

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ► Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2016 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information		
For calendar plan year 2016 or fiscal plan year beginning <u>01/01/2016</u> and ending <u>12/31/2016</u>			
A	This return/report is for:	☐ a multiemployer plan ☒ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)	
	☐ a single-employer plan ☐ the first return/report ☒ an amended return/report	☐ a DFE (specify) _____ ☐ the final return/report ☐ a short plan year return/report (less than 12 months)	
B	This return/report is:		
C	If the plan is a collectively-bargained plan, check here.		☐
D	Check box if filing under:	☒ Form 5558 ☐ special extension (enter description)	☐ automatic extension ☐ the DFVC program

Part II	Basic Plan Information —enter all requested information		
1a	Name of plan <u>AMBULATORY SERVICES OF AMERICA, INC. 401(K) PLAN</u>	1b	Three-digit plan number (PN) ► <u>001</u>
		1c	Effective date of plan <u>01/01/2008</u>
2a	Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>AMBULATORY SERVICES OF AMERICA, INC</u> <u>5851 LEGACY CIRCLE</u> <u>SUITE 900</u> <u>PLANO, TX 75024</u>	2b	Employer Identification Number (EIN) <u>26-1417156</u>
		2c	Plan Sponsor's telephone number <u>615-250-1658</u>
		2d	Business code (see instructions) <u>621900</u>

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/13/2017	JAMES SHELTON
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/13/2017	STEPHANIE THOMAS
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address (include room or suite number)			Preparer's telephone number

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2016)
v. 160205

3a Plan administrator's name and address ☒ Same as Plan Sponsor		3b Administrator's EIN	
		3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name		4b EIN	
		4c PN	
5 Total number of participants at the beginning of the plan year		5	986
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).			
a(1) Total number of active participants at the beginning of the plan year.....		6a(1)	722
a(2) Total number of active participants at the end of the plan year		6a(2)	580
b Retired or separated participants receiving benefits.....		6b	0
c Other retired or separated participants entitled to future benefits		6c	177
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d	757
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e	0
f Total. Add lines 6d and 6e		6f	757
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)		6g	757
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested		6h	0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....		7	
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2E 2F 2G 2J 2K 2T 3D 3F 3H			
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:			
9a Plan funding arrangement (check all that apply)		9b Plan benefit arrangement (check all that apply)	
(1) ☒ Insurance		(1) ☒ Insurance	
(2) ☐ Code section 412(e)(3) insurance contracts		(2) ☐ Code section 412(e)(3) insurance contracts	
(3) ☒ Trust		(3) ☒ Trust	
(4) ☐ General assets of the sponsor		(4) ☐ General assets of the sponsor	
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)			
a Pension Schedules		b General Schedules	
(1) ☒ R (Retirement Plan Information)		(1) ☒ H (Financial Information)	
(2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary		(2) ☐ I (Financial Information – Small Plan)	
(3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary		(3) ☒ <u>1</u> A (Insurance Information)	
		(4) ☒ C (Service Provider Information)	
		(5) ☒ D (DFE/Participating Plan Information)	
		(6) ☐ G (Financial Transaction Schedules)	

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2016 Form M-1 annual report. If the plan was not required to file the 2016 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE A (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <hr/> <small>Department of Labor Employee Benefits Security Administration</small> <hr/> <small>Pension Benefit Guaranty Corporation</small>	Insurance Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500. ► Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).	OMB No. 1210-0110 <hr/> 2016 <hr/> This Form is Open to Public Inspection
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For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

A Name of plan <u>AMBULATORY SERVICES OF AMERICA, INC. 401(K) PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>AMBULATORY SERVICES OF AMERICA, INC</u>	D Employer Identification Number (EIN) <u>26-1417156</u>	

Part I	Information Concerning Insurance Contract Coverage, Fees, and Commissions Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.
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1 Coverage Information:

(a) Name of insurance carrier

PRUDENTIAL RETIREMENT INSURANCE AND ANNUITY COMPANY

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
<u>06-1050034</u>	<u>93629</u>	<u>41543</u>	<u>757</u>	<u>01/01/2016</u>	<u>12/31/2016</u>

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid	(b) Total amount of fees paid
<u>0</u>	<u>0</u>

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

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(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4 Current value of plan's interest under this contract in the general account at year end	4	2783986
5 Current value of plan's interest under this contract in separate accounts at year end.....	5	5079823

6 Contracts With Allocated Funds:**a** State the basis of premium rates ▶**b** Premiums paid to carrier**6b****c** Premiums due but unpaid at the end of the year**6c****d** If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount**6d**

Specify nature of costs ▶

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity(3) ☐ other (specify) ▶**f** If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶ ☐**7** Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

a Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee
 (3) ☐ guaranteed investment (4) ☒ other ▶ **GUARANTEED GENRAL ACCOUNT CONTRACT**

b Balance at the end of the previous year	7b	2981382
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c Additions: (1) Contributions deposited during the year	7c(1)		
(2) Dividends and credits.....	7c(2)		
(3) Interest credited during the year.....	7c(3)	23468	
(4) Transferred from separate account	7c(4)	11660	
(5) Other (specify below)	7c(5)	342796	

▶ **LOAN REPAYMENTS TRANSFERS IN MISCELLANEOUS IN**

(6) Total additions	7c(6)	377924
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d Total of balance and additions (add lines 7b and 7c(6))	7d	3359306
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e Deductions:

(1) Disbursed from fund to pay benefits or purchase annuities during year

7e(1) 450743

(2) Administration charge made by carrier.....

7e(2) 300

(3) Transferred to separate account

7e(3) 16084

(4) Other (specify below)

7e(4) 108193▶ **LOAN INITIATIONS TRANSFERS OUT MISCELLANEOUS OUT**

(5) Total deductions	7e(5)	575320
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f Balance at the end of the current year (subtract line 7e(5) from line 7d).....	7f	2783986
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Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

- a** ☐ Health (other than dental or vision)
b ☐ Dental
c ☐ Vision
d ☐ Life insurance
e ☐ Temporary disability (accident and sickness)
f ☐ Long-term disability
g ☐ Supplemental unemployment
h ☐ Prescription drug
i ☐ Stop loss (large deductible)
j ☐ HMO contract
k ☐ PPO contract
l ☐ Indemnity contract
m ☐ Other (specify) ▶

9 Experience-rated contracts:

a Premiums: (1) Amount received	9a(1)		
(2) Increase (decrease) in amount due but unpaid	9a(2)		
(3) Increase (decrease) in unearned premium reserve	9a(3)		
(4) Earned ((1) + (2) - (3))		9a(4)	
b Benefit charges (1) Claims paid	9b(1)		
(2) Increase (decrease) in claim reserves	9b(2)		
(3) Incurred claims (add (1) and (2))		9b(3)	
(4) Claims charged		9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions	9c(1)(A)		
(B) Administrative service or other fees	9c(1)(B)		
(C) Other specific acquisition costs	9c(1)(C)		
(D) Other expenses	9c(1)(D)		
(E) Taxes	9c(1)(E)		
(F) Charges for risks or other contingencies	9c(1)(F)		
(G) Other retention charges	9c(1)(G)		
(H) Total retention		9c(1)(H)	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.)		9c(2)	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement		9d(1)	
(2) Claim reserves		9d(2)	
(3) Other reserves		9d(3)	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).)		9e	

10 Nonexperience-rated contracts:

a Total premiums or subscription charges paid to carrier	10a	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount. Specify nature of costs.	10b	

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

SCHEDULE C (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2016 This Form is Open to Public Inspection.
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For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

A Name of plan AMBULATORY SERVICES OF AMERICA, INC. 401(K) PLAN	B Three-digit plan number (PN) ► 001
C Plan sponsor's name as shown on line 2a of Form 5500 AMBULATORY SERVICES OF AMERICA, INC	D Employer Identification Number (EIN) 26-1417156

Part I	Service Provider Information (see instructions)
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You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

- 1 Information on Persons Receiving Only Eligible Indirect Compensation**
- a** Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☒ Yes ☐ No
- b** If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b)	Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
	PRUDENTIAL RETIREMENT INSURANCE AND
	06-1050034

(b)	Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

AVONDALE PARTNERS, LLC

62-1854335

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
16	NONE	44201	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

PRUDENTIAL RETIREMENT INSURANCE AND

06-1050034

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13 15 37 50 64	NONE	17419	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
PRUDENTIAL RETIREMENT INSURANCE AND	15 64	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
PRUDENTIAL RETIREMENT INSURANCE AND 06-1050034	75.000 BPS AND \$0.00 PER PARTICIPANT INVESTED IN THE FUND FROM 1/1/2016 TO 12/31/2016 GUARANTEED INCOME FUND	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
THE PRUDENTIAL INSURANCE COMPANY OF	15 60 64	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
PRUDENTIAL INVESTMENTS, LLC 22-3468527	19.000 BPS AND \$0.00 PER PARTICIPANT INVESTED IN THE FUND FROM 1/1/2016 TO 12/31/2016 PRU QMA SMALL CAP VALUE R	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
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(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE D (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small>	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 <div style="border: 1px solid black; padding: 5px; display: inline-block;"> 2016 </div> This Form is Open to Public Inspection.
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For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

