

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 2021 This Form is Open to Public Inspection
---	---	---

Part I	Annual Report Identification Information
For calendar plan year 2021 or fiscal plan year beginning <u>10/01/2021</u> and ending <u>09/30/2022</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 ☐ a DFE (specify) _____
B This return/report is:	☐ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)
E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here.	☐

Part II	Basic Plan Information—enter all requested information										
1a Name of plan <u>APPALACHIAN REGIONAL HEALTHCARE SYSTEM 403(B) RETIREMENT SAVINGS PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>002</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>06/01/1991</u></td> </tr> <tr> <td colspan="2">2b Employer Identification Number (EIN) <u>20-1067022</u></td> </tr> <tr> <td colspan="2">2c Plan Sponsor's telephone number <u>828-262-4100</u></td> </tr> <tr> <td colspan="2">2d Business code (see instructions) <u>622000</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>002</u>	1c Effective date of plan <u>06/01/1991</u>		2b Employer Identification Number (EIN) <u>20-1067022</u>		2c Plan Sponsor's telephone number <u>828-262-4100</u>		2d Business code (see instructions) <u>622000</u>	
1b Three-digit plan number (PN) ▶	<u>002</u>										
1c Effective date of plan <u>06/01/1991</u>											
2b Employer Identification Number (EIN) <u>20-1067022</u>											
2c Plan Sponsor's telephone number <u>828-262-4100</u>											
2d Business code (see instructions) <u>622000</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>APPALACHIAN REGIONAL HEALTHCARE SYSTEM</u> <u>PO BOX 2600</u> <u>BOONE, NC 28607-2600</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.	05/18/2023	STEPHANIE WARD
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	05/18/2023	STEPHANIE WARD
	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

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

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 or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name		4b EIN 4d PN	
5 Total number of participants at the beginning of the plan year		5	1811
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)	1464
a(2) Total number of active participants at the end of the plan year		6a(2)	1562
b Retired or separated participants receiving benefits.....		6b	0
c Other retired or separated participants entitled to future benefits		6c	337
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d	1899
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e	5
f Total. Add lines 6d and 6e		6f	1904
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)		6g	1874
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested		6h	53
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: 2F 2G 2L 2M 2S 2T 3D			
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) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor		9b Plan benefit arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (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 (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary		b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (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 2021 Form M-1 annual report. If the plan was not required to file the 2021 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) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	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 2021 This Form is Open to Public Inspection
--	--	--

For calendar plan year 2021 or fiscal plan year beginning 10/01/2021 and ending 09/30/2022	
A Name of plan APPALACHIAN REGIONAL HEALTHCARE SYSTEM 403(B) RETIREMENT SAVINGS PLAN	B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 APPALACHIAN REGIONAL HEALTHCARE SYSTEM	D Employer Identification Number (EIN) 20-1067022

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.
--------	--

1 Coverage Information:

(a) Name of insurance carrier
PRINCIPAL LIFE INSURANCE 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
42-0127290	61271	454348	1904	10/01/2021	09/30/2022

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
0	0

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	

(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	

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	0
5	Current value of plan's interest under this contract in separate accounts at year end.....	5	0

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. Specify nature of costs ▶	6d	

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 FUND CONTRACT**

b Balance at the end of the previous year **7b** **6326134**

c	Additions: (1) Contributions deposited during the year	7c(1)	310552	
	(2) Dividends and credits.....	7c(2)		
	(3) Interest credited during the year.....	7c(3)	137011	
	(4) Transferred from separate account.....	7c(4)	3129842	
	(5) Other (specify below)	7c(5)	70916	

▶ **LOAN PAYMENT, ROLLOVER, ADJUSTMENT**

(6) Total additions **7c(6)** **3648321**

d Total of balance and additions (add lines **7b** and **7c(6)**) **7d** **9974455**

e Deductions:

(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	1247107	
(2) Administration charge made by carrier.....	7e(2)	7280	
(3) Transferred to separate account.....	7e(3)	768883	
(4) Other (specify below)	7e(4)	27883	

▶ **LOAN WITHDRAWAL**

(5) Total deductions **7e(5)** **2051153**

f Balance at the end of the current year (subtract line **7e(5)** from line **7d**) **7f** **7923302**

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) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	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.	OMB No. 1210-0110
		2021
		This Form is Open to Public Inspection.

