



Original AGG Case Number	Version
11-4713-EL-AGG	May 2016

RENEWAL APPLICATION FOR AGGREGATORS/POWER BROKERS

Please type or print all required information. Identify all attachments with an exhibit label and title (Example: Exhibit A-13 - Company History). All attachments should bear the legal name of the Applicant. Applicants should file completed applications and all related correspondence with the Public Utilities Commission of Ohio, Docketing Division, 13th Floor, 180 East Broad Street, Columbus, Ohio 43215-3793.

This PDF form is designed so that you may directly input information onto the form. You may also download the form by saving it to your local disk.

A. RENEWAL INFORMATION

A-1 Applicant intends to be certified as: (check all that apply)

☐ Power Broker ☒ Aggregator

A-2 Applicant's legal name, address, telephone number, PUCO certificate number, and web site address

Legal Name Ohio Healthcare Purchasing, Inc., d/b/a OHA Solutions, Inc.
Address 155 East Broad Street, Suite 301, Columbus, Ohio 43215
PUCO Certificate # and Date Certified 11-390E (3) November 12, 2015
Telephone No. (614) 221-7614 Web site address (if any) <http://ohiohospitals.org>

A-3 List name, address, telephone number and web site address under which Applicant will do business in Ohio:

Legal Name Ohio Healthcare Purchasing, Inc., d/b/a OHA Solutions, Inc.
Address 155 East Broad Street, Suite 301, Columbus, Ohio 43215
PUCO Certificate # and Date Certified 11-390E (3) November 12, 2015
Telephone No. (614) 221-7614 Web site address (if any) <http://ohiohospitals.org>

A-4 List all names under which the applicant does business in North America:

The Ohio Hospital Association
Ohio Healthcare Purchasing, Inc., d/b/a OHA Solutions, Inc.

A-5 Contact person for regulatory or emergency matters:

Name Richard L. Sites
Title Regulatory Counsel
Business Address 155 East Broad Street, Suite 301, Columbus, Ohio 43215
Telephone # (614) 221-7614 Fax # (614) 221-4771
Email Address (if any) Rick.sites@ohiohospitals.org

AND

Name Devin D. Parram
 Title Outside Legal Counsel
 Business Address 100 South Third Street, Columbus, Ohio 43215
 Telephone # (614) 227-8813 Fax # (614) 227-2390
 Email Address (if any) dparram@bricker.com

A-6 Contact person for Commission Staff use in investigating customer complaints:

Name Richard L. Sites
 Title Regulatory Counsel
 Business Address 155 East Broad Street, Suite 301, Columbus, Ohio 43215
 Telephone # (614) 221-7614 Fax # (614) 221-4771
 Email Address (if any) rick.sites@ohiohospitals.org

AND

Name Devin D. Parram
 Title Outside Legal Counsel
 Business Address 100 South Third Street, Columbus, Ohio 43215
 Telephone # (614) 227-8813 Fax # (614) 227-2390
 Email Address (if any) dparram@bricker.com

A-7 Applicant's address and toll-free number for customer service and complaints

Customer service address 155 East Broad Street, 3rd Floor, Columbus, Ohio 43215
 Toll-Free Telephone # 800-837-7614 Fax # (614) 221-4771
 Email Address (if any) <http://ohiohospitals.org>

A-8 Applicant's federal employer identification number # 20-0414070

A-9 Applicant's form of ownership: (Check one)

☐ Sole Proprietorship ☐ Partnership
☐ Limited Liability Partnership (LLP) ☐ Limited Liability Company (LLC)
☒ Corporation ☐ Other _____

A-10 Exhibit A-10 "Principal Officers, Directors & Partners" provide the names, titles, addresses and telephone numbers of the applicant's principal officers, directors, partners, or other similar officials.

B. APPLICANT MANAGERIAL CAPABILITY AND EXPERIENCE

PROVIDE THE FOLLOWING AS SEPARATE ATTACHMENTS AND LABEL AS INDICATED

B-1 Exhibit B-1 "Jurisdictions of Operation," provide a list of all jurisdictions in which the applicant or any affiliated interest of the applicant is, at the date of filing the application, certified, licensed, registered, or otherwise authorized to provide retail or wholesale electric services including aggregation services.

B-2 Exhibit B-2 "Experience & Plans," provide a description of the applicant's experience and plan for contracting with customers, providing contracted services, providing billing statements, and responding to customer inquiries and complaints in accordance with Commission rules adopted pursuant to Section 4928.10 of the Revised Code.

B-3 **Exhibit B-3 "Disclosure of Liabilities and Investigations,"** provide a description of all existing, pending or past rulings, judgments, contingent liabilities, revocation of authority, regulatory investigations, or any other matter that could adversely impact the applicant's financial or operational status or ability to provide the services it is seeking to be certified to provide.

B-4 Disclose whether the applicant, predecessor of the applicant, or any principal officer of the applicant has been convicted or held liable for fraud or for violation of any consumer protection or antitrust laws within the past five years.

☒ No ☐ Yes

If yes, provide a separate attachment labeled as **Exhibit B-4 "Disclosure of Consumer Protection Violations"** detailing such violation(s) and providing all relevant documents.

B-5 Disclose whether the applicant or a predecessor of the applicant has had any certification, license, or application to provide retail or wholesale electric service denied, curtailed, suspended, revoked, or cancelled within the past two years.

☒ No ☐ Yes

If yes, provide a separate attachment labeled as **Exhibit B-5 "Disclosure of Certification Denial, Curtailment, Suspension, or Revocation"** detailing such action(s) and providing all relevant documents.

C. APPLICANT FINANCIAL CAPABILITY AND EXPERIENCE

PROVIDE THE FOLLOWING AS SEPARATE ATTACHMENTS AND LABEL AS INDICATED

C-1 **Exhibit C-1 "Annual Reports,"** provide the two most recent Annual Reports to Shareholders. If applicant does not have annual reports, the applicant should provide similar information in Exhibit C-1 or indicate that Exhibit C-1 is not applicable and why.

C-2 **Exhibit C-2 "SEC Filings,"** provide the most recent 10-K/8-K Filings with the SEC. If applicant does not have such filings, it may submit those of its parent company. If the applicant does not have such filings, then the applicant may indicate in Exhibit C-2 that the applicant is not required to file with the SEC and why.

C-3 **Exhibit C-3 "Financial Statements,"** provide copies of the applicant's two most recent years of audited financial statements (balance sheet, income statement, and cash flow statement). If audited financial statements are not available, provide officer certified financial statements. If the applicant has not been in business long enough to satisfy this requirement, it shall file audited or officer certified financial statements covering the life of the business.

C-4 **Exhibit C-4 "Financial Arrangements,"** provide copies of the applicant's financial arrangements to conduct CRES as a business activity (e.g., guarantees, bank commitments, contractual arrangements, credit agreements, etc.).

Renewal applicants can fulfill the requirements of Exhibit C-4 by providing a current statement from an Ohio local distribution utility (LDU) that shows that the applicant meets the LDU's collateral requirements.

First time applicants or applicants whose certificate has expired as well as renewal applicants can meet the requirement by one of the following methods:

1. The applicant itself stating that it is investment grade rated by Moody's, Standard & Poor's or Fitch and provide evidence of rating from the rating agencies.
2. Have a parent company or third party that is investment grade rated by Moody's, Standard & Poor's or Fitch guarantee the financial obligations of the applicant to the LDU(s).
3. Have a parent company or third party that is not investment grade rated by Moody's, Standard & Poor's or Fitch but has substantial financial wherewithal in the opinion of the Staff reviewer to guarantee the financial obligations of the applicant to the LDU(s). The guarantor company's financials must be included in the application if the applicant is relying on this option.
4. Posting a Letter of Credit with the LDU(s) as the beneficiary.

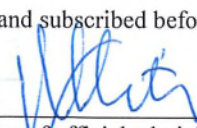
If the applicant is not taking title to the electricity or natural gas, enter "N/A" in Exhibit C-4. An N/A response is only applicable for applicants seeking to be certified as an aggregator or broker.