A Name of plan <u>AMBULATORY SERVICES OF AMERICA, INC. 401(K) PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>AMBULATORY SERVICES OF AMERICA, INC</u>	D Employer Identification Number (EIN) <u>26-1417156</u>	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: <u>HI YIELD BOND/PRUDENTIAL</u>		
b Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS.</u>		
c EIN-PN <u>06-1050034-300</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>32944</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>SMALL CAP GROWTH/COLUMBUS</u>		
b Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS.</u>		
c EIN-PN <u>06-1050034-650</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>362961</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRU DAY ONE IFX TARG BAL</u>		
b Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS.</u>		
c EIN-PN <u>06-1050034-697</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>4683918</u>
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) <small>Internal Revenue Service</small> <small>Department of Labor</small> <small>Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2016 This Form is Open to Public Inspection
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For calendar plan year 2016 or fiscal plan year beginning <u>01/01/2016</u> and ending <u>12/31/2016</u>		
A Name of plan <u>AMBULATORY SERVICES OF AMERICA, INC. 401(K) PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>AMBULATORY SERVICES OF AMERICA, INC</u>	D Employer Identification Number (EIN) <u>26-1417156</u>	

Part I	Asset and Liability Statement		
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash.....	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)		
(2) Participant contributions.....	1b(2)		
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common.....	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property).....	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans.....	1c(8)	984597	684120
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)	5520516	5079823
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities.....	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	15474250	13581016
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	2981382	2783986
(15) Other	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:		
(1)	Employer securities	1d(1)	
(2)	Employer real property	1d(2)	
e	Buildings and other property used in plan operation	1e	
f	Total assets (add all amounts in lines 1a through 1e)	1f	24960745 22128945
Liabilities			
g	Benefit claims payable	1g	
h	Operating payables	1h	
i	Acquisition indebtedness	1i	
j	Other liabilities	1j	
k	Total liabilities (add all amounts in lines 1g through 1j)	1k	0 0
Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	24960745 22128945

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

		(a) Amount	(b) Total
a	Contributions:		
(1)	Received or receivable in cash from: (A) Employers	2a(1)(A)	
	(B) Participants	2a(1)(B)	
	(C) Others (including rollovers)	2a(1)(C)	
(2)	Noncash contributions	2a(2)	
(3)	Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)	0
b	Earnings on investments:		
(1)	Interest:		
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	
	(B) U.S. Government securities	2b(1)(B)	
	(C) Corporate debt instruments	2b(1)(C)	
	(D) Loans (other than to participants)	2b(1)(D)	
	(E) Participant loans	2b(1)(E)	32533
	(F) Other	2b(1)(F)	23468
	(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)	56001
(2)	Dividends: (A) Preferred stock	2b(2)(A)	
	(B) Common stock	2b(2)(B)	
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	178242
	(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)	178242
(3)	Rents	2b(3)	
(4)	Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)	
	(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)	0
(5)	Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	
	(B) Other	2b(5)(B)	
	(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)	0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		265939
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		654457
c Other income.....	2c		44201
d Total income. Add all income amounts in column (b) and enter total.....	2d		1198840

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	3952046	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		3952046
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		15774
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees.....	2i(1)		
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees.....	2i(3)		
(4) Other	2i(4)	62820	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		62820
j Total expenses. Add all expense amounts in column (b) and enter total	2j		4030640

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-2831800
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan.....	2l(2)		0

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)?

☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: PDM, LLP

(2) EIN: 33-0783700

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....

b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)

	Yes	No	Amount
4a		X	
4b		X	

		Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e Was this plan covered by a fidelity bond?	4e	X		1000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l Has the plan failed to provide any benefit when due under the plan?	4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			
o Defined Benefit Plan or Money Purchase Pension Plan Only: Were any distributions made during the plan year to an employee who attained age 62 and had not separated from service?	4o			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If "Yes," enter the amount of any plan assets that reverted to the employer this year. ☐ Yes ☒ No **Amount:**

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (See ERISA section 4021.)? ☐ Yes ☐ No ☐ Not determined
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year (See instructions.)

Part V Trust Information

6a Name of trust	6b Trust's EIN
6c Name of trustee or custodian	6d Trustee's or custodian's telephone number

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2016 This Form is Open to Public Inspection.
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For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

A Name of plan <u>AMBULATORY SERVICES OF AMERICA, INC. 401(K) PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>AMBULATORY SERVICES OF AMERICA, INC</u>	D Employer Identification Number (EIN) <u>26-1417156</u>

Part I	Distributions
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All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>22-1211670</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	3	

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)
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4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?	☐ Yes	☐ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?	☐ Yes	☐ No	☐ N/A

Part III	Amendments
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☐ No
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Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Schedule R (Form 5500) 2016
v. 160205

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14	Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:		
	a The current year	14a	
	b The plan year immediately preceding the current plan year	14b	
	c The second preceding plan year	14c	
15	Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:		
	a The corresponding number for the plan year immediately preceding the current plan year	15a	
	b The corresponding number for the second preceding plan year	15b	
16	Information with respect to any employers who withdrew from the plan during the preceding plan year:		
	a Enter the number of employers who withdrew during the preceding plan year	16a	
	b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	
17	If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐		

Part VI	Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans
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18	If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment	☐
19	If the total number of participants is 1,000 or more, complete lines (a) through (c)	
	a Enter the percentage of plan assets held as: Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%	
	b Provide the average duration of the combined investment-grade and high-yield debt: ☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more	
	c What duration measure was used to calculate line 19(b)? ☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____	

Part VII	IRS Compliance Questions
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20a Is the plan a 401(k) plan? If "No," skip b	☐ Yes ☐ No
20b How did the plan satisfy the nondiscrimination requirements for employee deferrals under section 401(k)(3) for the plan year? Check all that apply:	☐ Design-based safe harbor ☐ "Prior year" ADP test ☐ "Current year" ADP test ☐ N/A
21a What testing method was used to satisfy the coverage requirements under section 410(b) for the plan year? Check all that apply:	☐ Ratio percentage test ☐ Average benefit test ☐ N/A
21b Did the plan satisfy the coverage and nondiscrimination requirements of sections 410(b) and 401(a)(4) for the plan year by combining this plan with any other plan under the permissive aggregation rules?	☐ Yes ☐ No
22a If the plan is a master and prototype plan (M&P) or volume submitter plan that received a favorable IRS opinion letter or advisory letter, enter the date of the letter / / and the serial number .	
22b If the plan is an individually-designed plan that received a favorable determination letter from the IRS, enter the date of the most recent determination letter / / .	



**AMBULATORY SERVICES OF AMERICA, INC.
401(k) PLAN**

**AUDITED FINANCIAL STATEMENTS AND
SUPPLEMENTAL SCHEDULE**

For the Years Ended December 31, 2016 and 2015

with

INDEPENDENT AUDITORS' REPORT THEREON



AMBULATORY SERVICES OF AMERICA, INC.
401(k) PLAN

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Independent Auditors' Report

To the Administrative Committee of
Ambulatory Services of America, Inc. 401(k) Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Ambulatory Services of America, Inc. (the "Company") 401(k) Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2016 and 2015, and the related statement of changes in net assets available for benefits for the year ended December 31, 2016, 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 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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's ("DOL") Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 ("ERISA"), the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 5, which was certified by Prudential Bank & Trust, F.S.B. (the "Custodian"), the custodian of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan administrator that the Custodian holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from the Custodian as of December 31, 2016 and 2015 and for the year ended December 31, 2016, that the information provided to the Plan administrator by the Custodian is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Emphasis of Matter

As discussed in Note 1 to the financial statements, effective December 31, 2013, the Plan was frozen.

As discussed in Note 2 to the financial statements, the Plan adopted new accounting guidance related to the investments. Prior year disclosures have been revised to reflect the retrospective application of adopting these changes in accounting.

Other Matters

The supplemental Schedule of Assets (Held at End of Year) as of December 31, 2016 is required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on this supplemental schedule.

Report on Form and Content in Compliance with DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the Custodian, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

PDM, LLP

Torrance, California
October 12, 2017

AMBULATORY SERVICES OF AMERICA, INC.
401(k) PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31,

	<u>2016</u>	<u>2015</u>
INVESTMENTS		
Registered investment companies, at fair value	\$ 13,581,016	\$ 15,474,250
Pooled / separate accounts, at fair value	5,079,823	5,520,516
Guaranteed investment contract with insurance company, at contract value	<u>2,783,986</u>	<u>2,981,382</u>
	21,444,825	23,976,148
 NOTES RECEIVABLE FROM PARTICIPANTS	 <u>684,120</u>	 <u>984,597</u>
 NET ASSETS AVAILABLE FOR BENEFITS	 <u><u>\$ 22,128,945</u></u>	 <u><u>\$ 24,960,745</u></u>

*The accompanying notes are an integral part
of these financial statements*

AMBULATORY SERVICES OF AMERICA, INC.
401(k) PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
YEAR ENDED DECEMBER 31, 2016

ADDITIONS TO NET ASSETS ATTRIBUTED TO:

INVESTMENT INCOME

Net investment gain from registered investment companies	\$ 654,457
Net investment gain from pooled / separate accounts	265,939
Interest earned on investment contract with insurance company	23,468
Dividends	178,242
Other investment income	44,201
	<u>1,166,307</u>

INTEREST INCOME ON NOTES RECEIVABLE FROM PARTICIPANTS

32,533

TOTAL ADDITIONS

1,198,840

DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:

Benefits paid to participants	3,952,046
Deemed distributions of notes receivable from participants	15,774
Professional and administrative expenses	<u>62,820</u>

TOTAL DEDUCTIONS

4,030,640

CHANGE IN NET ASSETS AVAILABLE FOR BENEFITS (2,831,800)

NET ASSETS AVAILABLE FOR BENEFITS, beginning of year 24,960,745

NET ASSETS AVAILABLE FOR BENEFITS, end of year \$ 22,128,945

*The accompanying notes are an integral part
of these financial statements*

AMBULATORY SERVICES OF AMERICA, INC.