For calendar plan year 2021 or fiscal plan year beginning 10/01/2021 and ending 09/30/2022		
A Name of plan APPALACHIAN REGIONAL HEALTHCARE SYSTEM 403(B) RETIREMENT SAVINGS PLAN	B Three-digit plan number (PN) ▶	002
C Plan sponsor's name as shown on line 2a of Form 5500 APPALACHIAN REGIONAL HEALTHCARE SYSTEM	D Employer Identification Number (EIN) 20-1067022	

Part I	Service Provider Information (see instructions)
---------------	--

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
PRINCIPAL LIFE INSURANCE COMPANY
42-0127290

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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)

PRINCIPAL LIFE INSURANCE COMPANY

42-0127290

(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 37 50 64	CONTRACT ADMINISTRATOR	125070	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 ☐

(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
(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.	
(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.	
(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
(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
(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 H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	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.	OMB No. 1210-0110 2021 This Form is Open to Public Inspection
--	--	---

For calendar plan year 2021 or fiscal plan year beginning 10/01/2021 and ending 09/30/2022		
A Name of plan APPALACHIAN REGIONAL HEALTHCARE SYSTEM 403(B) RETIREMENT SAVINGS PLAN	B Three-digit plan number (PN) ►	002
C Plan sponsor's name as shown on line 2a of Form 5500 APPALACHIAN REGIONAL HEALTHCARE SYSTEM	D Employer Identification Number (EIN) 20-1067022	

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)	1697225	1570925
(9) Value of interest in common/collective trusts.....	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(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)	96021230	78820718
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	6326134	7923302
(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	104044589 88314945
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	104044589 88314945

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
Income			
a	Contributions:		
(1)	Received or receivable in cash from: (A) Employers	2a(1)(A)	2933500
	(B) Participants	2a(1)(B)	7137676
	(C) Others (including rollovers).....	2a(1)(C)	1267972
(2)	Noncash contributions.....	2a(2)	
(3)	Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)	11339148
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)	95496
	(F) Other	2b(1)(F)	137011
	(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)	232507
(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)	2439230
	(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)	2439230
(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)		
(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)		-21326044
c Other income.....	2c		121343
d Total income. Add all income amounts in column (b) and enter total.....	2d		-7193816
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	8406426	
(2) To insurance carriers for the provision of benefits.....	2e(2)		
(3) Other.....	2e(3)	502	
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		8406928
f Corrective distributions (see instructions).....	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		3909
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees.....	2i(1)		
(2) Contract administrator fees.....	2i(2)	124991	
(3) Investment advisory and management fees.....	2i(3)		
(4) Other.....	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		124991
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		8535828
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d.....	2k		-15729644
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan.....	2l(2)		

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) ☒ Unmodified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

b Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1) ☒ DOL Regulation 2520.103-8 (2) ☐ DOL Regulation 2520.103-12(d) (3) ☐ neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

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

(1) Name: DRAFFIN & TUCKER LLP

(2) EIN: 58-0914992

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.).....

	Yes	No	Amount
4a		X	

	Yes	No	Amount
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.)			
4b		X	
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?	X		500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
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?		X	
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?		X	
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.)	X		
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.)		X	
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?		X	
4k		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
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			

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

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

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 2021 This Form is Open to Public Inspection.
---	--	---

For calendar plan year 2021 or fiscal plan year beginning 10/01/2021 and ending 09/30/2022

A Name of plan APPALACHIAN REGIONAL HEALTHCARE SYSTEM 403(B) RETIREMENT SAVINGS PLAN	B Three-digit plan number (PN) ► 002
C Plan sponsor's name as shown on line 2a of Form 5500 APPALACHIAN REGIONAL HEALTHCARE SYSTEM	D Employer Identification Number (EIN) 20-1067022

Part I	Distributions
---------------	----------------------

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	0
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): 42-0127290		
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	336

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)
----------------	---

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
-----------------	-------------------

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
--	-----------------------------------	-----------------------------------	-------------------------------	-----------------------------

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.
----------------	---

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) 2021
v. 201209

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 deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:

a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment).....

14a

b The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....

14b

c The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....

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

- 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): _____

- 20 PBGC missed contribution reporting requirements.** If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☐ No

b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

☐ Yes.

☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.

☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.