- C-5 **Exhibit C-5 "Forecasted Financial Statements,"** provide two years of forecasted income statements for the applicant's **ELECTRIC related business activities in the state of Ohio Only**, along with a list of assumptions, and the name, address, e-mail address, and telephone number of the preparer. The forecasts should be in an annualized format for the two years succeeding the Application year
- C-6 **Exhibit C-6 "Credit Rating,"** provide a statement disclosing the applicant's credit rating as reported by two of the following organizations: Duff & Phelps, Fitch IBCA, Moody's Investors Service, Standard & Poor's, or a similar organization. In instances where an applicant does not have its own credit ratings, it may substitute the credit ratings of a parent or an affiliate organization, provided the applicant submits a statement signed by a principal officer of the applicant's parent or affiliate organization that guarantees the obligations of the applicant. If an applicant or its parent does not have such a credit rating, enter "N/A" in Exhibit C-6.
- C-7 **Exhibit C-7 "Credit Report,"** provide a copy of the applicant's credit report from Experian, Dun and Bradstreet or a similar organization. An applicant that provides an investment grade credit rating for Exhibit C-6 may enter "N/A" for Exhibit C-7.
- C-8 **Exhibit C-8 "Bankruptcy Information,"** provide a list and description of any reorganizations, protection from creditors or any other form of bankruptcy filings made by the applicant, a parent or affiliate organization that guarantees the obligations of the applicant or any officer of the applicant in the current year or within the two most recent years preceding the application.
- C-9 **Exhibit C-9 "Merger Information,"** provide a statement describing any dissolution or merger or acquisition of the applicant within the five most recent years preceding the application.
- C-10 **Exhibit C-10 "Corporate Structure,"** provide a description of the applicant's corporate structure, not an internal organizational chart, including a graphical depiction of such structure, and a list of all affiliate and subsidiary companies that supply retail or wholesale electricity or natural gas to customers in North America. If the applicant is a stand-alone entity, then no graphical depiction is required and applicant may respond by stating that they are a stand-alone entity with no affiliate or subsidiary companies.



Michael Abrams, President

Sworn and subscribed before me this 5th day of October, 2017
Year


Signature of official administering oath

Richard L. Sites, Hospital Association Regulatory Counsel
Print Name and Title

My commission expires on N/A

RICHARD L. SITES, ATTORNEY
NOTARY PUBLIC • STATE OF OHIO
My commission has no expiration date
Section 147.03 O.R.C.

RICHARD L. SITES, ATTORNEY
NOTARY PUBLIC • STATE OF OHIO
My commission has no expiration date
Section 147.03 O.R.C.

AFFIDAVIT

State of Ohio : Columbus ss.
(Town)

County of Franklin :

Michael Abrams, Affiant, being duly sworn/affirmed according to law, deposes and says that:

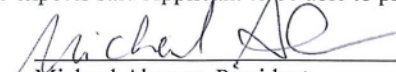
He/She is the President (Office of Affiant) of Ohio Healthcare Purchasing, Inc., d/b/a OHA Solutions, Inc. (Name of Applicant);

That he/she is authorized to and does make this affidavit for said Applicant,

1. The Applicant herein, attests under penalty of false statement that all statements made in the application for certification are true and complete and that it will amend its application while the application is pending if any substantial changes occur regarding the information provided in the application.
2. The Applicant herein, attests it will timely file an annual report with the Public Utilities Commission of Ohio of its intrastate gross receipts, gross earnings, and sales of kilowatt-hours of electricity pursuant to Division (A) of Section 4905.10, Division (A) of Section 4911.18, and Division (F) of Section 4928.06 of the Revised Code.
3. The Applicant herein, attests that it will timely pay any assessments made pursuant to Sections 4905.10, 4911.18, or Division F of Section 4928.06 of the Revised Code.
4. The Applicant herein, attests that it will comply with all Public Utilities Commission of Ohio rules or orders as adopted pursuant to Chapter 4928 of the Revised Code.
5. The Applicant herein, attests that it will cooperate fully with the Public Utilities Commission of Ohio, and its Staff on any utility matter including the investigation of any consumer complaint regarding any service offered or provided by the Applicant.
6. The Applicant herein, attests that it will fully comply with Section 4928.09 of the Revised Code regarding consent to the jurisdiction of Ohio Courts and the service of process.
7. The Applicant herein, attests that it will comply with all state and/or federal rules and regulations concerning consumer protection, the environment, and advertising/promotions.
8. The Applicant herein, attests that it will use its best efforts to verify that any entity with whom it has a contractual relationship to purchase power is in compliance with all applicable licensing requirements of the Federal Energy Regulatory Commission and the Public Utilities Commission of Ohio.
9. The Applicant herein, attests that it will cooperate fully with the Public Utilities Commission of Ohio, the electric distribution companies, the regional transmission entities, and other electric suppliers in the event of an emergency condition that may jeopardize the safety and reliability of the electric service in accordance with the emergency plans and other procedures as may be determined appropriate by the Commission.
10. If applicable to the service(s) the Applicant will provide, the Applicant herein, attests that it will adhere to the reliability standards of (1) the North American Electric Reliability Council (NERC), (2) the appropriate regional reliability council(s), and (3) the Public Utilities Commission of Ohio. (Only applicable if pertains to the services the Applicant is offering)

11. The Applicant herein, attests that it will inform the Commission of any material change to the information supplied in the application within 30 days of such material change, including any change in contact person for regulatory purposes or contact person for Staff use in investigating customer complaints.

That the facts above set forth are true and correct to the best of his/her knowledge, information, and belief and that he/she expects said Applicant to be able to prove the same at any hearing hereof.


Michael Abrams, President

Sworn and subscribed before me this 5th day of October, 2017
Year


Signature of official administering oath

Richard L. Sites, Ohio Hospital Association Regulatory Counsel
Print Name and Title

My commission expires on n/A

RICHARD L. SITES, ATTORNEY
NOTARY PUBLIC - STATE OF OHIO
My commission has no expiration date
Section 147.03 O.R.C.

EXHIBIT A-10
Ohio Healthcare Purchasing, Inc., d/b/a OHA Solutions, Inc.

Principal Officers, Directors & Partners

The current Ohio Healthcare Purchasing, Inc., d/b/a OHA Solutions, Inc.
Directors and/or Officers are:

Michael Abrams, President & Chair

Dan Paoletti, Vice Chair

Mary Gallagher, Secretary

Erin Biles, Chief Financial Officer and Treasurer

Address:

155 East Broad Street, Suite 301

Columbus, OH 43215

Telephone: (614) 221-7614

B. APPLICANT MANAGERIAL CAPABILITY AND EXPERIENCE

Ohio Healthcare Purchasing, Inc., d/b/a OHA Solutions, Inc.

Exhibit B-1 “Jurisdictions of Operation”

OHA Solutions is not currently certified, licensed, registered or otherwise authorized to provide retail or wholesale electric services in any other jurisdictions.

Exhibit B-2 “Experience & Plans”

The Ohio Hospital Association (“OHA”) has extensive experience in the area of managing and marketing group purchasing programs and services on behalf of its members. The OHA operates an unemployment compensation program for 182 hospitals and healthcare organizations. It also conducts a group rated worker’s compensation program for 35 member hospitals, resulting in savings for individual hospitals in the thousands of dollars every year while also providing education and cost control services. In 1999, OHA formed a wholly owned for-profit corporation, Ohio Healthcare Purchasing, Inc. d/b/a OHA Solutions, for the purpose of achieving purchasing efficiencies for OHA members. OHA Solutions’ Staffing Program contracts with over 80 temporary staffing agencies from across the nation to help over 100 participating OHA member facilities fill both per diem shift and long-term staff vacancies with local and travel nurses, allied healthcare professionals and non-clinical support staff such as clerical, environmental and food service workers, coders and IT professionals.

Responding to inquiries and complaints is dependent on the nature of the inquiry. All types of calls will be accepted by the OHA on behalf of OHA Solutions. The general contact information for member communications is: phone: (614) 221-7614; e-mail <http://ohiohospitals.org>. In addition, Richard Sites, Regulatory Counsel, will be the primary contact for responding to customer inquiries and complaints relating to OHA Solutions’ energy aggregation activities. Calls concerning billing, technical issues, or electric service will be directed to the relevant competitive retail electric service provider or electric distribution utility.