401(k) PLAN

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

NOTE 1 - DESCRIPTION OF PLAN

The following description of the Ambulatory Services of America, Inc. (the “Company” or “Sponsor”) 401(k) Plan (the “Plan”) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan’s provisions.

General - The Plan was adopted on January 1, 2008 by the Board of Directors of the Sponsor and is a defined contribution plan covering all eligible employees of the Company and its subsidiaries. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”) and subsequent amendments.

Effective August 12, 2013, the Sponsor was acquired by U.S. Renal Care, Inc. (“USRC”). Effective December 31, 2013, the Board of Directors of the Sponsor froze the Plan and ceased future contributions to the Plan. Plan management has not stated any intention to unfreeze or liquidate the Plan. Participants who became employees of USRC were eligible to participate in the USRC plan effective January 1, 2014.

Plan administration - Prudential Retirement is the Plan’s third party administrator (the “Administrator”) and is responsible for monitoring investment activity. Prudential Bank & Trust, F.S.B. (the “Custodian”) is the custodian of the Plan’s assets and is responsible for maintaining individual participant account balances.

Plan termination - Although it has not expressed a formal intent to do so, the Sponsor reserves the right under the Plan to cease contributions and terminate the Plan, subject to action by the Sponsor's Board of Directors and subject to the provisions of ERISA and the Code. Upon termination of the Plan, all participants become 100% vested in their accounts.

Tax status - The Plan is a prototype plan offered by the Administrator. The Internal Revenue Service has determined and informed the Administrator by letter, that the prototype plan is designed in accordance with applicable sections of the Internal Revenue Code (the “Code”). The Plan has been amended since adoption. However, the Administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the Code.

Participation - An employee was eligible to participate in the Plan for purposes of 401(k) participant contributions upon having attained age 18. Employees were eligible with respect to employer matching contributions and qualified non-elective contributions upon completion of one year of service and having attained age 18.

AMBULATORY SERVICES OF AMERICA, INC.

401(k) PLAN

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

NOTE 1 - DESCRIPTION OF PLAN, Continued

Contributions - Contributions to the Plan, prior to the Plan being frozen, included (i) salary reduction contributions authorized by participants, (ii) matching contributions made by the Company, (iii) discretionary contributions made by the Company, and (iv) rollovers by new participants from other qualified plans.

Participant contributions - Prior to the Plan being frozen, participant salary reduction contributions to the Plan were determined as a flat amount or as a percentage of regular compensation. However, the total of these contributions were not, in any calendar year, allowed to exceed limitations set by the Code.

Sponsor contributions - Prior to the Plan being frozen, the Sponsor could, at its discretion, match participant contributions to the Plan. Sponsor contributions were determined annually by the Sponsor and may have included (i) in addition to depositing the total amount of the employee's salary reduction (including "catch-up contributions"), the "safe harbor" contribution, (ii) a discretionary matching contribution equal to a uniform percentage of the amount of the salary reduction the employee elects to defer (including "catch-up contributions"), which percentage the Sponsor will determine each year, and (iii) on behalf of each non-highly compensated participant and non-key employee, the Sponsor will make a qualified non-elective contribution equal to a uniform percentage of the employee's compensation, which percentage was determined each year by the Sponsor.

For the years ended December 31, 2016 and 2015, the Sponsor made no contributions to the Plan, as the Plan was frozen.

Participant accounts - Separate accounts are maintained for each participant's deferred compensation, rollover contributions, the Sponsor's matching and "safe harbor" contributions, and any allocation of the Sponsor's profit sharing contributions. All gains, income, or losses are allocated separately to each participant's account, based on the performance of the investments within that account. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. Participants may direct their contributions into any or all of the investment accounts with the Custodian.

AMBULATORY SERVICES OF AMERICA, INC.

401(k) PLAN

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

NOTE 1 - DESCRIPTION OF PLAN, Continued

Vesting - Participants are immediately vested in their own contributions plus actual earnings thereon. Vesting in the Sponsor's matching contributions and discretionary contributions and qualified non-elective contributions, if any, plus actual earnings thereon, is based on years of continuous service, as follows:

<u>Year of Service</u>	<u>Percent Vested</u>
Less than 1	0%
1	25%
2	50%
3	75%
4 or more	100%

Payment of benefits - Upon termination of service, a participant may elect to receive either a lump-sum distribution, a series of installments or direct transfer to either an Individual Retirement Account or a qualified retirement plan. Other withdrawals and loans from the Plan can be made under certain circumstances, as defined in the Plan agreement. Participants who are 100% vested and 59½ years of age may take an in-service withdrawal of all or a portion of the value of their vested accounts once each plan year.

Notes receivable from participants - Participants may borrow against their vested account balance, at the discretion of the Plan's administrator, in amounts subject to restrictions and limitations determined by the Code. Repayment schedules for loans are as agreed upon by the participant and the Plan administrator. Generally, notes mature within five years unless the note is for the purchase of a personal residence. Principal and interest is paid ratably through payroll deductions. Interest on participant loans is determined by the Plan administrator as a reasonable interest rate based on a review of the interest rates charged for similar types of loans by other lenders.

Hardship withdrawals - In the event a participant experiences a financial hardship as defined in the Plan agreement, the participant may be eligible to request a hardship withdrawal. For the years ended December 31, 2016 and 2015, there were hardship withdrawals of \$10,234 and \$24,737, respectively.

Forfeitures - Non-vested Sponsor contributions forfeited by participants upon termination are available to reduce future payments of the Sponsor's matching contributions or Plan administration fees. During the year ended December 31, 2016, there were no participant forfeitures and \$6,043 was used to pay for administration fees. The total available forfeiture account balance at December 31, 2016 and 2015, were \$27,157 and \$33,200, respectively.

AMBULATORY SERVICES OF AMERICA, INC.

401(k) PLAN

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation - The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America, consistent with the reporting in the Form 5500.

Investments held by a defined contribution plan are required to be reported at fair value, except for fully benefit-responsive investment contracts. Contract value is the relevant measure for the portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan.

Use of estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan's Administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Valuation of investments - Investments are reported at fair value (except for fully-benefit responsive investment contracts, which are reported at contract value). Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Fair value measurements - The Plan defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan measures fair value under a framework that utilizes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

When the Plan changes its valuation inputs for measuring financial assets and liabilities at fair value, either due to changes in current market conditions or other factors, it may need to transfer those assets or liabilities to another level in the valuation hierarchy based on the new inputs used. The Plan recognizes these transfers at the end of the reporting period in which the transfers occur. For the years ended December 31, 2016, there were no significant transfers of financial assets or liabilities between the hierarchy levels.

AMBULATORY SERVICES OF AMERICA, INC.

401(k) PLAN

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Guaranteed investment contract - The Plan invests in a benefit-responsive guaranteed investment contract with Prudential Retirement Insurance and Annuity Company ("Prudential"). Prudential maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. Prudential, as guaranteed investment contract issuer, is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan.

Prior to January 1, 2016 accounting standards required fully benefit-responsive investment contracts be reported at fair value, all investments' classifications detailed, and disclosures of assets that represent 5% or more of total net assets. As of January 1, 2016, fully benefit-responsive investment contracts are reported at contract value, investment classifications have been condensed and 5% or more of total net assets is no longer required to be disclosed to conform to present accounting standards.

The guaranteed investment contract meets the fully benefit-responsive investment contract criteria, therefore contract value is the relevant measurement attributed for the portion of the net assets available for benefits attributable to the guaranteed investment contract. Contract value, as reported to the Plan by the Custodian, represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value

There are no reserves against contract value for credit risk of the contract issuer or otherwise. The crediting interest rate is agreed upon with the issuer.

Certain events limit the ability of the Plan to transact at contract value with the issuer. Such events include the following: (1) amendments to the Plan documents (including complete or partial Plan termination or merger with another plan), (2) changes in the Plan's prohibition on competing investment options or deletion of equity wash provisions, (3) bankruptcy of the Sponsor or other Sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan, or (4) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA. The Sponsor does not believe that any events which would limit the Plan's ability to transact at contract value with participants are probable or occurring.

The guaranteed investment contract does not permit the insurance company to terminate the agreement prior to the scheduled maturity date.

AMBULATORY SERVICES OF AMERICA, INC.

401(k) PLAN

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Notes receivable from participants - Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2016 and 2015. If a participant ceases to make loan repayments and the Plan Administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded. Outstanding notes receivable from participants at December 31, 2016 and 2015 bear interest at rates ranging from 4.25% to 4.50% and mature through 2026.

Participant distributions - Benefits paid to participants are recorded when paid.