☐ No. Other. Provide explanation _____

APPALACHIAN REGIONAL HEALTHCARE SYSTEM
403(b) RETIREMENT SAVINGS PLAN

FINANCIAL STATEMENTS

for the years ended September 30, 2022 and 2021



APPALACHIAN REGIONAL HEALTHCARE SYSTEM
403(b) RETIREMENT SAVINGS PLAN

FINANCIAL STATEMENTS

for the years ended September 30, 2022 and 2021

C O N T E N T S

	<u>Pages</u>
Independent Auditor's Report	1-4
Financial Statements:	
Statements of Net Assets Available For Benefits	5
Statement of Changes in Net Assets Available For Benefits	6
Notes to Financial Statements	7-16
Supplemental Schedule:	
Schedule H, Line 4i - Schedule of Assets (Held at End of Year)	17-18



INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Appalachian Regional Healthcare System
403(b) Retirement Savings Plan
Boone, North Carolina

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit for the 2022 Financial Statements

We have performed an audit of the financial statements of Appalachian Regional Healthcare System 403(b) Retirement Savings Plan, an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statement of net assets available for benefits as of September 30, 2022, and the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements (2022 Financial Statements).

Management, having determined it is permissible in the circumstances, has elected to have the audit of the 2022 financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained a certification from a qualified institution as of and for the year ended September 30, 2022, stating that the certified investment information, as described in Note 3 to the financial statements, is complete and accurate.

Continued

Let's Think Together.®

Opinion on the 2022 Financial Statements

In our opinion, based on our audit and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the 2022 Financial Statements section below:

- The amounts and disclosures in the accompanying 2022 financial statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.
- The information in the accompanying 2022 financial statements related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Basis for Opinion on the 2022 Financial Statements

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 2022 Financial Statements section of our report. We are required to be independent of Appalachian Regional Healthcare System 403(b) Retirement Savings Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the 2022 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Appalachian Regional Healthcare System 403(b) Retirement Savings Plan's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments, administering the plan, and determining that the plan's transactions that are presented and disclosed in the financial statements are in conformity with the plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the 2022 Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2022 Financial Statements section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Appalachian Regional Healthcare System 403(b) Retirement Savings Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Appalachian Regional Healthcare System 403(b) Retirement Savings Plan's ability to continue as a going concern for a reasonable period of time.

Our audit did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the 2022 financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of accounting principles generally accepted in the United States of America.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

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

Continued

Other Matters

2022 Supplemental Schedule Required by ERISA

The supplemental schedule of assets (held at end of year) as of September 30, 2022, is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedule, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental schedule that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, other than the information agreed to or derived from the certified investment information, including their form and content, is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- The form and content of the supplemental schedule, other than the information in the supplemental schedule that agreed to or is derived from the certified investment information, is presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- The information in the supplemental schedule related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Auditor's Report on the 2021 Financial Statements

We were engaged to audit the 2021 financial statements of Appalachian Regional Healthcare System 403(b) Retirement Savings Plan. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, the Plan administrator instructed us not to perform and we did not perform any auditing procedures with respect to the information certified by a qualified institution. In our report dated July 11, 2022, we indicated that (a) because of the significance of the information that we did not audit, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, we did not express an opinion on the 2021 financial statements, and (b) the form and content of the information included in the 2021 financial statements other than that derived from the certified information were presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Draffin & Tucker, LLP

Albany, Georgia
April 21, 2023

APPALACHIAN REGIONAL HEALTHCARE SYSTEM
403(b) RETIREMENT SAVINGS PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
September 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Assets:		
Investments:		
Investments, at fair value	\$ 78,820,718	\$ 96,021,230
Investments, at contract value	<u>7,923,302</u>	<u>6,326,134</u>
Total investments	<u>86,744,020</u>	<u>102,347,364</u>
Receivables:		
Company basic contributions	-	719,667
Notes receivable from participants	<u>1,567,479</u>	<u>1,693,826</u>
Total receivables	<u>1,567,479</u>	<u>2,413,493</u>
Total assets	<u>88,311,499</u>	<u>104,760,857</u>
Net assets available for benefits	<u>\$ 88,311,499</u>	<u>\$ 104,760,857</u>

See accompanying notes to financial statements.

