DIRECT CONTROLLING	(G) SEC 512 YES	NO

DUPLIN GENERAL HOSPITAL 2100 STANTONSBURG ROAD	56-6011594 GREENVILLE, NC 27835 HOSPITAL	NC	501(C)(3)	LINE 3	ECU HEALTH		X
HALIFAX REGIONAL MEDICAL CENTER, INC. 2100 STANTONSBURG ROAD	56-0989789 GREENVILLE, NC 27835 HOSPITAL	NC	501(C)(3)	LINE 3	ECU HEALTH		X
ROANOKE VALLEY HEALTH SERVICES, INC. 2100 STANTONSBURG ROAD	56-1925492 GREENVILLE, NC 27835 HEALTHCARE	NC	501(C)(3)	LINE 3	ECU HEALTH		X
ACCESS EAST, INC. 2410 STANTONSBURG ROAD, STANTO	56-1949493 GREENVILLE, NC 27834 HEALTHCARE	NC	501(C)(3)	LINE 10	ECU HEALTH		X
EAST CAROLINA HEALTH 2100 STANTONSBURG ROAD	91-1997979 GREENVILLE, NC 27835 HOSPITAL	NC	501(C)(3)	LINE 3	ECU HEALTH		X

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512 - 514)	(f) Share of total income	(g) Share of end-of- year assets	(h) Disproportionate allocations?		(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)												
(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)									
(2)									
(3)									
(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
1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?		
a Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity	1a	X
b Gift, grant, or capital contribution to related organization(s)	1b	X
c Gift, grant, or capital contribution from related organization(s)	1c	X
d Loans or loan guarantees to or for related organization(s)	1d	X
e Loans or loan guarantees by related organization(s)	1e	X
f Dividends from related organization(s)	1f	X
g Sale of assets to related organization(s)	1g	X
h Purchase of assets from related organization(s)	1h	X
i Exchange of assets with related organization(s)	1i	X
j Lease of facilities, equipment, or other assets to related organization(s)	1j	X
k Lease of facilities, equipment, or other assets from related organization(s)	1k	X
l Performance of services or membership or fundraising solicitations for related organization(s)	1l	X
m Performance of services or membership or fundraising solicitations by related organization(s)	1m	X
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n	X
o Sharing of paid employees with related organization(s)	1o	X
p Reimbursement paid to related organization(s) for expenses	1p	X
q Reimbursement paid by related organization(s) for expenses	1q	X
r Other transfer of cash or property to related organization(s)	1r	X
s Other transfer of cash or property from related organization(s)	1s	X
2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.		

(a) Name of related organization	(b) Transaction type (a - s)	(c) Amount involved	(d) Method of determining amount involved
(1)			
(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)													
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(12)													
(13)													
(14)													
(15)													
(16)													

Part VII Supplemental Information

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

SCHEDULE R, PART I, COLUMN B AND COLUMN F:

DISREGARDED ENTITY: OUTER BANKS PROFESSIONAL SERVICES, LLC

PRIMARY ACTIVITY: FAMILY PRACTICE

DIRECT CONTROLLING ENTITY: THE OUTER BANKS HOSPITAL, INC.

DISREGARDED ENTITY: OUTER BANKS MEDICAL OFFICE BUILDING, LLC

PRIMARY ACTIVITY: MEDICAL OFFICE BUILDING

DIRECT CONTROLLING ENTITY: THE OUTER BANKS HOSPITAL, INC.

SCHEDULE R, PART II, IDENTIFICATION OF RELATED TAX-EXEMPT ORGANIZATIONS:

FULL NAME, EIN, AND ADDRESS OF RELATED ORGANIZATIONS:

NAME: UNIVERSITY HEALTH SYSTEMS OF EASTERN CAROLINA D/B/A ECU HEALTH

EIN: 56-2141073

ADDRESS: 2100 STANTONSBURG ROAD, GREENVILLE, NC 27835

NAME: PITT COUNTY MEMORIAL HOSPITAL, INC. D/B/A ECU HEALTH MEDICAL CENTER

EIN: 56-0585243

ADDRESS: 2100 STANTONSBURG ROAD, GREENVILLE, NC 27835

Part VII Supplemental Information

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

NAME: PCMH MANAGEMENT, INC. D/B/A ECU HEALTH PROPERTIES

EIN: 56-1690740

ADDRESS: 2100 STANTONSBURG ROAD, GREENVILLE, NC 27835

NAME: VIDANT MEDICAL GROUP, LLC. D/B/A ECU HEALTH PHYSICIANS

EIN: 38-3740839

ADDRESS: 2100 STANTONSBURG ROAD, GREENVILLE, NC 27835

NAME: EAST CAROLINA HEALTH D/B/A ECU HEALTH COMMUNITY HOSPITALS

EIN: 56-2003393

ADDRESS: 2100 STANTONSBURG ROAD, GREENVILLE, NC 27835

NAME: EAST CAROLINA HEALTH-BERTIE D/B/A ECU HEALTH BERTIE HOSPITAL

EIN: 56-2072002

ADDRESS: 2100 STANTONSBURG ROAD, GREENVILLE, NC 27835

NAME: EAST CAROLINA HEALTH-CHOWAN D/B/A ECU HEALTH CHOWAN HOSPITAL

EIN: 56-2101090

ADDRESS: 2100 STANTONSBURG ROAD, GREENVILLE, NC 27835

NAME: EAST CAROLINA HEALTH-HERITAGE D/B/A ECU HEALTH EDGECOMBE HOSPITAL

EIN: 56-2093700

ADDRESS: 2100 STANTONSBURG ROAD, GREENVILLE, NC 27835

NAME: EAST CAROLINA HEALTH-BEAUFORT D/B/A ECU HEALTH BEAUFORT HOSPITAL

EIN: 45-2436270

ADDRESS: 2100 STANTONSBURG ROAD, GREENVILLE, NC 27835

Part VII Supplemental Information

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

NAME: DUPLIN GENERAL HOSPITAL D/B/A ECU HEALTH DUPLIN HOSPITAL

EIN: 56-6011594

ADDRESS: 2100 STANTONSBURG ROAD, GREENVILLE, NC 27835

NAME: HALIFAX REGIONAL MEDICAL CENTER, INC. D/B/A ECU HEALTH NORTH
HOSPITAL

EIN: 56-0989789

ADDRESS: 2100 STANTONSBURG ROAD, GREENVILLE, NC 27835

NAME: EAST CAROLINA HEALTH D/B/A ECU HEALTH COMMUNITY HOSPITALS

EIN: 91-1997979

ADDRESS: 2100 STANTONSBURG ROAD, GREENVILLE, NC 27835

Electronic Filing Information: PDF attachments Included in this Return

Tax Year: 2023

Name: The Outer Banks Hospita

Return No: E7317VX3

Jurisdiction: Federal

No of Attachments: 1

PDF Attachment Description	PDF File Name	File Size
Audited Financial Statements	E7317VX3_FE_TOBH 2024 FS_FINAL.pdf	424,827

**The Outer Banks Hospital, Inc.
d/b/a Outer Banks Health
(A Component Unit of East Carolina
Health, Inc. d/b/a ECU Health
Community Hospitals)**

**Financial Statements
Year Ended September 30, 2024**

The report accompanying these financial statements was issued by
BDO USA, P.C., a Virginia professional corporation, and the U.S. member of
BDO International Limited, a UK company limited by guarantee.