Realized and unrealized appreciation (depreciation) - Realized and unrealized appreciation (depreciation) is based on contract and market values of the subject assets at the end of the Plan year compared to the contract and market values of the assets at the beginning of the Plan year, or at the time of purchase for assets purchased/exchanged during the Plan year. In the statement of changes in net assets available for benefits, the Plan presents the net appreciation or depreciation in the fair value of investments, which consists of realized gains or losses and unrealized market value appreciation or depreciation of investments.

Plan expenses - Non-investment costs and most administrative expenses of the Plan are paid by the Sponsor, which is a party-in-interest. These expenses are not reflected in the accompanying financial statements and constitute exempt transactions under ERISA. Investment service fees are paid by the Plan and are netted against the related investment income. Certain administrative expenses are also paid by the Plan.

Income taxes - Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that would more likely than not be sustained upon examination by the taxing authorities. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2016, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is not subject to income tax examination for tax years prior to 2013.

Risks and uncertainties - The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

AMBULATORY SERVICES OF AMERICA, INC.

401(k) PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2016

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Subsequent events - Subsequent events have been evaluated by the Sponsor through October 12, 2017, which is the date these financial statements were issued, and no subsequent events have arisen other than those described herein that would require disclosure in these financial statements.

NOTE 3 - INVESTMENTS AND FAIR VALUE MEASUREMENTS

The following is a description of the valuation methodologies used for the investments measured at fair value, including the general classification of such instruments pursuant to the valuation hierarchy.

Registered investment companies - The shares in registered investment companies are valued at quoted market prices in an exchange and active market, which represents the net asset value of shares held by the Plan at year end, and are classified as Level 1 investments.

Pooled / separate accounts - The shares in pooled / separate accounts are valued at quoted prices in an exchange and active market, which represents the net asset values of shares held by the Plan at year end, and are classified as Level 1 investments.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table provides the hierarchy and fair value for each major category of assets measured at fair value on a recurring basis at December 31:

	<u>2016</u>	<u>2015</u>
Registered investment companies (Level 1)		
Investment funds	\$ 11,002,088	\$ 12,579,779
Bond funds	<u>2,578,928</u>	<u>2,894,471</u>
	<u>13,581,016</u>	<u>15,474,250</u>
Pooled / separate accounts (Level 1)		
Institutionally subadvised funds	<u>5,079,823</u>	<u>5,520,516</u>
	<u>\$ 18,660,839</u>	<u>\$ 20,994,766</u>

AMBULATORY SERVICES OF AMERICA, INC.

401(k) PLAN

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

NOTE 3 - INVESTMENTS AND FAIR VALUE MEASUREMENTS, Continued

Guaranteed investment contract with an insurance company - The following represents the disaggregation of contract value between types of investment contracts held by the Plan:

	<u>2016</u>	<u>2015</u>
Traditional investment contracts	<u>\$ 13,581,016</u>	<u>\$ 15,474,250</u>

The traditional investment contract held by the Plan is a guaranteed investment contract. The contract issuer is contractually obligated to repay the principal and interest at a specified interest rate that is guaranteed to the Plan. The crediting rate is based on a formula established by the contract issuer but may not be less than a designated percent. The contract cannot be terminated before the schedule maturity date.

The Plan's ability to receive amounts due in accordance with fully benefit-responsive investment contracts is dependent on the issuer's ability to meet its financial obligations. The issuer's ability to meet its contractual obligations may be affected by future economic and regulatory developments.

NOTE 4 - PARTY-IN-INTEREST TRANSACTIONS

Parties-in-interest, by definition, include a plan sponsor or employee, fiduciaries (including those who provide investment advice or who have discretionary control over Plan assets), and those who provide services to the Plan. Notes receivable from participants qualify as exempt party-in-interest transactions. Plan investments include shares of registered investment companies, pooled/separate accounts, and a guaranteed investment contract managed by the Custodian. Transactions with these entities qualify as exempt party-in-interest transactions.

Fees incurred by the Plan for the investment management services are included in net appreciation in fair value of the investment, as they are paid through revenue sharing, rather than a direct payment. During the years ended December 31, 2016 and 2015, the Plan paid expenses not covered by revenue sharing to the Administrator of \$17,419 and \$12,915, respectively. The Plan Sponsor pays directly any other fees related to the Plan's operations.

AMBULATORY SERVICES OF AMERICA, INC.

401(k) PLAN

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

NOTE 5 - INFORMATION CERTIFIED BY THE CUSTODIAN OF PLAN ASSETS **(Unaudited)**

The following unaudited information in the financial statements was certified to be complete and accurate by the Custodian of the Plan's assets within the meaning of 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for reporting and disclosure under ERISA:

- All amounts included as investments in the Statements of Net Assets Available for Benefits;
- Investment income (loss) included in the Statement of Changes in Net Assets Available for Benefits; and
- All investment amounts enumerated in Note 3 and the Supplemental Schedule of Assets (Held at End of Year), except for notes receivable from participants.

SUPPLEMENTAL SCHEDULE

AMBULATORY SERVICES OF AMERICA, INC.
401(k) PLAN

SCHEDULE OF ASSETS (HELD AT END OF YEAR)
SCHEDULE H, PART IV, LINE 4(i)
EIN: 26-1417156 PLAN NO. 001
DECEMBER 31, 2016

(a)	(b) Identity of issuer, borrower, lessor, or similar party	(c) Description of investment, including maturity date, rate of return, interest, collateral, and par or maturity value	(d) Cost	(e) Current value
Registered investments, at fair value				
*	Prudential Mutual Funds	American Funds EuroPacific Growth Fund R3	\$	2,361,129
*	Prudential Mutual Funds	Columbia Dividend Income Fund A		2,170,934
*	Prudential Mutual Funds	JPMorgan Large Cap Growth Fund A		2,104,213
*	Prudential Mutual Funds	JPMorgan Core Bond Fund R2		1,857,636
*	Prudential Mutual Funds	PIMCO All Asset Fund R		1,148,530
*	Prudential Mutual Funds	Oppenheimer Developing Markets Fund N		742,380
*	Prudential Mutual Funds	Prudential QMA Small Capitalization Value Fund I		734,421
*	Prudential Mutual Funds	Oppenheimer International Bond Fund N		695,950
*	Prudential Mutual Funds	Goldman Sachs Growth Opportunities Fund A		601,330
*	Prudential Mutual Funds	Victory Established Value Fund A		565,350
*	Prudential Mutual Funds	Lord Abbett Developing Growth Fund R2		391,223
*	Prudential Mutual Funds	Oakmark Equity & Income Fund II		182,578
*	Prudential Mutual Funds	BlackRock Inflation Protected Bond Fund A		25,342
				13,581,016
Pooled / separate accounts, at fair value				
*	Prudential Retirement Insurance and Annuity Company	Prudential Target EasyPath Balance Fund		4,683,917
*	Prudential Retirement Insurance and Annuity Company	Small Cap Growth/Columbus Circle Fund		362,962
*	Prudential Retirement Insurance and Annuity Company	High Yield Bond/Caywood-Scholl Fund		32,944
				5,079,823
Guaranteed investment contract, at contract value				
*^	Prudential Retirement Insurance and Annuity Company	Guaranteed Income Fund		2,783,986
Notes receivable from participants				
*		Maturing through 2026; bearing interest at rates ranging from 4.25% to 4.50%; collateralized by participant accounts.		684,120
Total assets held				\$ 22,128,945

Note: Cost information for investments has been excluded as all investments are participant directed.

* Represents a party-in-interest.

^For purposes of this schedule, the investment's current value is equal to its contract value.



**AMBULATORY SERVICES OF AMERICA, INC.
401(k) PLAN**

**AUDITED FINANCIAL STATEMENTS AND
SUPPLEMENTAL SCHEDULE**

For the Years Ended December 31, 2016 and 2015

with

INDEPENDENT AUDITORS' REPORT THEREON



AMBULATORY SERVICES OF AMERICA, INC.
401(k) PLAN

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Independent Auditors' Report

To the Administrative Committee of
Ambulatory Services of America, Inc. 401(k) Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Ambulatory Services of America, Inc. (the "Company") 401(k) Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2016 and 2015, and the related statement of changes in net assets available for benefits for the year ended December 31, 2016, 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 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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's ("DOL") Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 ("ERISA"), the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 5, which was certified by Prudential Bank & Trust, F.S.B. (the "Custodian"), the custodian of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan administrator that the Custodian holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from the Custodian as of December 31, 2016 and 2015 and for the year ended December 31, 2016, that the information provided to the Plan administrator by the Custodian is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Emphasis of Matter

As discussed in Note 1 to the financial statements, effective December 31, 2013, the Plan was frozen.

As discussed in Note 2 to the financial statements, the Plan adopted new accounting guidance related to the investments. Prior year disclosures have been revised to reflect the retrospective application of adopting these changes in accounting.

Other Matters

The supplemental Schedule of Assets (Held at End of Year) as of December 31, 2016 is required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on this supplemental schedule.

Report on Form and Content in Compliance with DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the Custodian, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.