Exhibit B-3 “Disclosure of Liabilities and Investigations”

OHA Solutions has no existing, pending or past rulings, judgments, contingent liabilities, revocation of authority, regulatory investigations, or any other matter that could adversely impact the applicant’s financial or operational status or ability to provide service it is seeking to be certified to provide.

C. APPLICANT FINANCIAL CAPABILITY AND EXPERIENCE

Ohio Healthcare Purchasing, Inc., d/b/a OHA Solutions, Inc.

Exhibit C-1 “Annual Reports”

OHA Solutions is a privately-held company and is not required to prepare annual reports.

Exhibit C-2 “SEC Filings”

OHA Solutions is a wholly owned subsidiary of the OHA. Neither the OHA nor OHA Solutions are publicly owned, and therefore are not required to make filings with the Securities and Exchange Commission.

Exhibit C-3 “Financial Statements”

A copy of 2016 audited Consolidated Financial Statements is attached as Exhibit 1.

Exhibit C-4 “Financial Arrangements”

Not applicable as OHA Solutions is operating only as an aggregator and will not take title to power.

Exhibit C-5 “Forecasted Financial Statements”

Copy of OHA Solutions’ forecasted financials (electric only) for 2018 and 2019 are attached as Exhibit 2. The document has been filed under seal.

Exhibit C-6 “Credit Rating”

Not applicable because OHA Solutions is not separately rated by one of the rating services.

Exhibit C-7 “Credit Report”

A Dun & Bradstreet Information Report for the OHA (the parent company of OHA Solutions) is attached as Exhibit 3.

Exhibit C-8 “Bankruptcy Information”

No reorganization, protection from creditors or any other form of bankruptcy has ever been filed by the OHA or the OHA Solutions.

Exhibit C-9 “Merger Information”

Neither the OHA nor the OHA Solutions have been involved in any mergers, dissolutions or acquisitions in the past five years.

Exhibit C-10 “Corporate Structure”

OHA Solutions is an Ohio corporation, and a wholly owned subsidiary of The Ohio Hospital Association (“OHA”). The parent company, OHA, was established in 1915 and is a membership organization for Ohio hospitals and health systems.

The organizational chart of OHA and its subsidiaries is attached as Exhibit 4.

**OHIO HOSPITAL ASSOCIATION,
OHIO HOSPITAL GROUP RATED WORKERS'
COMPENSATION PROGRAM, INC., AND
OHIO HEALTHCARE PURCHASING, INC.**

COMBINED FINANCIAL STATEMENTS
December 31, 2016 and 2015

**OHIO HOSPITAL ASSOCIATION,
OHIO HOSPITALS GROUP RATED WORKERS
COMPENSATION PROGRAM, INC., AND OHIO
HEALTHCARE PURCHASING, INC.**

COMBINED FINANCIAL STATEMENTS

December 31, 2016 and 2015

OHIO HOSPITAL ASSOCIATION,
OHIO HOSPITALS GROUP RATED WORKERS COMPENSATION PROGRAM, INC.,
AND OHIO HEALTHCARE PURCHASING, INC.
Columbus, Ohio

COMBINED FINANCIAL STATEMENTS
December 31, 2016 and 2015

CONTENTS

INDEPENDENT AUDITOR'S REPORT	1
COMBINED FINANCIAL STATEMENTS	
COMBINED STATEMENTS OF FINANCIAL POSITION	3
COMBINED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS.....	4
COMBINED STATEMENTS OF CASH FLOWS	5
NOTES TO COMBINED FINANCIAL STATEMENTS.....	6
SUPPLEMENTAL INFORMATION	
DETAILS OF COMBINED STATEMENT OF FINANCIAL POSITION	13
DETAILS OF COMBINED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS	15

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Ohio Hospital Association
Columbus, Ohio

Report on Financial Statements

We have audited the accompanying combined financial statements of Ohio Hospital Association, Ohio Hospitals Group Rated Workers Compensation Program, Inc., and Ohio Healthcare Purchasing, Inc. (dba OHA Solutions), collectively "the Association", which comprise the combined statements of financial position as of December 31, 2016 and 2015, and the related combined statements of activities and changes in net assets and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these combined financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the combined financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

(Continued)

Opinion

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of the Association as of December 31, 2016 and 2015, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The combining 2016 statement of financial position and combining 2016 statement of activities and changes in net assets are presented for purposes of additional analysis of the combined financial statements rather than to present the financial position, results of operations and cash flows of the individual companies and are not required parts of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The combining information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the combined financial statements as a whole.

Crowe Horwath LLP

Crowe Horwath LLP

Columbus, Ohio
June 15, 2017

OHIO HOSPITAL ASSOCIATION,
OHIO HOSPITALS GROUP RATED WORKERS COMPENSATION PROGRAM, INC.,
AND OHIO HEALTHCARE PURCHASING, INC.
COMBINED STATEMENTS OF FINANCIAL POSITION
December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 729,546	\$ 70,331
Cash and cash equivalents – agency arrangement	286,467	320,979
Investments	13,592,653	14,263,801
Accounts receivable, net of allowance for uncollectible accounts	7,464,277	8,651,789
Accounts receivable, related parties	419,738	-
Prepaid expenses and other receivables	283,117	74,185
Total current assets	<u>22,775,798</u>	<u>23,381,085</u>
Board designated assets		
Cash and cash equivalents	2,367,832	1,564,640
Investments	34,826,234	31,353,943
Accounts receivable	-	21,579
Other receivables	15,113	9,343
Total board designated assets	<u>37,209,179</u>	<u>32,949,505</u>
Property and equipment, net	<u>2,106,506</u>	<u>2,236,169</u>
Total assets	<u>\$ 62,091,483</u>	<u>\$ 58,566,759</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued expenses	\$ 443,100	\$ 806,389
Accounts payable – agency arrangement	252,875	142,395
Accounts payable, related parties	-	312,784
Compensation and related liabilities	2,030,407	1,824,905
Deferred income		
Membership dues and program services	8,175,569	8,134,342
Annual meeting	80,340	90,235
Data income	47,760	412,552
Energy program	820,893	433,255
Total current liabilities	<u>11,850,944</u>	<u>12,156,857</u>
Deferred rent	<u>1,501,110</u>	<u>1,665,153</u>
Total liabilities	<u>13,352,054</u>	<u>13,822,010</u>
Unrestricted net assets		
Undesignated	11,530,250	11,795,244
Board designated		
Professional liabilities fund	23,115,541	21,449,757
Unemployment program	2,962,453	2,774,706
Legal issues	312,153	378,425
Strategic issues	8,686,014	6,367,917
Investment opportunities fund	2,133,018	1,978,700
Total board designated	<u>37,209,179</u>	<u>32,949,505</u>
Total net assets	<u>48,739,429</u>	<u>44,744,749</u>
Total liabilities and net assets	<u>\$ 62,091,483</u>	<u>\$ 58,566,759</u>

See accompanying notes to combined financial statements.

OHIO HOSPITAL ASSOCIATION,
OHIO HOSPITALS GROUP RATED WORKERS COMPENSATION PROGRAM, INC.,
AND OHIO HEALTHCARE PURCHASING, INC.
COMBINED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
Years ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Revenues and gains		
Membership dues	\$ 7,257,240	\$ 7,290,533
Program and services income	5,912,935	6,169,945
Special assessments	558,638	539,706
Other	<u>9,720</u>	<u>1,043,807</u>
Total unrestricted revenues and gains	13,738,533	15,043,991
Expenses		
Salaries and wages	6,049,636	6,185,380
Program and services expense	1,697,903	2,213,877
Rent and utilities	307,317	313,143
Pension plan contributions	582,422	564,454
Payroll taxes	402,175	413,738
Employee health insurance	1,091,769	1,046,108
Committees' and trustees' expense	251,044	214,550
Travel	199,444	216,188
Postage	20,764	18,672
Depreciation and amortization	522,225	604,530
Office supplies	89,944	65,751
Telephone	65,287	65,113
Equipment maintenance	209,207	140,836
Dues and subscriptions	127,952	158,621
Professional services	894,664	1,016,505
Insurance	71,235	51,543
Contributions	367,575	102,100
Miscellaneous	<u>158,814</u>	<u>68,042</u>
Total expenses	13,109,377	13,459,151
Revenue in excess of expenses before other income	629,156	1,584,840
Other income		
Investment income (loss)	3,351,570	(1,119,952)
Gain on disposition of equity investment in OHA Holdings, Inc.	-	1,696,040
Gain on disposal of property and equipment	<u>13,954</u>	<u>10,218</u>
Change in unrestricted net assets	3,994,680	2,171,146
Net assets at the beginning of the year	<u>44,744,749</u>	<u>42,573,603</u>
Net assets at end of the year	<u>\$ 48,739,429</u>	<u>\$ 44,744,749</u>

See accompanying notes to combined financial statements.