**The Outer Banks Hospital, Inc.
d/b/a Outer Banks Health
(A Component Unit of East Carolina Health, Inc.
d/b/a ECU Health Community Hospitals)**

Financial Statements
Year Ended September 30, 2024

**The Outer Banks Hospital, Inc.
d/b/a Outer Banks Health
(A Component Unit of East Carolina Health, Inc.
d/b/a ECU Health Community Hospitals)**

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421 Fayetteville Street
Suite 300
Raleigh, NC 27601

Independent Auditor's Report

To the Board of Directors
The Outer Banks Hospital, Inc.
d/b/a Outer Banks Health
Nags Head, North Carolina

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the business-type activities of The Outer Banks Hospital, Inc., d/b/a Outer Banks Health (OBH), a component unit of East Carolina Health, Inc. d/b/a ECU Health Community Hospitals, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise OBH's basic financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of OBH as of September 30, 2024, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of OBH and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about OBH's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.



Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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



Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the accompanying Management's Discussion and Analysis (unaudited) be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

BDO USA, P.C.

January 22, 2025

Management's Discussion and Analysis (Unaudited)

**The Outer Banks Hospital, Inc.
d/b/a Outer Banks Health
(A Component Unit of East Carolina Health, Inc.
d/b/a ECU Health Community Hospitals)**

Management's Discussion and Analysis (Unaudited)

Annual Financial Report

The discussion and analysis of the financial performance of The Outer Banks Hospital, Inc. d/b/a Outer Banks Health (OBH) provides an overview of OBH's financial activities for the fiscal year ended September 30, 2024. OBH is a tax-exempt corporation, which is a blended component unit of East Carolina Health, Inc. d/b/a ECU Health Community Hospitals (ECOM), which is a blended component unit of University Health Systems of Eastern Carolina, Inc. d/b/a ECU Health. ECOM, also a tax-exempt corporation, consists of the parent entity and eight component entities: ECU Health Roanoke-Chowan Hospital, The Outer Banks Hospital, Inc., ECU Health Bertie Hospital, ECU Health Edgecombe Hospital, ECU Health Chowan Hospital, ECU Health Duplin Hospital, ECU Health Beaufort Hospital and ECU Health North Hospital. OBH is a joint venture between ECOM (60%) and Chesapeake Hospital Authority (40%). Please read this information in conjunction with OBH's financial statements, which begin on page 15. The financial statements also include comprehensive notes that describe OBH, its history and significant accounting policies.

Financial Highlights

- OBH's net position, after distributions to members, decreased in 2024 by \$0.6 million and increased in 2023 by \$6.8 million. Distributions were \$11.5 million in 2024 and \$5.0 million in 2023. Total income decreased \$0.9 million in 2024 with \$4.6 million of the decrease coming from operations discussed below and \$3.7 million from increased other income and increased investment income that were partially offset by increased interest expense.
- OBH had income from operations of \$6.1 million in 2024 and \$10.7 million in 2023. In 2024, income from operations decreased by \$4.6 million compared to income from operations in 2023, income from operations increased by \$3.5 million compared to income from operations in 2022. The decrease in operating income in 2024 was a result of increased temporary labor and locum expense relating to provider and staffing needs as well as salary adjustments to stay competitive with market.
- OBH experienced a decrease in surgeries of 4.2%, an increase in outpatient visits of 4.7%, an increase in admissions of 11.0% and an increase in patient days of 19.3% in 2024 compared to 2023. Outpatient visits were impacted by the opening of the Cowell Cancer Center during 2024. Inpatient volumes were impacted by the addition of new providers in the hospitalist program.

Overview of the Financial Statements

OBH presents three basic financial statements: statement of net position; statement of revenues, expenses and changes in net position; and statement of cash flows. The financial statements and related notes provide information about the financial activity of OBH.

The statement of net position presents the financial position on September 30, 2024, and depicts the resources (assets) owned by OBH and the obligations (liabilities) owed to others. The financial information included in the statement of net position reflects OBH's assets relative to its obligations to suppliers, team members and other creditors. The excess of assets over liabilities represents OBH's net position.

The Outer Banks Hospital, Inc.
d/b/a Outer Banks Health
(A Component Unit of East Carolina Health, Inc.
d/b/a ECU Health Community Hospitals)

Management's Discussion and Analysis (Unaudited)

The statement of revenues, expenses and changes in net position reports the financial results from operations during the fiscal year. The statement shows how much net position increased during the past year as a result of operating and nonoperating activities.

The statement of cash flows describes the flow of cash into and out of OBH during the fiscal year. The statement shows cash flows received during the year from operations, management of current assets and liabilities, contributions, investing activities and other sources. The statement also reflects how cash was used for investment in capital projects and equipment, contributions and transfers, distributions to members and other uses.