Torrance, California
October 12, 2017

AMBULATORY SERVICES OF AMERICA, INC.
401(k) PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31,

	<u>2016</u>	<u>2015</u>
INVESTMENTS		
Registered investment companies, at fair value	\$ 13,581,016	\$ 15,474,250
Pooled / separate accounts, at fair value	5,079,823	5,520,516
Guaranteed investment contract with insurance company, at contract value	<u>2,783,986</u>	<u>2,981,382</u>
	21,444,825	23,976,148
 NOTES RECEIVABLE FROM PARTICIPANTS	 <u>684,120</u>	 <u>984,597</u>
 NET ASSETS AVAILABLE FOR BENEFITS	 <u><u>\$ 22,128,945</u></u>	 <u><u>\$ 24,960,745</u></u>

*The accompanying notes are an integral part
of these financial statements*

AMBULATORY SERVICES OF AMERICA, INC.
401(k) PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
YEAR ENDED DECEMBER 31, 2016

ADDITIONS TO NET ASSETS ATTRIBUTED TO:

INVESTMENT INCOME

Net investment gain from registered investment companies	\$ 654,457
Net investment gain from pooled / separate accounts	265,939
Interest earned on investment contract with insurance company	23,468
Dividends	178,242
Other investment income	44,201
	<u>1,166,307</u>

INTEREST INCOME ON NOTES RECEIVABLE FROM PARTICIPANTS

32,533

TOTAL ADDITIONS

1,198,840

DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:

Benefits paid to participants	3,952,046
Deemed distributions of notes receivable from participants	15,774
Professional and administrative expenses	<u>62,820</u>

TOTAL DEDUCTIONS

4,030,640

CHANGE IN NET ASSETS AVAILABLE FOR BENEFITS

(2,831,800)

NET ASSETS AVAILABLE FOR BENEFITS, beginning of year

24,960,745

NET ASSETS AVAILABLE FOR BENEFITS, end of year

\$ 22,128,945

*The accompanying notes are an integral part
of these financial statements*

AMBULATORY SERVICES OF AMERICA, INC.

401(k) PLAN

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

NOTE 1 - DESCRIPTION OF PLAN

The following description of the Ambulatory Services of America, Inc. (the “Company” or “Sponsor”) 401(k) Plan (the “Plan”) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan’s provisions.

General - The Plan was adopted on January 1, 2008 by the Board of Directors of the Sponsor and is a defined contribution plan covering all eligible employees of the Company and its subsidiaries. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”) and subsequent amendments.

Effective August 12, 2013, the Sponsor was acquired by U.S. Renal Care, Inc. (“USRC”). Effective December 31, 2013, the Board of Directors of the Sponsor froze the Plan and ceased future contributions to the Plan. Plan management has not stated any intention to unfreeze or liquidate the Plan. Participants who became employees of USRC were eligible to participate in the USRC plan effective January 1, 2014.

Plan administration - Prudential Retirement is the Plan’s third party administrator (the “Administrator”) and is responsible for monitoring investment activity. Prudential Bank & Trust, F.S.B. (the “Custodian”) is the custodian of the Plan’s assets and is responsible for maintaining individual participant account balances.

Plan termination - Although it has not expressed a formal intent to do so, the Sponsor reserves the right under the Plan to cease contributions and terminate the Plan, subject to action by the Sponsor's Board of Directors and subject to the provisions of ERISA and the Code. Upon termination of the Plan, all participants become 100% vested in their accounts.

Tax status - The Plan is a prototype plan offered by the Administrator. The Internal Revenue Service has determined and informed the Administrator by letter, that the prototype plan is designed in accordance with applicable sections of the Internal Revenue Code (the “Code”). The Plan has been amended since adoption. However, the Administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the Code.

Participation - An employee was eligible to participate in the Plan for purposes of 401(k) participant contributions upon having attained age 18. Employees were eligible with respect to employer matching contributions and qualified non-elective contributions upon completion of one year of service and having attained age 18.

AMBULATORY SERVICES OF AMERICA, INC.

401(k) PLAN

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

NOTE 1 - DESCRIPTION OF PLAN, Continued

Contributions - Contributions to the Plan, prior to the Plan being frozen, included (i) salary reduction contributions authorized by participants, (ii) matching contributions made by the Company, (iii) discretionary contributions made by the Company, and (iv) rollovers by new participants from other qualified plans.

Participant contributions - Prior to the Plan being frozen, participant salary reduction contributions to the Plan were determined as a flat amount or as a percentage of regular compensation. However, the total of these contributions were not, in any calendar year, allowed to exceed limitations set by the Code.

Sponsor contributions - Prior to the Plan being frozen, the Sponsor could, at its discretion, match participant contributions to the Plan. Sponsor contributions were determined annually by the Sponsor and may have included (i) in addition to depositing the total amount of the employee's salary reduction (including "catch-up contributions"), the "safe harbor" contribution, (ii) a discretionary matching contribution equal to a uniform percentage of the amount of the salary reduction the employee elects to defer (including "catch-up contributions"), which percentage the Sponsor will determine each year, and (iii) on behalf of each non-highly compensated participant and non-key employee, the Sponsor will make a qualified non-elective contribution equal to a uniform percentage of the employee's compensation, which percentage was determined each year by the Sponsor.

For the years ended December 31, 2016 and 2015, the Sponsor made no contributions to the Plan, as the Plan was frozen.

Participant accounts - Separate accounts are maintained for each participant's deferred compensation, rollover contributions, the Sponsor's matching and "safe harbor" contributions, and any allocation of the Sponsor's profit sharing contributions. All gains, income, or losses are allocated separately to each participant's account, based on the performance of the investments within that account. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. Participants may direct their contributions into any or all of the investment accounts with the Custodian.

AMBULATORY SERVICES OF AMERICA, INC.

401(k) PLAN

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

NOTE 1 - DESCRIPTION OF PLAN, Continued

Vesting - Participants are immediately vested in their own contributions plus actual earnings thereon. Vesting in the Sponsor's matching contributions and discretionary contributions and qualified non-elective contributions, if any, plus actual earnings thereon, is based on years of continuous service, as follows:

<u>Year of Service</u>	<u>Percent Vested</u>
Less than 1	0%
1	25%
2	50%
3	75%
4 or more	100%

Payment of benefits - Upon termination of service, a participant may elect to receive either a lump-sum distribution, a series of installments or direct transfer to either an Individual Retirement Account or a qualified retirement plan. Other withdrawals and loans from the Plan can be made under certain circumstances, as defined in the Plan agreement. Participants who are 100% vested and 59½ years of age may take an in-service withdrawal of all or a portion of the value of their vested accounts once each plan year.

Notes receivable from participants - Participants may borrow against their vested account balance, at the discretion of the Plan's administrator, in amounts subject to restrictions and limitations determined by the Code. Repayment schedules for loans are as agreed upon by the participant and the Plan administrator. Generally, notes mature within five years unless the note is for the purchase of a personal residence. Principal and interest is paid ratably through payroll deductions. Interest on participant loans is determined by the Plan administrator as a reasonable interest rate based on a review of the interest rates charged for similar types of loans by other lenders.

Hardship withdrawals - In the event a participant experiences a financial hardship as defined in the Plan agreement, the participant may be eligible to request a hardship withdrawal. For the years ended December 31, 2016 and 2015, there were hardship withdrawals of \$10,234 and \$24,737, respectively.

Forfeitures - Non-vested Sponsor contributions forfeited by participants upon termination are available to reduce future payments of the Sponsor's matching contributions or Plan administration fees. During the year ended December 31, 2016, there were no participant forfeitures and \$6,043 was used to pay for administration fees. The total available forfeiture account balance at December 31, 2016 and 2015, were \$27,157 and \$33,200, respectively.

AMBULATORY SERVICES OF AMERICA, INC.

401(k) PLAN

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation - The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America, consistent with the reporting in the Form 5500.

Investments held by a defined contribution plan are required to be reported at fair value, except for fully benefit-responsive investment contracts. Contract value is the relevant measure for the portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan.

Use of estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan's Administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Valuation of investments - Investments are reported at fair value (except for fully-benefit responsive investment contracts, which are reported at contract value). Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Fair value measurements - The Plan defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan measures fair value under a framework that utilizes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

When the Plan changes its valuation inputs for measuring financial assets and liabilities at fair value, either due to changes in current market conditions or other factors, it may need to transfer those assets or liabilities to another level in the valuation hierarchy based on the new inputs used. The Plan recognizes these transfers at the end of the reporting period in which the transfers occur. For the years ended December 31, 2016, there were no significant transfers of financial assets or liabilities between the hierarchy levels.

AMBULATORY SERVICES OF AMERICA, INC.

401(k) PLAN

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Guaranteed investment contract - The Plan invests in a benefit-responsive guaranteed investment contract with Prudential Retirement Insurance and Annuity Company ("Prudential"). Prudential maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. Prudential, as guaranteed investment contract issuer, is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan.

Prior to January 1, 2016 accounting standards required fully benefit-responsive investment contracts be reported at fair value, all investments' classifications detailed, and disclosures of assets that represent 5% or more of total net assets. As of January 1, 2016, fully benefit-responsive investment contracts are reported at contract value, investment classifications have been condensed and 5% or more of total net assets is no longer required to be disclosed to conform to present accounting standards.

The guaranteed investment contract meets the fully benefit-responsive investment contract criteria, therefore contract value is the relevant measurement attributed for the portion of the net assets available for benefits attributable to the guaranteed investment contract. Contract value, as reported to the Plan by the Custodian, represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value

There are no reserves against contract value for credit risk of the contract issuer or otherwise. The crediting interest rate is agreed upon with the issuer.