APPALACHIAN REGIONAL HEALTHCARE SYSTEM
403(b) RETIREMENT SAVINGS PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
For the Year Ended September 30, 2022

Additions:

Additions to net assets attributed to:

Investment income (loss):

Net depreciation in fair value of investments	\$ (26,710,615)
Interest and dividends	<u>7,960,815</u>

Total investment loss (18,749,800)

Interest income on notes receivable from participants 93,643

(18,656,157)

Contributions:

Participant	7,137,676
Company match	2,213,833
Rollover	<u>1,267,972</u>

Total contributions 10,619,481

Total additions (8,036,676)

Deductions:

Deductions from net assets attributed to:

Benefits paid to participants and other	8,409,034
Administrative expenses	<u>3,648</u>

Total deductions 8,412,682

Net decrease (16,449,358)

Net assets available for benefits:

Beginning of year 104,760,857

End of year \$ 88,311,499

See accompanying notes to financial statements.

APPALACHIAN REGIONAL HEALTHCARE SYSTEM
403(b) RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS
September 30, 2022 and 2021

1. Description of Plan

The following description of the Appalachian Regional Healthcare System 403(b) Retirement Savings Plan (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 is a defined contribution plan originally effective June 1, 1991. The Plan has been amended throughout the years and most recently restated effective January 1, 2020. The Plan includes all employees of Appalachian Regional Healthcare System (Company) except leased employees. The Plan is subject to the Employee Retirement Income Security Act of 1974 (ERISA). The Board of Trustees is responsible for the oversight of the Plan. The Fiduciary Review Committee determines the appropriateness of the Plan's investment offerings, monitors investment performance, and reports to the Board of Trustees.

Effective in April 2020, certain provisions under the CARES Act relating to distributions and participant loans were enacted. The CARES Act allows for utilization of these provisions immediately, but requires formal adoption of the amendment no later than the last day of the plan year beginning on or after January 1, 2022. As of April 21, 2023, the Plan has not been formally amended to adopt these provisions.

Eligibility

Employees may enter the Plan as an active participant for purposes of 403(b) deferral contributions on the first day of the month after being hired. Employees are eligible to receive Company matching and Company basic contributions after one year of service as defined by 1,000 hours and reaching an age of 21. In addition, employees must be employed on the last day of the Plan year to receive the Company basic contribution. Entry dates for employer contributions are October 1 or April 1 of each year, after requirements are met.

Contributions

The Plan includes a salary deferral arrangement allowed under Section 403(b) of the Internal Revenue Code (IRC). Eligible participants are permitted to elect to have a percentage, limited by Plan provisions, of their compensation contributed as pre-tax 403(b) contributions to the Plan. Participants may also make Roth contributions to the Plan. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions.

The Plan includes an auto-enrollment provision whereby all newly eligible employees are automatically enrolled in the Plan unless they affirmatively elect not to participate in the Plan. Automatically enrolled participants have their deferral rate set at 4% of eligible compensation. Participants have their contributions invested in the designated default fund until changed by the participant.

Continued

APPALACHIAN REGIONAL HEALTHCARE SYSTEM
403(b) RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2022 and 2021

1. Description of Plan, Continued

Contributions, Continued

The Company may elect to make a qualified matching contribution to the Plan. For the years ended September 30, 2022 and 2021, the Company matching contribution was 75% of 403(b) contributions deferred up to 4% of compensation. The Company may, at its discretion, elect to make a basic contribution to the Plan. For the year ended September 30, 2021, the Company basic contribution was a set amount not to exceed approximately \$720,000 which amounted to approximately 1% of eligible compensation. The Company did not elect to make a basic contribution for the year ended September 30, 2022.

Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans. Participants direct the investment of contributions into various investment options offered by the Plan. Contributions are subject to certain limitations.

Participant Accounts

Each participant's account is credited with the participant's contributions, the Company matching contribution, an allocation of the Company basic contribution, and an allocation of Plan earnings or losses. Participant accounts are charged with an allocation of administrative expenses that are paid by the Plan. Allocations are based on participant earnings or account balances, or participant transactions, as defined. The benefit to which a participant is entitled is the benefit that can be provided by the participant's account.

Vesting

Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in the Company matching and basic contribution portion of their accounts, plus actual earnings thereon, is based on years of credited service. A participant is 100% vested after three years of credited service. Notwithstanding the above, a participant is fully vested upon reaching normal retirement age, death, or permanent disability.

Notes Receivable from Participants

Participants may borrow from their accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance. The loans are secured by the balance in the participant's account and bear interest at a rate of prime plus 2% which is commensurate with local prevailing rates as determined periodically by the Plan administrator. Principal and interest is paid ratably through payroll deductions to the custodian. In 2020, the Plan implemented provisions under the Coronavirus Aid, Relief and Economic Security (CARES) Act that include increasing the maximum allowed loan amount to \$100,000 and allowing for deferred loan repayments for participants impacted by COVID-19. The ability to request increased loan amounts and repayment deferrals under the CARES Act ceased 180 days after the enactment of the Consolidated Appropriations Act, 2021.