Summary Financial Statements of Outer Banks Health

Financial Position

OBH's statements of net position are presented below:

Condensed Statements of Net Position
(Dollars in Thousands)

<i>September 30,</i>	2024	2023
Current assets	\$ 55,975	\$ 50,455
Capital assets, net	57,042	50,790
Other assets	31,921	38,403
Total assets	\$ 144,938	\$ 139,648
Current liabilities	\$ 21,149	\$ 16,980
Reserve for professional liability losses	269	278
Lease liability	6,336	4,985
Other noncurrent liabilities	523	123
Total liabilities	28,277	22,366
Deferred inflows	183	199
Net position:		
Net investment in capital assets	50,119	45,722
Unrestricted	66,359	71,361
Total net position	116,478	117,083
Total liabilities, deferred inflows and net position	\$ 144,938	\$ 139,648

The Outer Banks Hospital, Inc.
d/b/a Outer Banks Health
(A Component Unit of East Carolina Health, Inc.
d/b/a ECU Health Community Hospitals)

Management's Discussion and Analysis (Unaudited)

As shown above, total assets were \$144.9 million at September 30, 2024, for an increase of \$5.3 million compared to fiscal year 2023. Current assets, which primarily consist of cash and accounts receivable, totaled \$56.0 million in fiscal year 2024, above fiscal year 2023 by \$5.5 million. In 2024, the increase in cash of \$13.0 million was mainly a result of Healthcare Access and Stabilization Program (HASP) receipts, offset by a \$1.9 million reduction in third party receivables related to HASP and cost report settlements and \$5.9 million reduction in patient accounts receivables due to collection efforts. Capital assets totaled \$57.0 million at the end of fiscal year 2024, up \$6.3 million from fiscal year 2023. In 2024, the increase in capital assets was mainly related to the construction of the Cowell Cancer Center and capital leases. Total liabilities at September 30, 2024, were \$28.3 million, up \$5.9 million as compared to fiscal year 2023. In 2024, the increase in current liabilities was mainly related to the increase in accrued expenses of \$2.3 million, mainly related to salary and benefits, and third party payables increased \$1.2 million related to cost settlements for Medicare. Lease liabilities increased \$1.4 million.

As shown above, total assets were \$139.6 million at September 30, 2023, for an increase of \$8.8 million compared to fiscal year 2022. Current assets, which primarily consist of cash and accounts receivable, totaled \$50.5 million in fiscal year 2023, above fiscal year 2022 by \$0.8 million. Capital assets totaled \$50.8 million at the end of fiscal year 2023, up \$12.7 million from fiscal year 2022. Total liabilities at September 30, 2024, were \$22.4 million, up \$2.2 million as compared to fiscal year 2022.

The net position at September 30, 2024, totaled \$116.5 million, a decrease of \$0.6 million from September 30, 2023, which increased \$6.8 million from 2022. The \$0.6 million decrease is net of distributions to members of \$11.5 million, \$10.9 million excess of revenue over expenses generated by OBH in fiscal year 2024.

The net position at September 30, 2023, totaled \$117.1 million, an increase of \$6.8 million from September 30, 2022, which increased \$11.1 million from 2021. The \$6.8 million increase is net of distributions to members of \$5.0 million, \$11.8 million excess of revenue over expenses generated by OBH in fiscal year 2023.

The Outer Banks Hospital, Inc.
d/b/a Outer Banks Health
(A Component Unit of East Carolina Health, Inc.
d/b/a ECU Health Community Hospitals)

Management's Discussion and Analysis (Unaudited)

Changes in Net Position

OBH's statements of revenues, expenses and changes in net position are presented below:

Condensed Statements of Revenues, Expenses and Changes in Net Position
(Dollars in Thousands)

<i>Years ended September 30,</i>	2024	2023
Operating Revenues		
Net patient service revenue	\$ 125,417	\$ 114,890
Other operating revenues	4,762	2,064
Total operating revenues	130,179	116,954
Operating Expenses		
Salaries and wages	49,625	41,680
Employee benefits	10,435	7,442
Supplies and other	59,333	52,949
Depreciation and amortization	4,351	3,643
Lease activities	331	546
Total operating expenses	124,075	106,260
Operating Income	6,104	10,694
Nonoperating Revenue (Expense):		
Interest expense	(264)	(218)
Investment income	2,162	1,587
Other	2,893	(259)
Total nonoperating revenue, net	4,791	1,110
Income before other revenues, expenses, gains and losses	10,895	11,804
Distributions to members	(11,500)	(5,000)
(Decrease) increase in net position	(605)	6,804
Net position—beginning of year	117,083	110,279
Net position—end of year	\$ 116,478	\$ 117,083

The Outer Banks Hospital, Inc.
d/b/a Outer Banks Health
(A Component Unit of East Carolina Health, Inc.
d/b/a ECU Health Community Hospitals)

Management's Discussion and Analysis (Unaudited)

OBH generated operating revenues of \$130.2 million in fiscal year 2024, up \$13.2 million, or 11.3%, compared to fiscal year 2023. OBH experienced a decrease in surgeries of 4.2%, an increase in outpatient visits of 4.7%, an increase in admissions of 11.0% and an increase in patient days of 19.3% in 2024 compared to 2023.

OBH generated operating revenues of \$117.0 million in fiscal year 2023, up \$2.5 million, or 2.2%, compared to fiscal year 2022. OBH experienced an increase in surgeries of 2.3%, an increase in outpatient visits of 0.3%, an increase in admissions of 8.8% and an increase in patient days of 13.6% in 2023 compared to 2022.

Operating expenses for fiscal year 2024 were \$124.1 million, up \$17.8 million, or 16.8%, compared to fiscal year 2023. The most significant changes in 2024 were in salaries and supplies and other. Salaries and benefits increased \$10.9 million over the prior year. Supplies and other increased \$6.4 million over the prior year. This increase was consistent with an increase in revenue and visits in fiscal year 2024 compared to fiscal year 2023 as well as continued significant costs for temporary labor due to staffing shortages in fiscal year 2024.

Operating expenses for fiscal year 2023 were \$106.3 million, up \$5.9 million, or 5.9%, compared to fiscal year 2022. The most significant changes in 2023 were in salaries and supplies and other. Salaries and benefits increased \$3.8 million over the prior year. Supplies and other increased \$1.7 million over the prior year. This increase was consistent with an increase in revenue and visits in fiscal year 2023 compared to fiscal year 2022 as well as continued significant costs for temporary labor due to staffing shortages in fiscal year 2023.

Cash Flows

OBH's statements of cash flows are presented below:

Condensed Statements of Cash Flows
(Dollars in Thousands)

<i>Years ended September 30,</i>	2024	2023
Cash flows:		
Operating activities	\$ 21,115	\$ 14,419
Capital and noncapital financing activities	(16,749)	(22,832)
Investing activities	8,611	6,194
Net (decrease) increase in cash and cash equivalents	12,977	(2,219)
Cash and cash equivalents—beginning of year	15,522	17,741
Cash and cash equivalents—end of year	\$ 28,499	\$ 15,522

The unrestricted cash position for OBH at the end of fiscal year 2024 totaled \$28.5 million, an increase of \$13.0 million compared to fiscal year 2023. Cash flows from operations increased \$6.7 million in fiscal year 2024. The overall increase in cash was primarily due to cash from changes in third party settlements of \$3.2 million and increased operations volume in 2024.