OHIO HOSPITAL ASSOCIATION,
OHIO HOSPITALS GROUP RATED WORKERS COMPENSATION PROGRAM, INC.,
AND OHIO HEALTHCARE PURCHASING, INC.
COMBINED STATEMENTS OF CASH FLOWS
Years ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Operating activities		
Change in net assets	\$ 3,994,680	\$ 2,171,146
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	638,102	726,875
Gain on disposition of equity investment in OHA Holdings, Inc.	-	(1,696,040)
Gain on disposal of property and equipment	(13,954)	(10,218)
Net realized and unrealized losses on investments	(2,114,883)	2,411,404
Change in assets and liabilities		
Accounts receivable	789,353	(200,347)
Prepaid expenses and other receivables	(214,702)	47,550
Accounts payable and accrued expenses	(709,281)	570,564
Compensation and related liabilities	205,502	156,107
Agency receivable	144,992	(154,943)
Deferred income	54,178	61,566
Deferred rent	<u>(164,043)</u>	<u>(152,234)</u>
Net cash provided by operating activities	2,609,944	3,931,430
Investing activities		
Purchase of property and equipment	(483,002)	(506,888)
Proceeds from sale of property and equipment	21,725	12,500
Purchase of investments	(4,036,557)	(19,057,250)
Proceeds from sale of investments	<u>2,547,105</u>	<u>9,071,695</u>
Net cash used in investing activities	<u>(1,950,729)</u>	<u>(10,479,943)</u>
Net change in cash and cash equivalents	659,215	(6,548,513)
Cash and cash equivalents at beginning of year	<u>70,331</u>	<u>6,618,844</u>
Cash and cash equivalents at end of year	<u>\$ 729,546</u>	<u>\$ 70,331</u>

See accompanying notes to combined financial statements.

OHIO HOSPITAL ASSOCIATION,
OHIO HOSPITALS GROUP RATED WORKERS COMPENSATION PROGRAM, INC.,
AND OHIO HEALTHCARE PURCHASING, INC.
NOTES TO COMBINED FINANCIAL STATEMENTS
December 31, 2016 and 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations: The Ohio Hospital Association (“OHA”) is a not-for-profit trade association which conducts government relations, provides services to members, and sponsors varied activities including institutes, committees, conventions, and research for its members, primarily hospitals, related health service institutions, and individuals.

In 1986, OHA formed a not-for-profit corporation, Ohio Hospital Capital, Inc. (“OHC”), which was organized for the purpose of administering hospital tax-exempt financing programs. OHA is the sole corporate member of OHC. In 2015, the OHA Board of Trustees approved dissolution of OHC and transfer of its assets and programs into OHA. The transfer was completed effective December 31, 2015.

The 2015 financial statements reflect the combined financial position of the OHA and OHC as of December 31, 2015 and their combined results of operations, which included investment activity, for the year ended December 31, 2015. The total net assets shown on the Combined Statement of Financial Position are then as follows:

The Ohio Hospital Association	\$ 41,479,353
Ohio Hospital Capital, Inc.	<u>1,545,086</u>
Combined OHA Net Assets	43,024,439
Ohio Hospitals Group Rated Workers Compensation Program, Inc.	1,730,074
Ohio Healthcare Purchasing, Inc.	<u>(9,764)</u>
Total Net Assets	\$ <u>44,744,749</u>

In 1991, OHA established Ohio Hospitals Group Rated Workers Compensation Program, Inc. (“the Program”) to provide group rated workers compensation insurance to OHA members. OHA is the sole corporate member of the Program.

In 1999, OHA formed a wholly owned for-profit limited liability corporation, Ohio Healthcare Purchasing, Inc. (dba OHA Solutions), which began operations in 2004 and was organized for the purpose of achieving purchasing efficiencies for OHA members.

The organizations combined herein are essentially membership service organizations and, as such, all expenses of these organizations are functionally classified as membership service. The accounting policies that affect significant elements of the combined financial statements are summarized below:

Basis of Presentation: The accompanying combined financial statements include the accounts of OHA, the Program and Ohio Healthcare Purchasing, Inc. (collectively referred to herein as “the Association”). All significant intercompany accounts and transactions have been eliminated in consolidation.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the combined financial statements and accompanying notes. Actual results could differ from those estimates.

(Continued)

OHIO HOSPITAL ASSOCIATION,
OHIO HOSPITALS GROUP RATED WORKERS COMPENSATION PROGRAM, INC.,
AND OHIO HEALTHCARE PURCHASING, INC.
NOTES TO COMBINED FINANCIAL STATEMENTS
December 31, 2016 and 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents: The Association considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. The Federal Deposit Insurance Corporation insures balances of up to \$250,000. The Association has bank balances that were approximately \$2,740,000 and \$1,723,000 in excess of that limit as of December 31, 2016 and 2015, respectively. For purposes of presentation on the Combined Statements of Cash Flows, the Association does not include cash and cash equivalents to be used for board designated purposes and the agency transactions.

Investments: Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the combined statements of financial position. The fair value of investments is determined based on quoted market prices. Investment income or loss (including interest, dividends, realized gains and losses on the sale of investments and the change in unrealized gains and losses on investments) is included in the Combined Statements of Activities and Changes in Net Assets.

Accounts Receivable: Accounts receivables represent amounts billed for dues and other services not collected at December 31. Interest is not charged on past due accounts. Management establishes a reserve for losses on its accounts based on historic loss experience and current economic conditions. Losses are charged off to the reserve when management deems further collection efforts will not produce additional recoveries. At December 31, 2016 and 2015, an allowance for uncollectible accounts of approximately \$29,000 and \$24,000 was recorded, respectively.

Property and Equipment: Office equipment, automobiles and leasehold improvements are stated at cost. It is the policy of the Association to capitalize additions with a unit cost of \$500 or more. The Association uses the straight-line method to depreciate the cost of office equipment and automobiles over their estimated useful lives. Leasehold improvements are depreciated over the remaining lease term using the straight-line method. Additionally, the Association periodically purchases software and amortizes it on a straight-line basis over the estimated useful life of the software.

Impairment of Long-Lived Assets: The carrying value of the Association's long-lived assets is reviewed to determine if facts or circumstances suggest that the assets may be impaired or that the remaining useful, depreciable life may need to be changed. The Association considers internal and external factors related to each asset, including future asset utilization and business climate. If these factors and the projected undiscounted cash flows of the asset over the remaining life indicate that the asset will not be recoverable, the carrying value will be adjusted down to the estimated fair value, if less than book value. As of December 31, 2016 and 2015, management concluded that they were unaware of any impairment to be recorded.

Revenue and Deferred Income: Membership dues and program and service income are reported as it is earned. Such revenues that have been received but not earned at the end of the year are reported as deferred income.

Net Assets: All of the net assets of the Association are unrestricted. However, the Board of the Association has designated certain portions of the net assets for specific purposes as shown on the Combined Statements of Financial Position.

Agency Transactions: The Association entered into administrative services agreements with health plans doing business with the Ohio Department of Job and Family Services during 2012. As a part of these agreements, the Association agrees to provide administrative services to assist these health plans in implementing the Medicaid Managed Care Hospital Incentive Payment Program, (the "MMC Program") by receiving MMC Program funds and distributing funds to eligible hospitals in accordance with the terms of the agreements. These transactions are recognized as changes in assets and liabilities and do not materially affect the Combined Statements of Activities and Changes in Net Assets.