Certain events limit the ability of the Plan to transact at contract value with the issuer. Such events include the following: (1) amendments to the Plan documents (including complete or partial Plan termination or merger with another plan), (2) changes in the Plan's prohibition on competing investment options or deletion of equity wash provisions, (3) bankruptcy of the Sponsor or other Sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan, or (4) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA. The Sponsor does not believe that any events which would limit the Plan's ability to transact at contract value with participants are probable or occurring.

The guaranteed investment contract does not permit the insurance company to terminate the agreement prior to the scheduled maturity date.

AMBULATORY SERVICES OF AMERICA, INC.

401(k) PLAN

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Notes receivable from participants - Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2016 and 2015. If a participant ceases to make loan repayments and the Plan Administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded. Outstanding notes receivable from participants at December 31, 2016 and 2015 bear interest at rates ranging from 4.25% to 4.50% and mature through 2026.

Participant distributions - Benefits paid to participants are recorded when paid.

Realized and unrealized appreciation (depreciation) - Realized and unrealized appreciation (depreciation) is based on contract and market values of the subject assets at the end of the Plan year compared to the contract and market values of the assets at the beginning of the Plan year, or at the time of purchase for assets purchased/exchanged during the Plan year. In the statement of changes in net assets available for benefits, the Plan presents the net appreciation or depreciation in the fair value of investments, which consists of realized gains or losses and unrealized market value appreciation or depreciation of investments.

Plan expenses - Non-investment costs and most administrative expenses of the Plan are paid by the Sponsor, which is a party-in-interest. These expenses are not reflected in the accompanying financial statements and constitute exempt transactions under ERISA. Investment service fees are paid by the Plan and are netted against the related investment income. Certain administrative expenses are also paid by the Plan.

Income taxes - Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that would more likely than not be sustained upon examination by the taxing authorities. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2016, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is not subject to income tax examination for tax years prior to 2013.

Risks and uncertainties - The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

AMBULATORY SERVICES OF AMERICA, INC.

401(k) PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2016

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Subsequent events - Subsequent events have been evaluated by the Sponsor through October 12, 2017, which is the date these financial statements were issued, and no subsequent events have arisen other than those described herein that would require disclosure in these financial statements.

NOTE 3 - INVESTMENTS AND FAIR VALUE MEASUREMENTS

The following is a description of the valuation methodologies used for the investments measured at fair value, including the general classification of such instruments pursuant to the valuation hierarchy.

Registered investment companies - The shares in registered investment companies are valued at quoted market prices in an exchange and active market, which represents the net asset value of shares held by the Plan at year end, and are classified as Level 1 investments.

Pooled / separate accounts - The shares in pooled / separate accounts are valued at quoted prices in an exchange and active market, which represents the net asset values of shares held by the Plan at year end, and are classified as Level 1 investments.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table provides the hierarchy and fair value for each major category of assets measured at fair value on a recurring basis at December 31:

	<u>2016</u>	<u>2015</u>
Registered investment companies (Level 1)		
Investment funds	\$ 11,002,088	\$ 12,579,779
Bond funds	<u>2,578,928</u>	<u>2,894,471</u>
	<u>13,581,016</u>	<u>15,474,250</u>
Pooled / separate accounts (Level 1)		
Institutionally subadvised funds	<u>5,079,823</u>	<u>5,520,516</u>
	<u>\$ 18,660,839</u>	<u>\$ 20,994,766</u>

AMBULATORY SERVICES OF AMERICA, INC.

401(k) PLAN

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

NOTE 3 - INVESTMENTS AND FAIR VALUE MEASUREMENTS, Continued

Guaranteed investment contract with an insurance company - The following represents the disaggregation of contract value between types of investment contracts held by the Plan:

	<u>2016</u>	<u>2015</u>
Traditional investment contracts	<u>\$ 13,581,016</u>	<u>\$ 15,474,250</u>

The traditional investment contract held by the Plan is a guaranteed investment contract. The contract issuer is contractually obligated to repay the principal and interest at a specified interest rate that is guaranteed to the Plan. The crediting rate is based on a formula established by the contract issuer but may not be less than a designated percent. The contract cannot be terminated before the schedule maturity date.

The Plan's ability to receive amounts due in accordance with fully benefit-responsive investment contracts is dependent on the issuer's ability to meet its financial obligations. The issuer's ability to meet its contractual obligations may be affected by future economic and regulatory developments.

NOTE 4 - PARTY-IN-INTEREST TRANSACTIONS

Parties-in-interest, by definition, include a plan sponsor or employee, fiduciaries (including those who provide investment advice or who have discretionary control over Plan assets), and those who provide services to the Plan. Notes receivable from participants qualify as exempt party-in-interest transactions. Plan investments include shares of registered investment companies, pooled/separate accounts, and a guaranteed investment contract managed by the Custodian. Transactions with these entities qualify as exempt party-in-interest transactions.

Fees incurred by the Plan for the investment management services are included in net appreciation in fair value of the investment, as they are paid through revenue sharing, rather than a direct payment. During the years ended December 31, 2016 and 2015, the Plan paid expenses not covered by revenue sharing to the Administrator of \$17,419 and \$12,915, respectively. The Plan Sponsor pays directly any other fees related to the Plan's operations.

AMBULATORY SERVICES OF AMERICA, INC.

401(k) PLAN

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

NOTE 5 - INFORMATION CERTIFIED BY THE CUSTODIAN OF PLAN ASSETS **(Unaudited)**

The following unaudited information in the financial statements was certified to be complete and accurate by the Custodian of the Plan's assets within the meaning of 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for reporting and disclosure under ERISA:

- All amounts included as investments in the Statements of Net Assets Available for Benefits;
- Investment income (loss) included in the Statement of Changes in Net Assets Available for Benefits; and
- All investment amounts enumerated in Note 3 and the Supplemental Schedule of Assets (Held at End of Year), except for notes receivable from participants.

SUPPLEMENTAL SCHEDULE

AMBULATORY SERVICES OF AMERICA, INC.
401(k) PLAN

SCHEDULE OF ASSETS (HELD AT END OF YEAR)
SCHEDULE H, PART IV, LINE 4(i)
EIN: 26-1417156 PLAN NO. 001
DECEMBER 31, 2016

(a)	(b) Identity of issuer, borrower, lessor, or similar party	(c) Description of investment, including maturity date, rate of return, interest, collateral, and par or maturity value	(d) Cost	(e) Current value
Registered investments, at fair value				
*	Prudential Mutual Funds	American Funds EuroPacific Growth Fund R3	\$	2,361,129
*	Prudential Mutual Funds	Columbia Dividend Income Fund A		2,170,934
*	Prudential Mutual Funds	JPMorgan Large Cap Growth Fund A		2,104,213
*	Prudential Mutual Funds	JPMorgan Core Bond Fund R2		1,857,636
*	Prudential Mutual Funds	PIMCO All Asset Fund R		1,148,530
*	Prudential Mutual Funds	Oppenheimer Developing Markets Fund N		742,380
*	Prudential Mutual Funds	Prudential QMA Small Capitalization Value Fund I		734,421
*	Prudential Mutual Funds	Oppenheimer International Bond Fund N		695,950
*	Prudential Mutual Funds	Goldman Sachs Growth Opportunities Fund A		601,330
*	Prudential Mutual Funds	Victory Established Value Fund A		565,350
*	Prudential Mutual Funds	Lord Abbett Developing Growth Fund R2		391,223
*	Prudential Mutual Funds	Oakmark Equity & Income Fund II		182,578
*	Prudential Mutual Funds	BlackRock Inflation Protected Bond Fund A		25,342
				13,581,016
Pooled / separate accounts, at fair value				
*	Prudential Retirement Insurance and Annuity Company	Prudential Target EasyPath Balance Fund		4,683,917
*	Prudential Retirement Insurance and Annuity Company	Small Cap Growth/Columbus Circle Fund		362,962
*	Prudential Retirement Insurance and Annuity Company	High Yield Bond/Caywood-Scholl Fund		32,944
				5,079,823
Guaranteed investment contract, at contract value				
*^	Prudential Retirement Insurance and Annuity Company	Guaranteed Income Fund		2,783,986
Notes receivable from participants				
*		Maturing through 2026; bearing interest at rates ranging from 4.25% to 4.50%; collateralized by participant accounts.		684,120
Total assets held				\$ 22,128,945

Note: Cost information for investments has been excluded as all investments are participant directed.

* Represents a party-in-interest.

^For purposes of this schedule, the investment's current value is equal to its contract value.



**AMBULATORY SERVICES OF AMERICA, INC.
401(k) PLAN**

**AUDITED FINANCIAL STATEMENTS AND
SUPPLEMENTAL SCHEDULE**

For the Years Ended December 31, 2016 and 2015

with

INDEPENDENT AUDITORS' REPORT THEREON



AMBULATORY SERVICES OF AMERICA, INC.
401(k) PLAN

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Schedule of Assets (Held at End of Year)	14

Independent Auditors' Report

To the Administrative Committee of
Ambulatory Services of America, Inc. 401(k) Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Ambulatory Services of America, Inc. (the "Company") 401(k) Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2016 and 2015, and the related statement of changes in net assets available for benefits for the year ended December 31, 2016, 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 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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's ("DOL") Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 ("ERISA"), the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 5, which was certified by Prudential Bank & Trust, F.S.B. (the "Custodian"), the custodian of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan administrator that the Custodian holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from the Custodian as of December 31, 2016 and 2015 and for the year ended December 31, 2016, that the information provided to the Plan administrator by the Custodian is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Emphasis of Matter

As discussed in Note 1 to the financial statements, effective December 31, 2013, the Plan was frozen.