The Outer Banks Hospital, Inc.
d/b/a Outer Banks Health
(A Component Unit of East Carolina Health, Inc.
d/b/a ECU Health Community Hospitals)

Management's Discussion and Analysis (Unaudited)

Capital Assets and Administration

Capital Assets

OBH's investment in capital assets consisted of the following at:

<i>September 30,</i>	2024	2023
Land	\$ 5,525	\$ 5,170
Land improvements	154	-
Buildings	67,621	50,203
Equipment	30,331	27,967
Right of use leased assets	9,021	6,573
Construction in progress	1,417	13,568
Total Capital Assets	114,069	103,481
Accumulated depreciation and amortization	(57,027)	(52,691)
Capital Assets, Net	\$ 57,042	\$ 50,790

Net capital assets at the end of fiscal year 2024 totaled \$57.0 million, an increase of \$6.3 million as compared to fiscal year 2023. For the year, capital expenditures totaled \$10.6 million. The largest capital cost for the year was related to the Cowell Cancer Center and master plan.

Net capital assets at the end of fiscal year 2023 totaled \$50.8 million, an increase of \$12.7 million as compared to fiscal year 2022. For the year, capital expenditures totaled \$17.2 million. The largest capital cost for the year was related to the additional construction in process relating to the Cowell Cancer Center and master plan.

Economic Outlook

OBH's primary service area is Dare County, with a resident population of about 37,000. The resident population is slightly growing, with the primary limiting factor being lack of affordable housing. The main industries are tourism and fishing. The primary service area and a portion of the secondary service area are tourist destinations. During the summer, as many as 250,000 visitors per week vacation in the area. With this kind of population change, OBH patient volumes for emergency and urgent care are significantly higher during the summer season than the remainder of the year. OBH also experiences higher volumes in the shoulder seasons (late spring and early fall) than the winter months. OBH can easily surpass 300 patients seen in a day between its emergency department and 2 urgent care centers during the summer.

This produces the need to flex staffing to higher levels during the summer which OBH has managed since its founding nearly 23 years ago and knows how to address the need. OBH experiences a favorable payor mix due to the tourism and it helps to produce solid financial results. Non-emergent/urgent services look steady to slightly growing with a stable core of physicians, including several surgical specialties, and a new cancer center that opened in January 2024.

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d/b/a Outer Banks Health
(A Component Unit of East Carolina Health, Inc.
d/b/a ECU Health Community Hospitals)**

Management's Discussion and Analysis (Unaudited)

Contacting Financial Management

If you have questions about this report or need additional information, please contact ECU Health's Chief Financial Officer at ECU Health, 2100 Stantonsburg Road, P.O. Box 6028, Greenville, North Carolina 27835-6028.

Financial Statements

The Outer Banks Hospital, Inc.
d/b/a Outer Banks Health
(A Component Unit of ECU Health Community Hospitals)

Statement of Net Position
(in \$000's)

<i>September 30,</i>	<i>2024</i>
Assets	
Current Assets	
Cash and cash equivalents	\$ 28,499
Patient accounts receivable, net of estimated uncollectibles	18,353
Other receivables	697
Related-party receivable	2,276
Estimated settlements due from third-party payors	3,709
Lease receivable, current portion	117
Inventories	2,094
Prepaid expenses	230
Total Current Assets	55,975
Assets Limited as to Use	
Internally designated for capital improvements	31,855
Total Assets Limited as to Use	31,855
Capital Assets, Net	57,042
Lease Receivable, Long-Term Portion	66
Total Assets	\$ 144,938
Liabilities, Deferred Inflows of Resources and Net Position	
Current Liabilities	
Accounts payable	\$ 5,058
Related-party accounts payable	3,865
Accrued expenses	8,932
Estimated settlements due to third-party payors	3,186
Note payable, current portion	108
Lease liability, current portion	1,134
Total Current Liabilities	22,283
Professional Liability Losses	269
Note Payable, Long-Term Portion	479
Lease Liability, Long-Term Portion	5,202
Other Liabilities	44
Total Liabilities	28,277
Deferred Inflows of Resources	183
Total Liabilities and Deferred Inflows of Resources	28,460
Net Position	
Net investment in capital assets	50,119
Unrestricted	66,359
Total Net Position	116,478
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 144,938

See notes to accompanying financial statements.

The Outer Banks Hospital, Inc.
d/b/a Outer Banks Health
(A Component Unit of ECU Health Community Hospitals)

Statement of Revenues, Expenses and Changes in Net Position
(in \$000's)

<i>Year ended September 30,</i>	<i>2024</i>
Operating Revenues	
Net patient service revenue, net of provision for uncollectible accounts	\$ 125,417
Other operating revenues	4,762
Total Operating Revenues	130,179
Operating Expenses	
Salaries and wages	49,625
Employee benefits	10,435
Supplies and other	59,333
Depreciation and amortization	4,351
Lease activities	331
Total Operating Expenses	124,075
Operating Income	6,104
Nonoperating Revenue (Expense)	
Interest expense	(264)
Investment income	2,162
Other	2,893
Total Nonoperating Revenue, Net	4,791
Income Before Other Revenues, Expenses, Gains and Losses	10,895
Other Changes	
Distributions to members	(11,500)
Decrease in Net Position	(605)
Net Position - Beginning of Year	117,083
Net Position - End of Year	\$ 116,478

See accompanying notes to financial statements.

The Outer Banks Hospital, Inc.
d/b/a Outer Banks Health
(A Component Unit of ECU Health Community Hospitals)

Statement of Cash Flows
(in \$000's)

<i>Year ended September 30,</i>	2024
Operating Activities	
Receipts from payments by or on behalf of patients	\$ 134,625
Receipts from other operations	4,390
Payments to employees for wages and benefits	(57,808)
Payments to vendors and suppliers	(60,092)
Net Cash Provided by Operating Activities	21,115
Noncapital Financing Activities	
Other nonoperating income	2,893
Distributions to members	(11,500)
Net Cash Used in Noncapital Financing Activities	(8,607)
Capital and Related Financing Activities	
Capital asset acquisitions	(6,733)
Interest paid related to capital financing activities	(264)
Payments on financing lease arrangements	(1,145)
Net Cash Used in Capital and Related Financing Activities	(8,142)
Investing Activities	
Investment income	2,162
Net change in assets limited to use-designated for capital improvements and other activity	6,449
Net Cash Provided by Investing Activities	8,611
Increase in Cash and Cash Equivalents	12,977
Cash and Cash Equivalents - Beginning of Year	15,522
Cash and Cash Equivalents - End of Year	\$ 28,499

The Outer Banks Hospital, Inc.
d/b/a Outer Banks Health
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Statement of Cash Flows (continued)
(in \$000's)

<i>Year ended September 30,</i>	2024
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Reconciliation of Operating Income to Net Cash Provided by Operating Activities

Operating income	\$	6,104
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization		4,351
Provision for bad debts		11,165
Loss on disposal of assets		(4)
Changes in operating assets and liabilities:		
Accounts receivable		(5,140)
Estimated third-party payor settlements		3,183
Inventories		(61)
Prepaid expenses		(73)
Related-party accounts receivable		(360)
Accounts payable		(598)
Related-party accounts payable		313
Accrued expenses		2,252
Other liabilities		(8)
Professional liability losses		(9)

Net Cash Provided by Operating Activities	\$	21,115
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Supplemental Disclosure of Noncash Information

Accounts payable related to capital asset additions	\$	200
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See accompanying notes to financial statements.