(Continued)

OHIO HOSPITAL ASSOCIATION,
OHIO HOSPITALS GROUP RATED WORKERS COMPENSATION PROGRAM, INC.,
AND OHIO HEALTHCARE PURCHASING, INC.
NOTES TO COMBINED FINANCIAL STATEMENTS
December 31, 2016 and 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes: The Internal Revenue Service has ruled that OHA and the Program are tax-exempt organizations as defined under Section 501(c)(6). OHA and the Program are not subject to federal income taxes, except for income from unrelated business activities, if any. Management does not believe there are any significant tax liabilities related to Ohio Healthcare Purchasing, Inc. Accordingly, no provision for federal income taxes has been made in the combined financial statements.

Accounting principles generally accepted in the United States of America prescribe recognition thresholds and measurement attributes for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Tax benefits will be recognized only if the tax position is more-likely-than-not sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized will be the largest amount of tax benefit that is greater than 50% likely of being realized on examination. For tax positions not meeting the more-likely-than-not test, no tax benefit will be recorded. Management has concluded that they are unaware of any tax benefits or liabilities to be recognized at December 31, 2016 and 2015.

The Association would recognize interest and penalties related to unrecognized tax benefits in interest and income tax expense, respectively. The Association has no amounts accrued for interest or penalties as of December 31, 2016 and 2015. The Association has a tax receivable of approximately \$15,000 and \$9,000 as of December 31, 2016 and 2015, respectively, related to OHA's Unemployment Compensation Program. Ohio Solutions has a tax receivable of approximately \$24,000 and \$14,000 at December 31, 2016 and 2015, respectively. The Association does not expect the total amount of unrecognized tax benefits to significantly change in the next 12 months.

Statements of Functional Expenses: The Association is considered to have one program purpose that is for the benefit and advocacy of its members. Therefore, it has elected not to include a Statements of Functional Expenses in these combined financial statements.

Fair Value of Financial Instruments: Accounting principles generally accepted in the United States of America define fair value as the price that would be received for an asset or paid to transfer a liability (an exit price) in the Association's principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

The Association's carrying amount for its financial instruments, which include cash, cash equivalents, accounts receivable, investments and accounts payable at December 31, 2016 and 2015 approximate their estimated fair values. The estimated fair value amounts have been determined by the Association using available market information and appropriate valuation methodologies. Considerable judgment is required in interpreting market data and developing these estimates.

Subsequent Events: Management has performed an analysis of the activities and transactions subsequent to December 31, 2016 to determine the need for any adjustments to and/or disclosures within the audited combined financial statements for the years ended December 31, 2016. Management has performed their analysis of subsequent events through June 15, 2017, the date the financial statements were available to be issued. Management has determined no subsequent events have occurred requiring disclosure in these combined financial statements.

(Continued)

OHIO HOSPITAL ASSOCIATION,
OHIO HOSPITALS GROUP RATED WORKERS COMPENSATION PROGRAM, INC.,
AND OHIO HEALTHCARE PURCHASING, INC.
NOTES TO COMBINED FINANCIAL STATEMENTS
December 31, 2016 and 2015

NOTE 2 – INVESTMENTS

Investments are summarized as follows at December 31, 2016 and 2015:

	<u>2016</u>	<u>2015</u>
Cash and cash equivalents	\$ 284,341	\$ 357,390
Mutual funds	2,567,621	2,676,898
Exchange traded and closed end funds	10,740,691	11,219,091
Equities	<u>-</u>	<u>10,422</u>
	<u>\$ 13,592,653</u>	<u>\$ 14,263,801</u>

Board restricted investments are summarized as follows at December 31, 2016 and 2015:

	<u>2016</u>	<u>2015</u>
Mutual funds	\$ 6,136,175	\$ 5,111,850
Exchange traded and closed end funds	<u>28,690,059</u>	<u>26,242,093</u>
	<u>\$ 34,826,234</u>	<u>\$ 31,353,943</u>

Investment income is comprised of the following for the years ended December 31, 2016 and 2015:

	<u>2016</u>	<u>2015</u>
Interest and dividends	\$ 1,236,687	\$ 1,291,452
Net realized gains (losses) on the sale of investments	(123,630)	168,383
Net change in unrealized gains (losses) on investments	<u>2,238,513</u>	<u>(2,579,787)</u>
	<u>\$ 3,351,570</u>	<u>\$ (1,119,952)</u>

NOTE 3 – PROPERTY AND EQUIPMENT

Property and equipment consists of the following at December 31, 2016 and 2015:

	<u>2016</u>	<u>2015</u>
Leasehold improvements	\$ 1,374,693	\$ 1,374,693
Office equipment	2,165,185	2,143,553
Computer software	1,854,939	1,557,255
Automobiles	143,495	121,952
Fixed assets in progress	<u>357,248</u>	<u>309,887</u>
	5,895,560	5,507,340
Less accumulated depreciation and amortization	<u>(3,789,054)</u>	<u>(3,271,171)</u>
	<u>\$ 2,106,506</u>	<u>\$ 2,236,169</u>

(Continued)

OHIO HOSPITAL ASSOCIATION,
OHIO HOSPITALS GROUP RATED WORKERS COMPENSATION PROGRAM, INC.,
AND OHIO HEALTHCARE PURCHASING, INC.
NOTES TO COMBINED FINANCIAL STATEMENTS
December 31, 2016 and 2015

NOTE 4 – OPERATING LEASES

OHA currently leases office space and certain equipment under non-cancelable leases. Effective January 1, 2014, OHA entered into a non-cancelable lease for its office space which extended their lease commitment for 10 years thereafter and includes rent increases. The lease also provided a moving credit of approximately \$1,643,000 from the lessor to pay for construction and property and equipment purchases for the new space. The total amount of rental payments net of credits and abatements due over the lease term are being charged to rental expense on the straight-line method over the term of the lease. The difference between rental expense and the amount paid, which includes the unamortized portion of the moving credit, represents deferred rent on the accompanying Combined Statements of Financial Position.

Future minimum rental payments by year are as follows:

2017	\$ 629,473
2018	630,395
2019	643,194
2020	655,992
2021	669,118
Thereafter	<u>1,378,600</u>
Total	<u>\$ 4,606,772</u>

Lease expense for 2016 and 2015 was approximately \$394,000 and \$395,000, net of amortization, respectively.

NOTE 5 – PENSION PLAN

OHA has a defined contribution pension plan ("the Plan") covering substantially all of its employees. The Plan provides pension benefits that are based on the employees' annual compensation. In addition, OHA created a Supplemental Participant Retention Plan for the President and Chief Executive Officer effective February 15, 2012. As a part of this agreement, OHA accrued \$137,000 and \$134,000 as of December 31, 2016 and 2015, respectively. Total pension expense was approximately \$582,000 and \$564,000 in 2016 and 2015, respectively.

OHA also has deferred compensation programs for its key employees. The plans are funded by contributions from the employees' compensation. The assets and a corresponding liability for these plans are included in the Combined Statements of Financial Position.

NOTE 6 – RELATED-PARTY TRANSACTIONS

The Political Action Committee of The Ohio Hospital Association, The Research and Educational Foundation of the Ohio Hospital Association ("REF") and Ohio Health Council are affiliated organizations of OHA. OHA provides certain administrative functions for these affiliated organizations. OHA offsets expenses incurred on behalf of and reimbursed by related parties. These expenses in 2016 and 2015 were approximately \$761,000 and \$742,000, respectively. OHA had accounts payable to REF of \$24,165 and \$566,890 and accounts receivable from REF of \$443,903 and \$254,106 at December 31, 2016 and 2015 for certain services, respectively.

(Continued)

OHIO HOSPITAL ASSOCIATION,
OHIO HOSPITALS GROUP RATED WORKERS COMPENSATION PROGRAM, INC.,
AND OHIO HEALTHCARE PURCHASING, INC.
NOTES TO COMBINED FINANCIAL STATEMENTS
December 31, 2016 and 2015

NOTE 7 – COMMITMENTS AND CONTINGENCIES

The Association is involved in various legal proceedings, actions and claims arising in the normal course of business. In the opinion of management, the Association's liability, if any, under these matters will not materially affect its financial statements.