As discussed in Note 2 to the financial statements, the Plan adopted new accounting guidance related to the investments. Prior year disclosures have been revised to reflect the retrospective application of adopting these changes in accounting.

Other Matters

The supplemental Schedule of Assets (Held at End of Year) as of December 31, 2016 is required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on this supplemental schedule.

Report on Form and Content in Compliance with DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the Custodian, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

PDM, LLP

Torrance, California
October 12, 2017

AMBULATORY SERVICES OF AMERICA, INC.
401(k) PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31,

	<u>2016</u>	<u>2015</u>
INVESTMENTS		
Registered investment companies, at fair value	\$ 13,581,016	\$ 15,474,250
Pooled / separate accounts, at fair value	5,079,823	5,520,516
Guaranteed investment contract with insurance company, at contract value	<u>2,783,986</u>	<u>2,981,382</u>
	21,444,825	23,976,148
 NOTES RECEIVABLE FROM PARTICIPANTS	 <u>684,120</u>	 <u>984,597</u>
 NET ASSETS AVAILABLE FOR BENEFITS	 <u><u>\$ 22,128,945</u></u>	 <u><u>\$ 24,960,745</u></u>

*The accompanying notes are an integral part
of these financial statements*

AMBULATORY SERVICES OF AMERICA, INC.
401(k) PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
YEAR ENDED DECEMBER 31, 2016

ADDITIONS TO NET ASSETS ATTRIBUTED TO:

INVESTMENT INCOME

Net investment gain from registered investment companies	\$ 654,457
Net investment gain from pooled / separate accounts	265,939
Interest earned on investment contract with insurance company	23,468
Dividends	178,242
Other investment income	44,201
	<u>1,166,307</u>

INTEREST INCOME ON NOTES RECEIVABLE FROM PARTICIPANTS

32,533

TOTAL ADDITIONS

1,198,840

DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:

Benefits paid to participants	3,952,046
Deemed distributions of notes receivable from participants	15,774
Professional and administrative expenses	<u>62,820</u>

TOTAL DEDUCTIONS

4,030,640

CHANGE IN NET ASSETS AVAILABLE FOR BENEFITS

(2,831,800)

NET ASSETS AVAILABLE FOR BENEFITS, beginning of year

24,960,745

NET ASSETS AVAILABLE FOR BENEFITS, end of year

\$ 22,128,945

*The accompanying notes are an integral part
of these financial statements*

AMBULATORY SERVICES OF AMERICA, INC.

401(k) PLAN

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

NOTE 1 - DESCRIPTION OF PLAN

The following description of the Ambulatory Services of America, Inc. (the “Company” or “Sponsor”) 401(k) Plan (the “Plan”) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan’s provisions.

General - The Plan was adopted on January 1, 2008 by the Board of Directors of the Sponsor and is a defined contribution plan covering all eligible employees of the Company and its subsidiaries. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”) and subsequent amendments.

Effective August 12, 2013, the Sponsor was acquired by U.S. Renal Care, Inc. (“USRC”). Effective December 31, 2013, the Board of Directors of the Sponsor froze the Plan and ceased future contributions to the Plan. Plan management has not stated any intention to unfreeze or liquidate the Plan. Participants who became employees of USRC were eligible to participate in the USRC plan effective January 1, 2014.

Plan administration - Prudential Retirement is the Plan’s third party administrator (the “Administrator”) and is responsible for monitoring investment activity. Prudential Bank & Trust, F.S.B. (the “Custodian”) is the custodian of the Plan’s assets and is responsible for maintaining individual participant account balances.

Plan termination - Although it has not expressed a formal intent to do so, the Sponsor reserves the right under the Plan to cease contributions and terminate the Plan, subject to action by the Sponsor's Board of Directors and subject to the provisions of ERISA and the Code. Upon termination of the Plan, all participants become 100% vested in their accounts.

Tax status - The Plan is a prototype plan offered by the Administrator. The Internal Revenue Service has determined and informed the Administrator by letter, that the prototype plan is designed in accordance with applicable sections of the Internal Revenue Code (the “Code”). The Plan has been amended since adoption. However, the Administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the Code.

Participation - An employee was eligible to participate in the Plan for purposes of 401(k) participant contributions upon having attained age 18. Employees were eligible with respect to employer matching contributions and qualified non-elective contributions upon completion of one year of service and having attained age 18.

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NOTE 1 - DESCRIPTION OF PLAN, Continued

Contributions - Contributions to the Plan, prior to the Plan being frozen, included (i) salary reduction contributions authorized by participants, (ii) matching contributions made by the Company, (iii) discretionary contributions made by the Company, and (iv) rollovers by new participants from other qualified plans.

Participant contributions - Prior to the Plan being frozen, participant salary reduction contributions to the Plan were determined as a flat amount or as a percentage of regular compensation. However, the total of these contributions were not, in any calendar year, allowed to exceed limitations set by the Code.

Sponsor contributions - Prior to the Plan being frozen, the Sponsor could, at its discretion, match participant contributions to the Plan. Sponsor contributions were determined annually by the Sponsor and may have included (i) in addition to depositing the total amount of the employee's salary reduction (including "catch-up contributions"), the "safe harbor" contribution, (ii) a discretionary matching contribution equal to a uniform percentage of the amount of the salary reduction the employee elects to defer (including "catch-up contributions"), which percentage the Sponsor will determine each year, and (iii) on behalf of each non-highly compensated participant and non-key employee, the Sponsor will make a qualified non-elective contribution equal to a uniform percentage of the employee's compensation, which percentage was determined each year by the Sponsor.

For the years ended December 31, 2016 and 2015, the Sponsor made no contributions to the Plan, as the Plan was frozen.

Participant accounts - Separate accounts are maintained for each participant's deferred compensation, rollover contributions, the Sponsor's matching and "safe harbor" contributions, and any allocation of the Sponsor's profit sharing contributions. All gains, income, or losses are allocated separately to each participant's account, based on the performance of the investments within that account. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. Participants may direct their contributions into any or all of the investment accounts with the Custodian.

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NOTE 1 - DESCRIPTION OF PLAN, Continued

Vesting - Participants are immediately vested in their own contributions plus actual earnings thereon. Vesting in the Sponsor's matching contributions and discretionary contributions and qualified non-elective contributions, if any, plus actual earnings thereon, is based on years of continuous service, as follows:

<u>Year of Service</u>	<u>Percent Vested</u>
Less than 1	0%
1	25%
2	50%
3	75%
4 or more	100%

Payment of benefits - Upon termination of service, a participant may elect to receive either a lump-sum distribution, a series of installments or direct transfer to either an Individual Retirement Account or a qualified retirement plan. Other withdrawals and loans from the Plan can be made under certain circumstances, as defined in the Plan agreement. Participants who are 100% vested and 59½ years of age may take an in-service withdrawal of all or a portion of the value of their vested accounts once each plan year.

Notes receivable from participants - Participants may borrow against their vested account balance, at the discretion of the Plan's administrator, in amounts subject to restrictions and limitations determined by the Code. Repayment schedules for loans are as agreed upon by the participant and the Plan administrator. Generally, notes mature within five years unless the note is for the purchase of a personal residence. Principal and interest is paid ratably through payroll deductions. Interest on participant loans is determined by the Plan administrator as a reasonable interest rate based on a review of the interest rates charged for similar types of loans by other lenders.

Hardship withdrawals - In the event a participant experiences a financial hardship as defined in the Plan agreement, the participant may be eligible to request a hardship withdrawal. For the years ended December 31, 2016 and 2015, there were hardship withdrawals of \$10,234 and \$24,737, respectively.

Forfeitures - Non-vested Sponsor contributions forfeited by participants upon termination are available to reduce future payments of the Sponsor's matching contributions or Plan administration fees. During the year ended December 31, 2016, there were no participant forfeitures and \$6,043 was used to pay for administration fees. The total available forfeiture account balance at December 31, 2016 and 2015, were \$27,157 and \$33,200, respectively.

AMBULATORY SERVICES OF AMERICA, INC.

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DECEMBER 31, 2016

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation - The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America, consistent with the reporting in the Form 5500.

Investments held by a defined contribution plan are required to be reported at fair value, except for fully benefit-responsive investment contracts. Contract value is the relevant measure for the portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan.

Use of estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan's Administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Valuation of investments - Investments are reported at fair value (except for fully-benefit responsive investment contracts, which are reported at contract value). Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Fair value measurements - The Plan defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan measures fair value under a framework that utilizes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

When the Plan changes its valuation inputs for measuring financial assets and liabilities at fair value, either due to changes in current market conditions or other factors, it may need to transfer those assets or liabilities to another level in the valuation hierarchy based on the new inputs used. The Plan recognizes these transfers at the end of the reporting period in which the transfers occur. For the years ended December 31, 2016, there were no significant transfers of financial assets or liabilities between the hierarchy levels.

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NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Guaranteed investment contract - The Plan invests in a benefit-responsive guaranteed investment contract with Prudential Retirement Insurance and Annuity Company ("Prudential"). Prudential maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. Prudential, as guaranteed investment contract issuer, is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan.