The Outer Banks Hospital, Inc.
d/b/a Outer Banks Health
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Notes to Financial Statements

1. Organization

The Outer Banks Hospital, Inc. d/b/a Outer Banks Health (OBH) is a blended component unit of East Carolina Health, Inc. d/b/a ECU Health Community Hospitals (ECOM) a tax-exempt corporation. ECOM is a blended component unit of University Health Systems of Eastern Carolina, Inc. d/b/a ECU Health. ECU Health is a tax-exempt corporation, and its other component units include: ECU Health Medical Center, ECH Health Physicians, ECU Health Properties, Access East, Inc., Channel Marker Insurance Company, Coastal Plains Network, ECU Health Alliance and HealthAccess, Inc.

OBH is a joint venture between ECOM (60%) and Chesapeake Hospital Authority (Chesapeake) (40%). OBH was incorporated under the laws of the State of North Carolina. The Board of Directors are appointed by ECOM and Chesapeake. The financial statements for OBH also include activity for Outer Banks Professional Services, LLC and The Outer Banks Medical Office Building, LLC. Outer Banks Professional Services, LLC is a nonprofit company organized for the provision of medical services in eastern North Carolina and to support the charitable health care mission of OBH and other tax-exempt entities in the region. The Outer Banks Medical Office Building, LLC is a single member limited liability company and is the owner of record for several properties.

OBH has considered the concepts of Governmental Accounting Standards Board (GASB) *GASB Codification* Section 2100, and there are no other entities or activities that are required to be included in its reporting entity.

2. Significant Accounting Policies

Basis of Presentation

The accompanying financial statements are prepared in conformity with accounting standards generally accepted in the United States of America (generally accepted accounting principles) in accordance with guidance from the Governmental Accounting Standards Board (GASB). OBH utilizes enterprise fund accounting whereby revenues and expenses are recognized on the accrual basis using the economic resources measurement focus. Revenues are recognized when earned, and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

Use of Estimates in the Preparation of Financial Statements

The preparation of the financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts in its financial statements as of September 30, 2024. Actual results could differ from those estimates.

Income Taxes

OBH is exempt from income taxes under section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes on related income. There was no income tax expense in 2024.

**The Outer Banks Hospital, Inc.
d/b/a Outer Banks Health
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Notes to Financial Statements

Patient Accounts Receivable, Net

Patient accounts receivable are reported net of estimated allowances for contractual adjustments and allowances for bad debts and are recorded in the period in which collection is considered doubtful. Estimated allowances for bad debts are approximately \$7.8 million as of September 30, 2024.

Net Patient Service Revenue

Net patient service revenue is recognized when services are performed and is recorded at the estimated net realizable amounts from patients, third-party payors and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors and estimated provision for bad debts. Provision for bad debts is included with net patient service revenue. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined. The provision for uncollectible patient accounts receivable is based on the duration that the patient's account balance has been outstanding, historical collection experience and current economic considerations. OBH provides care to patients who meet certain criteria under its charity care policy. See Note 3.

Net Position

Net position is categorized as net investment in capital assets, restricted or unrestricted. As of September 30, 2024, there is no restricted net position. Net investment in capital assets consists of capital assets, net of accumulated depreciation/amortization and reduced by outstanding balances of bonds, notes, and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position. The unrestricted component of net position is the net amount of assets and liabilities that are not included in the determination of net investment in capital assets. The decision to use restricted or unrestricted resources when an expense is incurred is dependent upon the transaction. When both restricted and unrestricted resources are available for use, it is OBH's policy to use restricted resources first followed by unrestricted.

Operating Revenues and Expenses

The statement of revenues, expenses and changes in net position distinguish between operating and nonoperating revenues and expenses. Operating revenues result from exchange transactions associated with providing health care services, OBH's principal activity. Nonexchange revenue, including grants and contributions received for purposes other than capital asset acquisition, is reported as nonoperating revenues. Operating expenses are all expenses incurred to provide health care services.

The Outer Banks Hospital, Inc.
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Notes to Financial Statements

Capital Assets

Capital assets are stated at cost when acquired or at acquisition value at date of donation and depreciated by the straight-line method over their estimated useful lives, as follows:

Capital Asset Classification	Estimated Useful Lives
Land improvements	5-40 years
Buildings	5-40 years
Equipment	3-20 years
Right of use leased assets	2-10 years

Expenditures for repairs and maintenance are charged to expense as incurred. The costs of major renewals and betterments are capitalized and depreciated over their estimated useful lives. Upon disposition, the asset and related accumulated depreciation accounts are relieved, and any related gain or loss is credited or charged to nonoperating revenues or expenses. The capitalization threshold (the dollar value above which asset acquisitions are added to the capital asset accounts) is primarily \$5,000 for most asset classifications and for items with useful lives greater than one year. Capital assets are reviewed for impairment when events or changes in circumstances suggest that the service utility of the capital asset may have significantly and unexpectedly declined. No impairment loss was recognized in 2024.

Leases

Leased assets are included in capital assets, net of accumulated depreciation and amortization; lease liability is included in lease liability, current portion and long-term portion. Leased assets represent the right to use an underlying asset for the lease term, as specified in the contract, in an exchange or exchange-like transaction. Leased assets are recognized at the commencement date based on the initial measurement of the lease liability, adjusted for payments made to the lessor and amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

Lease liabilities represent the obligation to make lease payments arising from the lease. Lease liabilities are initially recognized at the commencement date based on the present value of the expected lease payments over the lease term. Subsequently, the lease liability is reduced by the principal portion of the lease payments made and interest expense is recognized ratably over the contract term.