On October 28, 2013, OHA Holdings, Inc. (which OHA owned 30,000 Class B common shares) entered into an agreement to sell OHA Holdings, Inc. and its wholly-owned subsidiary OHA Insurance Solutions, Inc. to an unrelated corporation for \$34,326,000. Proceeds of \$30,893,400 were paid to OHA Holdings, Inc. on January 21, 2014. These proceeds were then distributed to common and preferred shareholders after payment of fees associated with the sale. During 2014, OHA received net proceeds of \$13,088,035 related to the disposition of OHA Holdings, Inc. The remaining portion of the consideration, \$3,432,600, was held in escrow by the Trustee until certain provisions of the agreement were met or a period of fifteen months. OHA's portion of the escrow amount was approximately \$1,644,000 and was received in April 2015.

NOTE 8 – FAIR VALUE

The Association determines the fair values of its financial instruments based on the fair value hierarchy established by accounting principles generally accepted in the United States of America, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. These principles describe three levels within its hierarchy that may be used to measure fair value:

- Level 1 Inputs: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.
- Level 2 Inputs: Significant other observable inputs other than Level 1 quoted prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.
- Level 3 Inputs: Significant unobservable inputs that reflect a reporting entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

The fair value of mutual funds, exchange traded and closed end funds and equities are based on quoted prices in active markets, which are considered a Level 1.

(Continued)

OHIO HOSPITAL ASSOCIATION,
OHIO HOSPITALS GROUP RATED WORKERS COMPENSATION PROGRAM, INC.,
AND OHIO HEALTHCARE PURCHASING, INC.
NOTES TO COMBINED FINANCIAL STATEMENTS
December 31, 2016 and 2015

NOTE 8 – FAIR VALUE (Continued)

Assets measured at fair value on a recurring basis at December 31, 2016 are summarized below:

	Active Markets for Identical Assets Using Quoted Prices (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash and cash equivalents	\$ 284,341	\$ -	\$ -
Mutual funds:			
Fixed income	107,854	-	-
Domestic equity	5,257,489	-	-
International/global equity	3,338,453	-	-
Exchange traded and closed end funds:			
Fixed income	17,428,842	-	-
Domestic equity	12,060,271	-	-
International/global equity	7,714,871	-	-
Commodities	4,337	-	-
Other	2,222,429	-	-
	<u>\$ 48,418,887</u>	<u>\$ -</u>	<u>\$ -</u>

Assets measured at fair value on a recurring basis at December 31, 2015 are summarized below:

	Active Markets for Identical Assets Using Quoted Prices (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash and cash equivalents	\$ 357,390	\$ -	\$ -
Mutual funds:			
Fixed income	245,623	-	-
Domestic equity	4,491,577	-	-
International/global equity	3,051,548	-	-
Exchange traded and closed end funds:			
Fixed income	17,377,387	-	-
Domestic equity	10,681,176	-	-
International/global equity	7,212,951	-	-
Commodities	3,597	-	-
Other	2,186,073	-	-
Equities:			
Financials	10,422	-	-
	<u>\$ 45,617,744</u>	<u>\$ -</u>	<u>\$ -</u>

SUPPLEMENTAL INFORMATION

OHIO HOSPITAL ASSOCIATION,
OHIO HOSPITALS GROUP RATED WORKERS COMPENSATION PROGRAM, INC.,
AND OHIO HEALTHCARE PURCHASING, INC.
DETAILS OF COMBINED STATEMENT OF FINANCIAL POSITION
December 31, 2016

	Ohio Hospital Association	Ohio Hospitals Group Rated Workers Compensation Program, Inc.	Ohio Healthcare Purchasing, Inc.	Eliminations	Combined
ASSETS					
Current assets					
Cash and cash equivalents	\$ 247,732	\$ 242,605	\$ 239,209	\$ -	\$ 729,546
Cash and cash equivalents – agency arrangement	286,467	-	-	-	286,467
Investments	11,975,519	1,617,134	-	-	13,592,653
Accounts receivable, net of allowance for uncollectible accounts	7,450,883	-	13,394	-	7,464,277
Accounts receivable, related parties	560,517	-	-	(140,779)	419,738
Prepaid expenses and other receivables	248,331	-	34,786	-	283,117
Total current assets	20,769,449	1,859,739	287,389	(140,779)	22,775,798
Board designated assets					
Cash and cash equivalents	2,367,832	-	-	-	2,367,832
Investments	34,826,234	-	-	-	34,826,234
Other receivables	15,113	-	-	-	15,113
Total board designated assets	37,209,179	-	-	-	37,209,179
Property and equipment, net	2,106,506	-	-	-	2,106,506
Total assets	\$ 60,085,134	\$ 1,859,739	\$ 287,389	\$ (140,779)	\$ 62,091,483

(Continued)

OHIO HOSPITAL ASSOCIATION, OHIO HOSPITALS GROUP RATED WORKERS COMPENSATION PROGRAM, INC., AND
OHIO HEALTHCARE PURCHASING, INC.
DETAILS OF COMBINED STATEMENT OF FINANCIAL POSITION
December 31, 2016

	Ohio Hospital Association	Ohio Hospitals Group Rated Workers Compensation Program, Inc.	Ohio Healthcare Purchasing, Inc.	Eliminations	Combined
LIABILITIES AND NET ASSETS					
Current liabilities					
Accounts payable and accrued expenses	\$ 440,601	\$ -	\$ 2,499	\$ -	\$ 443,100
Accounts payable – agency arrangement	252,875	-	-	-	252,875
Accounts payable, related parties	-	194	140,585	(140,779)	-
Compensation and related liabilities	2,022,007	-	8,400	-	2,030,407
Deferred income					
Membership dues and program services	8,175,569	-	-	-	8,175,569
Annual meeting	80,340	-	-	-	80,340
Data income	47,760	-	-	-	47,760
Energy program	820,893	-	-	-	820,893
Total current liabilities	11,840,045	194	151,484	(140,779)	11,850,944
Long-term liabilities					
Deferred rent	1,501,110	-	-	-	1,501,110
Total liabilities	13,341,155	194	151,484	(140,779)	13,352,054
Unrestricted net assets					
Undesignated					
Board designated	9,534,800	1,859,545	135,905	-	11,530,250
Professional liabilities fund	23,115,541	-	-	-	23,115,541
Unemployment program	2,962,453	-	-	-	2,962,453
Legal issues	312,153	-	-	-	312,153
Strategic issues	8,686,014	-	-	-	8,686,014
Investment opportunities fund	2,133,018	-	-	-	2,133,018
Total net assets	46,743,979	1,859,545	135,905	-	48,739,429
Total liabilities and net assets	\$ 60,085,134	\$ 1,859,739	\$ 287,389	\$ (140,779)	\$ 62,091,483

OHIO HOSPITAL ASSOCIATION, OHIO HOSPITALS GROUP RATED WORKERS COMPENSATION PROGRAM, INC., AND
OHIO HEALTHCARE PURCHASING, INC.
DETAILS OF COMBINED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
Year ended December 31, 2016

	Ohio Hospital Association	Ohio Hospitals Group Rated Workers Compensation Program, Inc.	Ohio Healthcare Purchasing, Inc.	Eliminations	Combined
Revenues and gains					
Membership dues	\$ 7,257,240	\$ -	\$ -	\$ -	\$ 7,257,240
Program and services income	4,805,422	14,088	1,093,425	-	5,912,935
Special assessments	558,638	-	-	-	558,638
Other	9,720	-	-	-	9,720
Total unrestricted revenues and gains	12,631,020	14,088	1,093,425	-	13,738,533
Expenses					
Salaries and wages	6,083,920	679	238,280	(273,243)	6,049,636
Program and services expense	1,375,524	-	322,379	-	1,697,903
Rent and utilities	363,312	552	174,132	(230,679)	307,317
Pension plan contributions	558,094	72	24,256	-	582,422
Payroll taxes	385,550	53	16,572	-	402,175
Employee health insurance	1,060,178	192	31,399	-	1,091,769
Committees' and trustees' expense	272,741	-	1,201	(22,898)	251,044
Travel	197,136	-	10,187	(7,879)	199,444
Postage	22,839	-	-	(2,075)	20,764
Depreciation and amortization	638,102	-	-	(115,877)	522,225
Office supplies	105,556	-	-	(15,612)	89,944
Telephone	69,603	-	2,439	(6,755)	65,287