Prior to January 1, 2016 accounting standards required fully benefit-responsive investment contracts be reported at fair value, all investments' classifications detailed, and disclosures of assets that represent 5% or more of total net assets. As of January 1, 2016, fully benefit-responsive investment contracts are reported at contract value, investment classifications have been condensed and 5% or more of total net assets is no longer required to be disclosed to conform to present accounting standards.

The guaranteed investment contract meets the fully benefit-responsive investment contract criteria, therefore contract value is the relevant measurement attributed for the portion of the net assets available for benefits attributable to the guaranteed investment contract. Contract value, as reported to the Plan by the Custodian, represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value

There are no reserves against contract value for credit risk of the contract issuer or otherwise. The crediting interest rate is agreed upon with the issuer.

Certain events limit the ability of the Plan to transact at contract value with the issuer. Such events include the following: (1) amendments to the Plan documents (including complete or partial Plan termination or merger with another plan), (2) changes in the Plan's prohibition on competing investment options or deletion of equity wash provisions, (3) bankruptcy of the Sponsor or other Sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan, or (4) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA. The Sponsor does not believe that any events which would limit the Plan's ability to transact at contract value with participants are probable or occurring.

The guaranteed investment contract does not permit the insurance company to terminate the agreement prior to the scheduled maturity date.

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NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Notes receivable from participants - Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2016 and 2015. If a participant ceases to make loan repayments and the Plan Administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded. Outstanding notes receivable from participants at December 31, 2016 and 2015 bear interest at rates ranging from 4.25% to 4.50% and mature through 2026.

Participant distributions - Benefits paid to participants are recorded when paid.

Realized and unrealized appreciation (depreciation) - Realized and unrealized appreciation (depreciation) is based on contract and market values of the subject assets at the end of the Plan year compared to the contract and market values of the assets at the beginning of the Plan year, or at the time of purchase for assets purchased/exchanged during the Plan year. In the statement of changes in net assets available for benefits, the Plan presents the net appreciation or depreciation in the fair value of investments, which consists of realized gains or losses and unrealized market value appreciation or depreciation of investments.

Plan expenses - Non-investment costs and most administrative expenses of the Plan are paid by the Sponsor, which is a party-in-interest. These expenses are not reflected in the accompanying financial statements and constitute exempt transactions under ERISA. Investment service fees are paid by the Plan and are netted against the related investment income. Certain administrative expenses are also paid by the Plan.

Income taxes - Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that would more likely than not be sustained upon examination by the taxing authorities. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2016, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is not subject to income tax examination for tax years prior to 2013.

Risks and uncertainties - The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

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NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Subsequent events - Subsequent events have been evaluated by the Sponsor through October 12, 2017, which is the date these financial statements were issued, and no subsequent events have arisen other than those described herein that would require disclosure in these financial statements.

NOTE 3 - INVESTMENTS AND FAIR VALUE MEASUREMENTS

The following is a description of the valuation methodologies used for the investments measured at fair value, including the general classification of such instruments pursuant to the valuation hierarchy.

Registered investment companies - The shares in registered investment companies are valued at quoted market prices in an exchange and active market, which represents the net asset value of shares held by the Plan at year end, and are classified as Level 1 investments.

Pooled / separate accounts - The shares in pooled / separate accounts are valued at quoted prices in an exchange and active market, which represents the net asset values of shares held by the Plan at year end, and are classified as Level 1 investments.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table provides the hierarchy and fair value for each major category of assets measured at fair value on a recurring basis at December 31:

	<u>2016</u>	<u>2015</u>
Registered investment companies (Level 1)		
Investment funds	\$ 11,002,088	\$ 12,579,779
Bond funds	<u>2,578,928</u>	<u>2,894,471</u>
	<u>13,581,016</u>	<u>15,474,250</u>
Pooled / separate accounts (Level 1)		
Institutionally subadvised funds	<u>5,079,823</u>	<u>5,520,516</u>
	<u>\$ 18,660,839</u>	<u>\$ 20,994,766</u>

AMBULATORY SERVICES OF AMERICA, INC.

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NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

NOTE 3 - INVESTMENTS AND FAIR VALUE MEASUREMENTS, Continued

Guaranteed investment contract with an insurance company - The following represents the disaggregation of contract value between types of investment contracts held by the Plan:

	<u>2016</u>	<u>2015</u>
Traditional investment contracts	<u>\$ 13,581,016</u>	<u>\$ 15,474,250</u>

The traditional investment contract held by the Plan is a guaranteed investment contract. The contract issuer is contractually obligated to repay the principal and interest at a specified interest rate that is guaranteed to the Plan. The crediting rate is based on a formula established by the contract issuer but may not be less than a designated percent. The contract cannot be terminated before the schedule maturity date.

The Plan's ability to receive amounts due in accordance with fully benefit-responsive investment contracts is dependent on the issuer's ability to meet its financial obligations. The issuer's ability to meet its contractual obligations may be affected by future economic and regulatory developments.

NOTE 4 - PARTY-IN-INTEREST TRANSACTIONS

Parties-in-interest, by definition, include a plan sponsor or employee, fiduciaries (including those who provide investment advice or who have discretionary control over Plan assets), and those who provide services to the Plan. Notes receivable from participants qualify as exempt party-in-interest transactions. Plan investments include shares of registered investment companies, pooled/separate accounts, and a guaranteed investment contract managed by the Custodian. Transactions with these entities qualify as exempt party-in-interest transactions.

Fees incurred by the Plan for the investment management services are included in net appreciation in fair value of the investment, as they are paid through revenue sharing, rather than a direct payment. During the years ended December 31, 2016 and 2015, the Plan paid expenses not covered by revenue sharing to the Administrator of \$17,419 and \$12,915, respectively. The Plan Sponsor pays directly any other fees related to the Plan's operations.

AMBULATORY SERVICES OF AMERICA, INC.

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NOTE 5 - INFORMATION CERTIFIED BY THE CUSTODIAN OF PLAN ASSETS **(Unaudited)**

The following unaudited information in the financial statements was certified to be complete and accurate by the Custodian of the Plan's assets within the meaning of 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for reporting and disclosure under ERISA:

- All amounts included as investments in the Statements of Net Assets Available for Benefits;
- Investment income (loss) included in the Statement of Changes in Net Assets Available for Benefits; and
- All investment amounts enumerated in Note 3 and the Supplemental Schedule of Assets (Held at End of Year), except for notes receivable from participants.

SUPPLEMENTAL SCHEDULE

AMBULATORY SERVICES OF AMERICA, INC.
401(k) PLAN

SCHEDULE OF ASSETS (HELD AT END OF YEAR)
SCHEDULE H, PART IV, LINE 4(i)
EIN: 26-1417156 PLAN NO. 001
DECEMBER 31, 2016

(a)	(b) Identity of issuer, borrower, lessor, or similar party	(c) Description of investment, including maturity date, rate of return, interest, collateral, and par or maturity value	(d) Cost	(e) Current value
Registered investments, at fair value				
*	Prudential Mutual Funds	American Funds EuroPacific Growth Fund R3	\$	2,361,129
*	Prudential Mutual Funds	Columbia Dividend Income Fund A		2,170,934
*	Prudential Mutual Funds	JPMorgan Large Cap Growth Fund A		2,104,213
*	Prudential Mutual Funds	JPMorgan Core Bond Fund R2		1,857,636
*	Prudential Mutual Funds	PIMCO All Asset Fund R		1,148,530
*	Prudential Mutual Funds	Oppenheimer Developing Markets Fund N		742,380
*	Prudential Mutual Funds	Prudential QMA Small Capitalization Value Fund I		734,421
*	Prudential Mutual Funds	Oppenheimer International Bond Fund N		695,950
*	Prudential Mutual Funds	Goldman Sachs Growth Opportunities Fund A		601,330
*	Prudential Mutual Funds	Victory Established Value Fund A		565,350
*	Prudential Mutual Funds	Lord Abbett Developing Growth Fund R2		391,223
*	Prudential Mutual Funds	Oakmark Equity & Income Fund II		182,578
*	Prudential Mutual Funds	BlackRock Inflation Protected Bond Fund A		25,342
				13,581,016
Pooled / separate accounts, at fair value				
*	Prudential Retirement Insurance and Annuity Company	Prudential Target EasyPath Balance Fund		4,683,917
*	Prudential Retirement Insurance and Annuity Company	Small Cap Growth/Columbus Circle Fund		362,962
*	Prudential Retirement Insurance and Annuity Company	High Yield Bond/Caywood-Scholl Fund		32,944
				5,079,823
Guaranteed investment contract, at contract value				
*^	Prudential Retirement Insurance and Annuity Company	Guaranteed Income Fund		2,783,986
Notes receivable from participants				
*		Maturing through 2026; bearing interest at rates ranging from 4.25% to 4.50%; collateralized by participant accounts.		684,120
Total assets held				\$ 22,128,945

Note: Cost information for investments has been excluded as all investments are participant directed.

* Represents a party-in-interest.

^For purposes of this schedule, the investment's current value is equal to its contract value.

Attachment to 2016 Form 5500
Multiple Employer Plan Participating Employer Information

Ambulatory Services of America, Inc. 401(k) Plan

Prudential Plan ID: 768061

Name of Participating Employer	EIN (must be 9 digits)	Percent of total contributions
There were no contributions in 2016		
	Total Percent (must equal 100):	