The lease term may include options to extend or terminate the lease when it is reasonably certain that OBH will exercise that option. OBH has elected to recognize payments for short-term leases with a lease term of 12 months or less as expenses as incurred, and these leases are not included as lease liabilities or capital assets on the statement of net position.

The individual lease contracts do not provide information about the discount rate implicit in the lease; therefore, OBH has elected to use their incremental borrowing rate to calculate the present value of the expected lease payments.

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Notes to Financial Statements

Lease receivables represent the right to receive lease payments arising from the lease. Lease receivables are included in lease receivable, current portion, lease receivable, long-term portion and deferred inflows. Lease receivables are initially recognized at the commencement date based on the present value of the expected lease payments to be received over the lease term. Subsequently, the lease receivable and deferred inflow are reduced by the principal portion of the lease payments received.

Cash and Cash Equivalents

Cash and cash equivalents include investments in highly liquid debt instruments with a maturity of three months or less when purchased, that are not included in assets limited as to use.

Inventories

Inventories, which consist principally of drugs and supplies, are stated at the lower of cost (first-in, first-out method) or market.

Assets Limited as to Use

Assets limited as to use include assets designated by management for uses, such as capital improvements or distributions to members. However, management retains control of these assets and may use them for any purpose. Assets limited as to use consist of two money market funds, which are recorded at fair value as of September 30, 2024.

Concentration of Credit Risk

OBH provides services primarily to the residents and visitors of eastern North Carolina without collateral or other proof of ability to pay. Concentrations of credit risk with patients are limited due to the large number of patients served and the formalized agreements with third-party payors. OBH has significant patient accounts receivable whose collectability is dependent upon the performance of certain government programs. The mix of OBH's net patient accounts receivable and net patient service revenue at September 30, 2024, is summarized as follows:

	Net Patient	
	Receivable	Service Revenue
Medicare	27%	41%
Medicaid	8%	12%
Significant commercial payor	34%	32%

Compensated Absences

OBH's employees earn paid time off (PTO) at varying rates depending upon years of service. Typically, the maximum amount of PTO that can carry over from one fiscal year is 50 days (400 hours). The liabilities recorded for compensated absences related to this PTO are included in accrued expenses in the statement of net position.

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Notes to Financial Statements

Prior to December 14, 2014, employees also earned sick time hours. As of December 14, 2014, those hours can only be used for qualified short-term disability events, after 40 hours of PTO is used. Certain employees that have unused accumulated sick time hours at retirement may get paid for a portion of these hours. OBH estimates the amounts that will be paid out to the eligible employees upon their future retirement and reports that liability in accrued expenses in the statement of net position.

OBH estimates the amount of sick time that will be paid out to the eligible employees upon their future retirement as well as the amount of compensated absences related to PTO and reports that combined liability in accrued expenses on the statement of net position, which were approximately \$3.0 million for the year ended September 30, 2024.

Professional Liability

The estimated cost of professional liability losses incurred by OBH is accrued in the period that the services are rendered. A loss estimate has been made for claims in process of review and for claims incurred but not reported at year-end. The amount of this liability is computed by an independent third party using historical claims payment experience and is recognized on a discounted basis. Estimates are adjusted based upon changes in experience and such adjustments are reflected in current operations. See Note 9.

Deferred Inflows of Resources

In addition to liabilities, the statement of net position also reports a separate section for deferred inflows of resources. This separate financial statement element, Deferred Inflows of Resources, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. OBH has one item that meets the criteria for this category - future lease receipts.

Federal and State Grants and Deferred Revenue

OBH recognizes revenue from grants when the expenses have been incurred for the purpose specified by the grantor or in accordance with the terms of the agreement. Payments received in advance are reported as deferred revenue. OBH is subject to examination by the funding sources of grants to determine its compliance with grant provisions. In the event that expenditures could be disallowed through such examination or review, repayment of such disallowances could be required.

Recently Adopted Accounting and Reporting Pronouncements

In 2022, the GASB issued Statement No. 100, *Accounting Changes for Error Corrections - An Amendment of GASB Statements No. 62*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. Implementing this standard in 2024 had no impact on OBH's financial statements.

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Notes to Financial Statements

Future Accounting and Reporting Pronouncements

In 2022, the GASB issued Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are required to be adopted no later than the year ending September 30, 2025. Management is currently evaluating the impacts GASB Statement No. 101, *Compensated Absences*, will have on OBH's financial statements.

In 2023, the GASB issued Statement No. 102, *Certain Risk Disclosures*. This statement requires governments to disclose essential information about risks related to vulnerabilities due to certain concentrations or constraints. The requirements of this Statement are required to be adopted for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. Management is currently evaluating the impacts GASB Statement No. 102, *Certain Risk Disclosures*, will have on OBH's financial statements.

In 2024, the GASB issued Statement No. 103, *Financial Reporting Model Improvements*. The objective of this statement is to improve key components of the financial reporting model to enhance effectiveness in providing information that is essential for decision making and assessing accountability. Certain application issues are also addressed by this statement. The requirements of this Statement are required to be adopted for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Management is currently evaluating the impacts GASB Statement No. 103, *Compensated Absences*, will have on OBH's financial statements.

In 2024, the GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. The objective of this statement is to provide users of financial statements with essential information about certain types of capital assets by requiring certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. The requirements of this Statement are required to be adopted for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Management is currently evaluating the impacts GASB Statement No. 104, *Compensated Absences*, will have on OBH's financial statements.

3. Charity Care and Community Benefits

Charity Care

OBH provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Key elements used to determine eligibility include household income, real property and other assets. OBH does not pursue collection of amounts determined to qualify as charity care; therefore, they are not reported as revenue.

OBH maintains records to identify and monitor the level of charity care it provides. These records include the amount of charges foregone for services and supplies furnished under its charity care policy and the estimated cost of these services and supplies. OBH has a presumptive charity program, which recognizes that there is a segment of the population that should fall within the guidelines of its charity programs, yet do not qualify due to failure to apply or failure to provide income documentation.

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Notes to Financial Statements

OBH's presumptive charity program seeks to identify and provide financial relief for those patients who would have qualified had their economic situation been known and documented. OBH also contracts with an independent third party, which provides assistance in determining which patients qualify for presumptive charity.

OBH has estimated its direct and indirect costs of providing charity care under its charity care policy. In order to estimate the cost of providing such care, management calculated a cost-to-charge ratio by comparing the per-diem rate from the most recently filed cost report to OBH's gross bill rate. The cost-to-charge ratio is applied to the charity care charges foregone to calculate the estimated direct and indirect cost of providing charity care. Using the methodology noted above, OBH has estimated the costs associated with charges foregone for patient service revenues of \$1.4 million for the year ended September 30, 2024.