(Continued)

OHIO HOSPITAL ASSOCIATION, OHIO HOSPITALS GROUP RATED WORKERS COMPENSATION PROGRAM, INC., AND
OHIO HEALTHCARE PURCHASING, INC.
DETAILS OF COMBINED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
Year ended December 31, 2016

	Ohio Hospital Association	Ohio Hospitals Group Rated Workers Compensation Program, Inc.	Ohio Healthcare Purchasing, Inc.	Eliminations	Combined
Expenses (Continued)					
Equipment maintenance	\$ 229,650	\$ -	\$ -	\$ (20,443)	\$ 209,207
Dues and subscriptions	110,667	-	19,385	(2,100)	127,952
Professional services	914,539	-	21,120	(40,995)	894,664
Insurance	79,937	-	-	(8,702)	71,235
Contributions	367,575	-	-	-	367,575
Miscellaneous	<u>86,370</u>	-	<u>86,406</u>	<u>(13,962)</u>	<u>158,814</u>
	12,921,293	1,548	947,756	(761,220)	13,109,377
Less reimbursement of costs from affiliated organizations	<u>(761,220)</u>	-	-	<u>761,220</u>	-
Total expenses	12,160,073	1,548	947,756	-	13,109,377
Revenue in excess of expense before other income	470,947	12,540	145,669	-	629,156
Other income					
Investment income	3,234,639	116,931	-	-	3,351,570
Gain on disposal of property and equipment	<u>13,954</u>	-	-	-	<u>13,954</u>
Change in unrestricted net assets	3,719,540	129,471	145,669	-	3,994,680
Net assets at the beginning of the year	<u>43,024,439</u>	<u>1,730,074</u>	<u>(9,764)</u>	-	<u>44,744,749</u>
Net assets at the end of the year	<u>\$ 46,743,979</u>	<u>\$ 1,859,545</u>	<u>\$ 135,905</u>	<u>\$ -</u>	<u>\$ 48,739,429</u>

2018 AND 2019 PROJECTED FINANCIALS

Filed under seal.

CREDIT REPORT

OHIO HOSPITAL ASSOCIATION

DUNS: 07-163-9827

Credit Information

Risk Summary

Risk of Late Payment



Risk of late payment is based on the following prioritized factors in addition to other information in D&B's files:

- Total Liabilities to Net Worth influencing the score
- Proportion of past due balances to total amount owing
- Evidence of open liens

Indications of slowness can be the result of disputes over merchandise, skipped invoices, etc.

Payment Performance Trend



The payment performance trend for this company is Unchanged . Payment Trend currently is Unchanged compared to payments three months ago. The most recent payment information in D&B's files is:

- Payments currently: generally within terms
- Payments 3 months ago: 5 DAYS BEYOND terms
- Industry average: 2 DAYS BEYOND terms

*Note: Payments to suppliers are averaged weighted by dollar amounts.

Credit Limit Recommendation

Recommendation Date: 09/25/2017

Risk Category

Low

Conservative Credit Limit

\$15K

Aggressive Credit Limit

\$25K



Company Profile

Chief Executive:

DIRECTOR(S): THE OFFICER(S)

Type of Business:

CORPORATION

Years in Business:

NA

Annual Sales:

17087376

Employees Total:

62

Line of Business:

Professional organization

Legal Filings and Other Important Information

Bankruptcies:	None	Negative Payment Experience:	None
Judgements:	0	Negative Payment Experience	None
Liens:	1	Amount:	
Suits:		Payments Placed for Collection:	0
0 Open / 1 Closed			
Suits/Judgments/Liens Amounts:	None		

The public record items reported may have been paid, terminated, vacated or released prior to the date this data is transmitted. Accounts are sometimes placed for collection even though the existence or amount of the debt is disputed.

Special Events

We currently do have any information to be displayed for this business.

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Payment Trends

Summary

Address:
155 East Broad St, Suite 301
Columbus, OH 43215

Primary Industry SIC:
8621

D-U-N-S Number:
07-163-9827

Description:
Professional organization

This is a **single** location.

Payment Activity

Total payment Experiences in D&Bs File:	18
Payments Within Terms: (not dollar weighted)	90%
Total Placed For Collection:	NA
Average Highest Credit:	\$4,765
Largest High Credit:	\$30,000
Highest Now Owing:	\$2,500
Highest Past Due:	\$0

Indications of slowness can be the result of dispute over merchandise, skipped invoices, etc. Accounts are sometimes placed for collection even though the existence or amount of the debt is disputed.

3 Month PAYDEX®

80

When weighted by dollar amount, payments to suppliers average ON TERMS terms.



Based on payments collected over the last 3 months

24 Month PAYDEX®

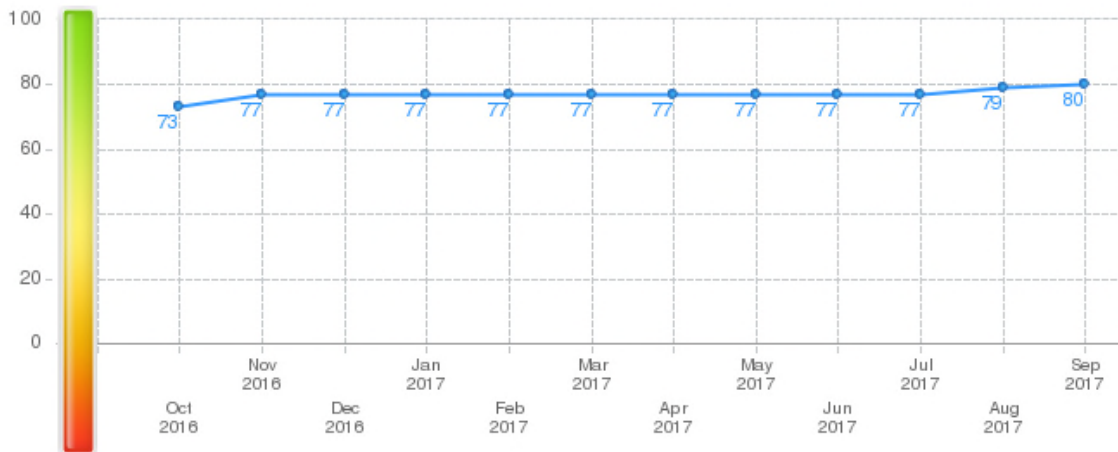
80 ▲

When weighted by dollar amount, payments to suppliers average ON TERMS terms.



Based on payments collected over the last 24 months

PAYDEX® Trends - This Company, 12 Months

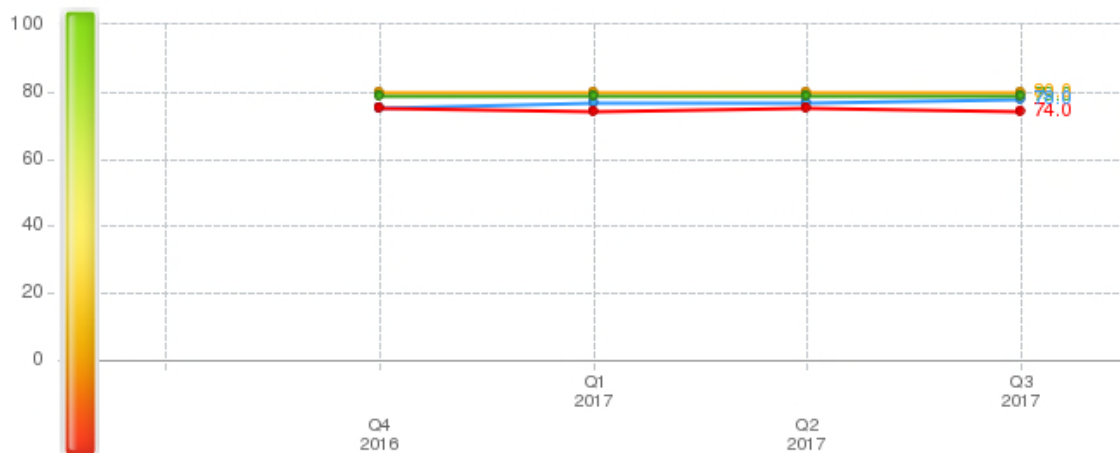


This Company (80)

Based on payments collected over the last 12 months.