Continued

APPALACHIAN REGIONAL HEALTHCARE SYSTEM
403(b) RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2022 and 2021

1. Description of Plan, Continued

Payment of Benefits

On termination of service due to death, disability or retirement, a participant may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account, or annual installments over a period of years. For termination of service due to other reasons, a participant is entitled to the vested interest in his or her account as a lump sum distribution. Participants may also make withdrawals, subject to a 10% penalty, under certain "hardship" conditions if approved by the custodian and sponsor of the Plan. In-service distributions may be made to a participant who has not separated from service provided the participant has attained age 59½. If a participant terminates employment and the participant's account balance does not exceed \$1,000, the Plan administrator will authorize the benefit payment without the participant's consent. In 2020, the Plan implemented the Coronavirus-Related Distribution (CRD) provision whereby participants affected by the virus are permitted to withdraw up to \$100,000 from their accounts with no 10% penalty. The ability to request CRDs under the CARES Act ceased as of December 31, 2020.

Forfeited Accounts

Forfeited nonvested accounts are used to reduce Company contributions and administrative expenses. At September 30, 2022 and 2021, forfeited nonvested accounts totaled \$47,000 and \$54,000, respectively. These accounts will be used to reduce future employer contributions.

In 2022, Plan expenses were offset by approximately \$7,000, and employer contributions were reduced by approximately \$77,000.

2. Summary of Accounting Policies

Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting.

Investment contracts 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.

Continued

APPALACHIAN REGIONAL HEALTHCARE SYSTEM
403(b) RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2022 and 2021

2. Summary of Accounting Policies, Continued

Use of Estimates

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

Investment Valuation and Income Recognition

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. See Note 4 for discussion of fair value measurements.

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 depreciation includes the Plan's gains and losses on investments sold, as well as held, during the year.

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 September 30, 2022 or 2021. Delinquent notes receivable from participants are recorded as a distribution based upon the terms of the Plan document.

Payment of Benefits

Benefit payments are recorded when paid.

Plan Administrative Expenses

Certain expenses of maintaining the Plan are paid directly by the Company and are excluded from these financial statements. Fees related to the administration of notes receivable from participants and certain other expenses are charged directly to the participant's account and are included in administrative expenses. Investment related expenses are included in net depreciation of fair value of investments.

Subsequent Events

The Plan has evaluated subsequent events through April 21, 2023, the date the financial statements were available to be issued.

Continued

APPALACHIAN REGIONAL HEALTHCARE SYSTEM
403(b) RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2022 and 2021

3. Investments Certified by Custodian

For 2022 and 2021, the Plan administrator elected the method of compliance 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. Accordingly, as permitted under such election, the Plan administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to the amounts certified by Delaware Charter Guarantee and Trust Company d/b/a Principal Trust Company (Principal) for investments and notes receivable from participants as of September 30, 2022 and 2021, and net depreciation in fair value of investments, interest and dividends, and interest income on notes receivable from participants for the year ended September 30, 2022, except for agreeing or deriving such information certified as complete and accurate by Principal, to information included in the Plan's financial statements and supplemental schedule.

4. Fair Value Measurements

The framework for measuring fair value provides 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).

The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

- Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets in active markets that the Plan has the ability to access.
- Level 2: Inputs to the valuation methodology include:
 - quoted prices for similar assets or liabilities in active markets;
 - quoted prices for identical or similar assets or liabilities in inactive markets;
 - inputs other than quoted prices that are observable for the asset or liability;
 - inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

- Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Continued

APPALACHIAN REGIONAL HEALTHCARE SYSTEM
403(b) RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2022 and 2021

4. Fair Value Measurements, Continued

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodology used for assets measured at fair value. There have been no changes in the methodology used at September 30, 2022 and 2021.