Community Benefits

In addition to providing financial assistance to uninsured patients and in furtherance of its mission, OBH provides a broad range of benefits and services, including medical education and research opportunities, to the community spanning the geographic region within which it operates. These community benefits can be measured and categorized as follows:

- Cost of care is extended to uninsured and underinsured patients who do not qualify for financial assistance, estimated using applicable cost-to-charge ratios.
- Unpaid cost of Medicare and Medicaid services represents the net unreimbursed cost, estimated using the applicable cost-to-charge ratios, of services provided to patients who qualify for federal and/or state government health care benefits.
- Community benefit programs include the unreimbursed cost of various medical education programs and costs of various research programs, nonbilled medical services, in-kind donations, and other services that meet a community need but do not pay for themselves and would not be provided if based solely on financial considerations alone.

4. Net Patient Service Revenue

OBH has agreements with third-party payors that provide for payments to it at amounts different from its established rates. A summary of these arrangements follows.

Medicare: OBH is a critical access hospital and receives cost-based reimbursement from the Medicare program. OBH's classification of patients under the Medicare program and the appropriateness of their admission are subject to an independent review by a peer review organization. OBH's Medicare cost reports have been audited by the Medicare fiscal intermediary through 2019.

Medicaid: Prior to July 1, 2021, OBH received cost-based reimbursement from the Medicaid program. OBH's Medicaid cost reports have been audited by the Medicaid fiscal intermediary through 2020.

The Outer Banks Hospital, Inc.
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Notes to Financial Statements

OBH participates in the voluntary North Carolina Medicaid Reimbursement Initiative Program (the MRI Program). The MRI Program allows OBH to receive additional annual Medicaid funding for its disproportionate share costs. Additionally, in March 2012, the Center for Medicare & Medicaid Services (CMS) approved a new disproportionate share plan for North Carolina. OBH did not recognize MRI Program revenue for the year ended September 30, 2024, but can continue to receive funds due to the State of North Carolina's reconciliation of the prior plans.

After June 30, 2021, North Carolina Department of Health and Human Services (DHHS) converted to Managed Care Medicaid by contracting with a select number of Prepaid Health Plans (PHP) to manage the care for most individuals covered by Medicaid. The new base rates were developed by the State of North Carolina to be the equivalent of the amount received (including the supplemental payments) on a per patient basis for fiscal year 2020 plus an inflation factor. As of September 30, 2024, OBH has contracted with the majority of the PHP providers.

OBH has also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations and preferred provider organizations. The basis for payment under these agreements includes prospectively determined rates per discharge, discounts from established charges, and prospectively determined daily rates.

During March 2023, the Healthcare Access and Stabilization Program (HASP) was enacted by the State of North Carolina and is a federally funded program through CMS to enhance Medicaid reimbursement. HASP provides for increased reimbursements to hospitals and increases hospital assessments to fund the program. During September 2023, CMS approved HASP and the increased reimbursements to be made for services provided for the period July 1, 2022 to June 30, 2023. For the year ended September 30, 2024, OBH recognized \$7.7 million as net patient service revenue.

Net patient service revenue consists of the following (in thousands of dollars):

<i>Year ended September 30,</i>	2024
Charges at established rates	\$ 251,358
Deductions:	
Medicare adjustments	77,804
Medicaid adjustments	5,409
Other contractual adjustments	31,563
Provision for bad debts	11,165
Net patient service revenue	\$ 125,417

The Outer Banks Hospital, Inc.
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Notes to Financial Statements

5. Deposits and Investments

Custodial Credit Risk Deposits

Custodial credit risk is the risk that in the event of a bank failure, OBH's deposits may not be returned. OBH does not have a deposit policy for custodial credit risk. As of September 30, 2024, OBH's deposits had a carrying value and a bank balance of approximately \$61.3 million. Of the approximately \$61.3 million bank balance, approximately \$59.7 million was exposed to custodial credit risk, as it exceeded the Federal Deposit Insurance Corporation (FDIC) insurance limit.

At September 30, 2024, OBH has bank deposits and interest-bearing money market accounts with financial institutions. Management believes these financial institutions have strong credit ratings and the risk of loss is not significant.

6. Capital Assets

Capital asset additions, transfers, retirements and balances are as follows (in thousands of dollars):

<i>Year Ended September 30, 2024</i>	Beginning of Year	Transfers/ Additions	Transfers/ Retirements	End of Year
Capital Assets at Cost				
Land	\$ 5,170	\$ 355	\$ -	\$ 5,525
Construction in progress	13,568	7,226	(19,377)	1,417
Total nondepreciable assets	18,738	7,581	(19,377)	6,942
Land improvements	-	154	-	154
Buildings	50,203	17,418	-	67,621
Equipment	27,967	2,375	(11)	30,331
Right of use leased assets-buildings	6,573	2,448	-	9,021
Total depreciable assets	84,743	22,395	(11)	107,127
Total	103,481	29,976	(19,388)	114,069
Accumulated Depreciation and Amortization				
Land improvements	-	32	115	147
Buildings	32,708	1,784	(1,960)	32,532
Equipment	18,103	1,394	1,858	21,355
Right of use leased assets-buildings	1,880	1,141	(28)	2,993
Total	52,691	4,351	(15)	57,027
Capital Assets, Net	\$ 50,790	\$ 25,625	\$ (19,373)	\$ 57,042

The Outer Banks Hospital, Inc.
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Notes to Financial Statements

7. Lease Liabilities

OBH leases facilities and equipment for various terms under long-term, non-cancelable lease agreements. The leases expire at various dates through 2034 and provide for renewal options. Certain facility leases provide for increases in future minimum annual rental payments based on defined increases in the Consumer Price Index, subject to minimum increases.

	Balance September, 30 2023	Additions	Reductions	Balance September 30, 2024	Amounts Due Within One Year
Lease liabilities	\$ 4,985	\$ 2,272	\$ (921)	\$ 6,336	\$ 1,134

The total minimum lease payments for OBH under lease agreements are as follows:

<i>Years ending September 30:</i>	Principal	Interest	Total
2025	\$ 1,134	\$ 232	\$ 1,366
2026	1,031	189	1,220
2027	978	149	1,127
2028	804	112	916
2029	652	82	734
2030-2034	1,737	131	1,868
	\$ 6,336	\$ 895	\$ 7,231
Less current maturity of lease liability	(1,134)		
	\$ 5,202		

Right of use assets acquired through outstanding leases are shown in Note 6.