- Current PAYDEX® for this Business is 80 , or equal to ON TERMS terms
- The 12-month high is 80 , or equal to GENERALLY WITHIN terms
- The 12-month low is 73 , or equal to GENERALLY WITHIN terms

PAYDEX® Score Comparison - This Company to Primary Industry Comparison, 4 Quarters



- My Company (80)
- Industry Upper Quartile (80)
- Industry Median (79)
- Industry Median (74)

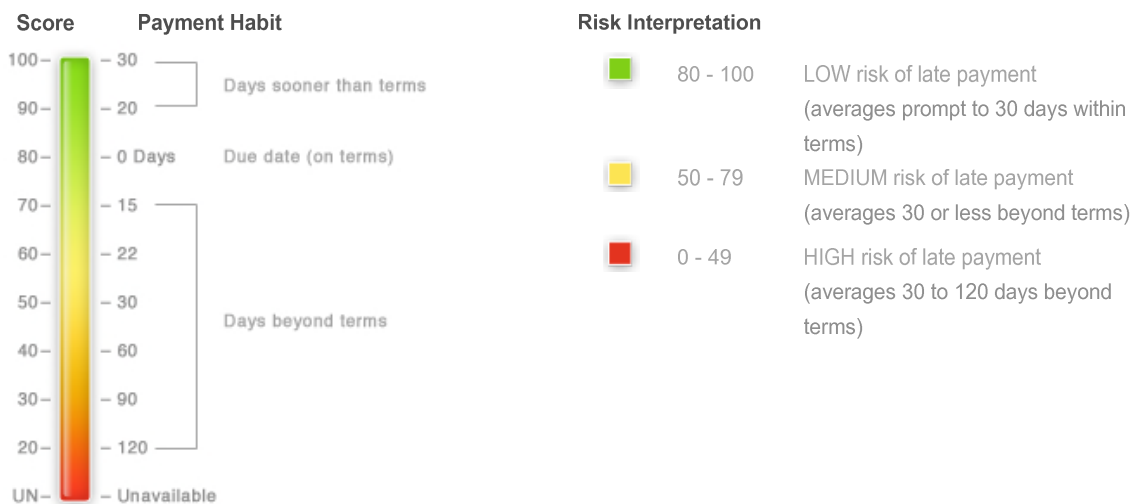
Based on payments collected over the last 4 quarters.

- Current PAYDEX® for this Business is 80 , or equal to generally within terms
- Current PAYDEX® for this Business is 79 , or equal to 2 DAYS BEYOND terms
- Industry upper quartile represents the performance of the payers in the 75th percentile
- Industry lower quartile represents the performance of the payers in the 25th percentile

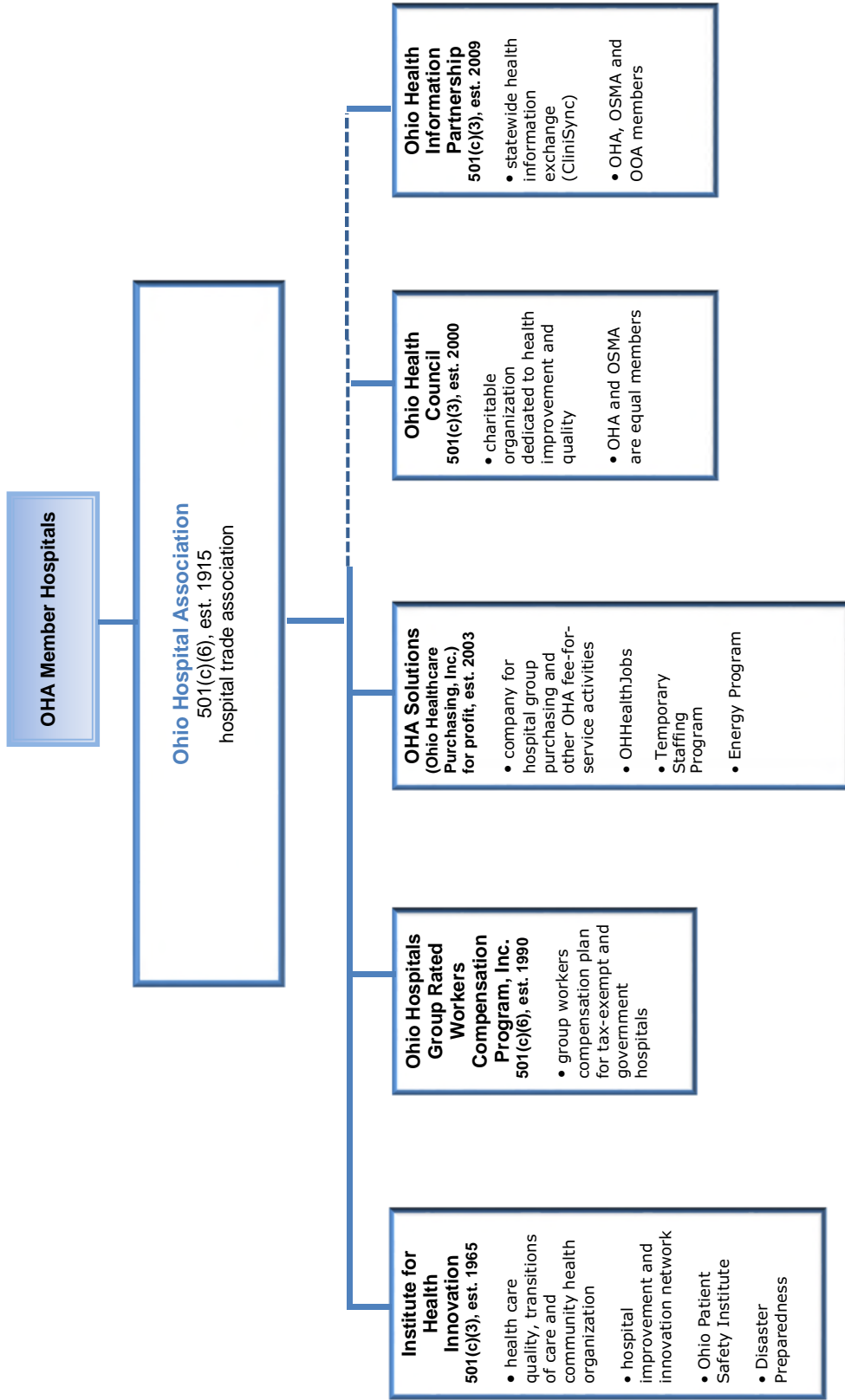
Business Payment Habit by Amount of Credit Extended, 24 Months [i](#)

\$ Credit Extended	% of Payments Within Terms	# Payment Experiences	Total \$ Dollar Amount
Over 100,000	0%	0	\$0
50,000-100,000	0%	0	\$0
15,000-49,999	100%	2	\$50,000
5,000-14,999	100%	4	\$20,000
1,000-4,999	100%	2	\$3,500
under 1,000	81%	8	\$2,750

How to Read the D&B PAYDEX ® Score [i](#)



**ORGANIZATIONAL CHART OF OHIO HOSPITAL ASSOCIATION
AND ITS SUBSIDIARIES**



This foregoing document was electronically filed with the Public Utilities

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10/5/2017 3:03:55 PM

in

Case No(s). 11-4713-EL-AGG

Summary: Text Renewal Application of Ohio Healthcare Purchasing, Inc. d/b/a OHA Solutions, Inc. electronically filed by Teresa Orahod on behalf of Devin D. Parram