- *Mutual fund accounts:* Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

The preceding method described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation method is 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 sets forth by level, within the fair value hierarchy, the Plan's fair value measurements as of September 30, 2022 and 2021:

Fair Value Measurements as of September 30, 2022				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds	<u>\$ 78,820,718</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 78,820,718</u>
Investments at fair value	<u>\$ 78,820,718</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 78,820,718</u>
Fair Value Measurements as of September 30, 2021				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds	<u>\$ 96,021,230</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 96,021,230</u>
Investments at fair value	<u>\$ 96,021,230</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 96,021,230</u>

Continued

APPALACHIAN REGIONAL HEALTHCARE SYSTEM
403(b) RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2022 and 2021

5. Investment Contract with Insurance Company

The Plan has a traditional group annuity contract with Principal Life Insurance Company (Principal). Principal 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. The guaranteed investment contract issuer is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan. The crediting rate is reviewed on a quarterly basis for resetting. The guaranteed investment contract does not permit the insurance company to terminate the agreement prior to the scheduled maturity date.

This contract meets the fully benefit-responsive investment contract criteria and therefore is reported at contract value. Contract value is the relevant measure for fully benefit-responsive investment contracts because this is the amount received by participants if they were to initiate permitted transactions under the terms of the plan. Contract value, as reported to the Plan by Principal, 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.

The Plan's ability to receive amounts due 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.

Certain events might limit the ability of the Plan to transact at contract value with the issuer. Such events include (1) amendments to the Plan documents (including complete or partial Plan termination or merger with another plan), (2) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions, (3) bankruptcy of the Plan Sponsor or other Plan Sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan, (4) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA, or (5) premature termination of the contract.

No events are probable of occurring that might limit the ability of the Plan to transact at contract value with the contract issuers and that also would limit the ability of the Plan to transact at contract value with the participants.

In addition, certain events allow the issuer to terminate the contract with the Plan and settle at an amount different from contract value. Such events include (1) an uncured violation of the Plan's investment guidelines, (2) a breach of material obligation under the contract, (3) a material misrepresentation, and (4) a material amendment to the agreement without the consent of the issuer.

Continued

APPALACHIAN REGIONAL HEALTHCARE SYSTEM
403(b) RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2022 and 2021

6. Related-Party Transactions and Party-in-Interest Transactions

The investments are managed by Delaware Charter Guarantee and Trust Company d/b/a Principal Trust Company, the custodian of the Plan. Therefore, certain transactions qualify as party-in-interest transactions. Fees incurred by the Plan for the investment management services are included in net depreciation in fair value of the investment, as they are paid through revenue sharing, rather than a direct payment. These party-in-interest transactions are exempt from the prohibited transaction rules of ERISA.

7. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100% vested in their employer contributions.

8. Tax Status

403(b) plans are not required to receive a favorable determination letter from the Internal Revenue Service (IRS) indicating that the Plan is tax-exempt under present income tax law. The Plan is required to operate in conformity with the IRC to maintain the tax-exempt status for plan participants under Section 403(b).

The Plan Sponsor adopted a prototype document effective January 1, 2020, with a favorable opinion letter dated March 31, 2017, in which the IRS stated the Plan, as then designed, was in compliance with the applicable requirements of the IRC. The Plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC.

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 more likely than not would not be sustained upon examination by the relevant taxing authorities. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of September 30, 2022, 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 possible examination by the taxing authorities. For federal income tax purposes, the tax returns essentially remain open for possible examination for a period of three years after the respective filing deadlines of those returns.

Continued

APPALACHIAN REGIONAL HEALTHCARE SYSTEM
403(b) RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2022 and 2021

9. 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 statements of net assets available for benefits.

10. COVID-19

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency stemming from a new strain of coronavirus that was spreading globally (the "COVID-19 outbreak"). On March 11, 2020, the WHO classified the COVID-19 outbreak as a pandemic, triggering volatility in financial markets and a significant negative impact on the global economy. The values of the Plan's individual investments have and will fluctuate in response to changing market conditions. The impact on the Sponsor's operation and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on the Sponsor's customers, employees and vendors, all of which are uncertain and cannot be predicted. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report.

11. Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements at September 30, 2022 and 2021, to Form 5500:

	<u>2022</u>	<u>2021</u>
Net assets available for benefits per the financial statements	\$ 88,311,499	\$ 104,760,857
Investments	1,567,479	1,693,826
Receivables - notes receivable from participants	(1,567,479)	(1,693,826)
Contributions receivable	-	(719,667)
Unpaid interest on notes receivable from participants	<u>3,446</u>	<u>3,399</u>
Net assets available for benefits per Form 5500	<u>\$ 88,314,945</u>	<u>\$ 104,044,589</u>

Continued

APPALACHIAN REGIONAL HEALTHCARE SYSTEM
403(b) RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2022 and 2021

11. Reconciliation of Financial Statements to Form 5500, Continued

The following is a reconciliation of benefits paid to participants per the financial statements for the year ended September 30, 2022, to Form 5500:

Benefits paid to participants per the financial statements	\$ 8,409,034
Deemed distributions and other reconciling items	<u>(2,608)</u>
Benefits paid per the Form 5500	<u>\$ 8,406,426</u>

SUPPLEMENTAL SCHEDULE

APPALACHIAN REGIONAL HEALTHCARE SYSTEM
403(b) RETIREMENT SAVINGS PLAN

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS
(HELD AT END OF YEAR)

EIN: 20-1067022 PLAN NUMBER: 002
September 30, 2022

(a)	(b) Identity of Issuer, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	(d) Cost	(e) Current Value
*	Principal Life Insurance Company	Guaranteed Fund Contract	**	\$ 7,923,302
		<u>Mutual funds:</u>		
	Fidelity Management And Research	Fidelity Adv Total Bond Z FD, 115,587 shares	**	1,065,713
*	Principal Global Investors	Bond Market Index Inst Fund, 16,870 shares	**	141,542
*	Principal Global Investors	Prin Lifetime Str Inc Inst FD, 58,780 shares	**	597,203
*	Principal Global Investors	Prin Lifetime 2010 Inst Fund, 97,381 shares	**	1,053,667
*	Principal Global Investors	Prin Lifetime 2015 Inst Fund, 36,203 shares	**	293,248
*	Principal Global Investors	Prin Lifetime 2020 Inst Fund, 707,048 shares	**	8,300,749
*	Principal Global Investors	Prin Lifetime 2025 Inst Fund, 617,361 shares	**	6,253,863
*	Principal Global Investors	Prin Lifetime 2030 Inst Fund, 1,228,436 shares	**	15,502,864
*	Principal Global Investors	Prin Lifetime 2035 Inst Fund, 525,896 shares	**	5,742,783
*	Principal Global Investors	Prin Lifetime 2040 Inst Fund, 1,006,671 shares	**	13,579,989
*	Principal Global Investors	Prin Lifetime 2045 Inst Fund, 431,312 shares	**	5,042,042
*	Principal Global Investors	Prin Lifetime 2050 Inst Fund, 447,570 shares	**	6,194,366
*	Principal Global Investors	Prin Lifetime 2055 Inst Fund, 188,664 shares	**	2,429,994
*	Principal Global Investors	Prin Lifetime 2060 Inst Fund, 121,587 shares	**	1,671,824
*	Principal Global Investors	Prin Lifetime 2065 Inst Fund, 42,830 shares	**	469,841
	Massachusetts Financial Svc Co	MFS Value R6 Fund 23,889 shares	**	1,059,960
*	Principal Global Investors	LargeCap S&P 500 Idx Inst Fund 77,964 shares	**	1,438,442

Continued

APPALACHIAN REGIONAL HEALTHCARE SYSTEM
403(b) RETIREMENT SAVINGS PLAN

SCHEDULE H, LINE 4i – SCHEDULE OF ASSETS, Continued
(HELD AT END OF YEAR)

EIN: 20-1067022 PLAN NUMBER: 002
September 30, 2022

(a)	(b) Identity of Issuer, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	(d) Cost	(e) Current Value
		<u>Mutual funds, continued:</u>		
	T. Rowe Price/ Brown Advisory	LargeCap Growth I R6 Fund, 188,564 shares	**	\$ 2,675,718
	Goldman Sachs Asset Mgt	Goldman Sachs SM CP Val R6 FD, 4,862 shares	**	218,780
	Loomis Sayles & Company	Loomis Sayles SM CP GR N FD, 8,516 shares	**	197,838
	MassMutual	MassMutual Mid Cap GR I FD, 31,297 shares	**	580,553
*	Principal Global Investors	MidCap S&P 400 Index R6 Fund, 82,271 shares	**	1,571,378
*	Principal Global Investors	SmallCap S&P 600 Index R6 Fund, 51,081 shares	**	1,218,293
*	Principal Real Estate Inv	Real Estate Securities R6 Fund, 14,199 shares	**	355,555
*	Principal Global Investors	Intl Equity Index R6 Fund, 22,860 shares	**	194,770
	LA Capital Mgmt/ Victory	Midcap Value Fund I, 33,940 shares	**	501,297
*	Principal Global Investors	Diversified Intl Inst Fund, 45,791 shares	**	<u>468,446</u>
		Total mutual funds		<u>78,820,718</u>
*	Various Plan Participants	Notes receivable from participants (5.25% to 7.5%)	**	<u>1,567,479</u>
		Total assets held at end of year		<u>\$ 88,311,499</u>

* Represents a party-in-interest to the Plan.