8. Note Payable

OBH entered into various equipment lease agreements for equipment under a master equipment agreement which is collateralized by the equipment being financed. The note bears interest between 1.55% and 7.6% and payments are due quarterly through September 2029.

	Balance September, 30 2023	Additions	Reductions	Balance September 30, 2024	Amounts Due Within One Year
Note payable	\$ 83	\$ 552	\$ (48)	\$ 587	\$ 108

**The Outer Banks Hospital, Inc.
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Notes to Financial Statements

The scheduled future debt service requirements for the years subsequent to September 30, 2024 are as follows:

<i>Years ending September 30:</i>	Principal	Interest	Total
2025	\$ 108	\$ 32	\$ 140
2026	115	26	141
2027	122	19	141
2028	129	11	140
2029	113	3	116
	\$ 587	\$ 91	\$ 678
Less current maturity of lease liability	(108)		
	\$ 479		

9. Commitments and Contingencies

Medical Professional Liability Costs

Effective October 1, 2019, OBH was added to ECU Health's professional and general liability program under Channel Marker Insurance Company (CMIC). A prior acts policy for OBH is provided by CMIC with coverage dates of February 4, 2002 through October 1, 2019. Through October 1, 2019, OBH was insured under a claims-made policy for professional liability claims with coverage up to certain limits per claim and in the annual aggregate, with a \$10,000 deductible. Therefore, at September 30, 2024, OBH has recorded a liability of \$0.3 million for the estimated costs to settle incurred but not reported claims. At September 30, 2024, there are open claims that are covered by insurance. Management estimates that none of these claims will exceed the insurance policy limits.

Workers' Compensation

As of October 1, 2018, OBH was added to ECU Health's self-insurance program for workers' compensation under CMIC.

Medical Coverage

OBH is covered under the ECU Health self-insured plans for employee medical and dental coverage with an excess coverage (stop-loss) policy that covers annual medical costs in excess of \$450,000 per employee on a claims-made basis. Effective January 1, 2024, CMIC provides stop-loss coverage of \$350,000 aggregate deductible above the \$450,000 self-insured per participant. The medical insurance expense is allocated from ECU Health based on average cost per participant of the overall plan for ECU Health to each corporation based on the corporation's number of participants. Because OBH is being allocated costs from ECU Health for its share of the overall expense, it does not record a separate liability for unreported claims. Annual costs allocated to OBH were approximately \$5.2 million for the year ended September 30, 2024, which are included in employee benefits expense on the statement of revenues, expenses and changes in net position.

**The Outer Banks Hospital, Inc.
d/b/a Outer Banks Health
(A Component Unit of East Carolina Health, Inc.
d/b/a ECU Health Community Hospitals)**

Notes to Financial Statements

Leases

OBH has a total of \$0.7 million of future minimum lease payments under noncancelable leases for buildings and equipment that do not meet the right of use criteria at September 30, 2024. These agreements expire at various times through 2029.

Regulatory Matters

Laws and regulations concerning government programs, including Medicare, Medicaid and various research grant programs, are complex and subject to varying interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. As a result of nationwide investigations by governmental agencies, various health care organizations have received requests for information and notices regarding alleged noncompliance with those laws and regulations, which, in some instances, have resulted in organizations entering into significant settlement agreements. Compliance with such laws and regulations may also be subject to future government review and interpretation as well as significant regulatory action, including fines, penalties and potential exclusion from the related programs. OBH expects that the level of review and audit to which it and other health care providers are subject will increase.

There can be no assurance that regulatory authorities will not challenge OBH's compliance with these laws and regulations, and it is not possible to estimate the impact (if any) such claims or penalties would have upon OBH. Management believes that OBH is in compliance with fraud and abuse as well as other applicable government laws and regulations. Management is monitoring compliance through its Corporate Compliance Program.

CMS implemented a project using recovery auditors as part of CMS' further efforts to assure accurate payments. The project uses the recovery auditors to search for potentially inaccurate Medicare payments that may have been made to health care providers and that were not detected through existing CMS program integrity efforts. Once a recovery auditor identifies a claim believed to be inaccurate, the recovery auditor makes a deduction from or addition to the provider's Medicare reimbursement in an amount estimated to equal the overpayment or underpayment.

10. Defined Contribution Retirement Plan

Employees of OBH participate in a defined contribution retirement plan, sponsored by ECU Health for the benefit of its affiliates and all employees who meet the plan's eligibility requirements. OBH's contribution expense was approximately \$1.3 million for the year ended September 30, 2024, which is included in employee benefits expense on the statement of revenues, expenses and changes in net position.

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Notes to Financial Statements

11. Related Party Transactions

During the year ended September 30, 2024, OBH recorded expenses related to a shared services agreement with ECU Health of approximately \$10.1 million, which are recorded in supplies and other expenses, within the statement of revenues, expenses and changes in net position. These services consist of ECU Health human resources, legal services, financial services, corporate compliance, information systems, planning and marketing, managed care, quality and other operational services. OBH recorded expenses related to management fees and contracted services with ECU Health Physicians and other ECU Health entities during the years ended September 30, 2024, of approximately \$7.0 million, which are recorded in supplies and other accounts.

Amounts due to related parties for the above-mentioned services at September 30, 2024 totaled approximately \$3.9 million. Amounts due from related parties as of September 30, 2024 were \$2.3 million which represent cash lockbox payments received by ECU Health on behalf of OBH.

In February of each year after completion of the external audit, OBH shall distribute unrestricted cash above the threshold amount to members. The initial threshold amount was set at an amount equal to 150 days of cash on hand based upon the most recently completed fiscal year. The excess cash payment shall be used to pay accrued and unpaid interest and then used to pay the outstanding principal on OBH's note payable to the members, if any, and then will be used to pay future interest expense payable to the members. After any outstanding notes payable to the members has been paid in full, cash distributions shall be applied to the members' respective unreturned capital contributions. After the members' respective unreturned capital contributions have been paid in full, cash distributions shall be made to the members, 60% to VCOM and 40% to Chesapeake (or based on the relative capital contributions ratio then in existence). During 2024, OBH made cash distributions for approximately \$6.9 million to ECOM and \$4.6 million to Chesapeake.

OBH will have the financial flexibility to request that the members either make additional loans or guarantee loans from outside lenders to meet significant, unforeseen capital or working capital needs based on the approval mechanisms set forth in OBH governing documents.

12. Subsequent Events

OBH has evaluated subsequent events from September 30, 2024 through January 22, 2025 (the date of the audit report and the date the financial statements were ready to be issued). No material recognizable events were identified.