** Cost omitted for participant directed investments.

See auditor's report.

SCHEDULE H, line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

SCHEDULE H, line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

A R H S 403()

EIN 20 1067022
 PLAN NUMBER 002
 PLAN YEAR 10/01/2021 TO 09/30/2022

(A)	(B) Identity of issuer, borrower, lessor or similar party.	(C) Description of investment including maturity date, rate of interest, collateral, par or maturity value.	(D) Cost	(E) Current Value
	Fidelity Investments	Registered Investment Company Fidelity Adv Total Bond Z Fd	\$ 0.00	\$ 1,065,713.41
	Goldman Sachs	Registered Investment Company Goldman Sachs Sm Cp Val R6 Fd	\$ 0.00	\$ 218,780.29
*	Principal Life Insurance Company	Insurance Company General Guaranteed Interest Balance	\$ 0.00	\$ 7,923,302.29
	Loomis Sayles	Registered Investment Company Loomis Sayles Sm Cp Gr N Fd	\$ 0.00	\$ 197,837.60
	MassMutual Financial Group	Registered Investment Company MassMutual Mid Cap Gr I Fd	\$ 0.00	\$ 580,553.04
	MFS Investment Management	Registered Investment Company MFS Value R6 Fund	\$ 0.00	\$ 1,059,959.62
*	Principal Funds Inc	Registered Investment Company Prin LgCap Growth I R6 Fund	\$ 0.00	\$ 2,675,717.98
*	Principal Funds Inc	Registered Investment Company Prin LgCp S&P 500 Idx Inst Fd	\$ 0.00	\$ 1,438,442.30
*	Principal Funds Inc	Registered Investment Company Prin LifeTime Str Inc Inst Fd	\$ 0.00	\$ 597,203.16
*	Principal Funds Inc	Registered Investment Company Prin LifeTime 2010 Inst Fund	\$ 0.00	\$ 1,053,667.45
*	Principal Funds Inc	Registered Investment Company Prin LifeTime 2015 Inst Fund	\$ 0.00	\$ 293,247.64
*	Principal Funds Inc	Registered Investment Company Prin LifeTime 2020 Inst Fund	\$ 0.00	\$ 8,300,749.25
*	Principal Funds Inc	Registered Investment Company Prin LifeTime 2025 Inst Fund	\$ 0.00	\$ 6,253,862.86
*	Principal Funds Inc	Registered Investment Company Prin LifeTime 2030 Inst Fund	\$ 0.00	\$ 15,502,863.58
*	Principal Funds Inc	Registered Investment Company Prin LifeTime 2035 Inst Fund	\$ 0.00	\$ 5,742,782.58

SCHEDULE H, line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

A R H S 403()

EIN 20 1067022
PLAN NUMBER 002
PLAN YEAR 10/01/2021 TO 09/30/2022

(A)	(B) Identity of issuer, borrower, lessor or similar party.	(C) Description of investment including maturity date, rate of interest, collateral, par or maturity value.	(D) Cost	(E) Current Value
*	Principal Funds Inc	Registered Investment Company Prin LifeTime 2040 Inst Fund	\$ 0.00	\$ 13,579,989.20
*	Principal Funds Inc	Registered Investment Company Prin LifeTime 2045 Inst Fund	\$ 0.00	\$ 5,042,042.37
*	Principal Funds Inc	Registered Investment Company Prin LifeTime 2050 Inst Fund	\$ 0.00	\$ 6,194,366.45
*	Principal Funds Inc	Registered Investment Company Prin LifeTime 2055 Inst Fund	\$ 0.00	\$ 2,429,993.58
*	Principal Funds Inc	Registered Investment Company Prin LifeTime 2060 Inst Fund	\$ 0.00	\$ 1,671,823.82
*	Principal Funds Inc	Registered Investment Company Prin LifeTime 2065 Inst Fund	\$ 0.00	\$ 469,841.14
*	Principal Funds Inc	Registered Investment Company Prin MidCap S&P 400 Idx R6 Fd	\$ 0.00	\$ 1,571,377.54
*	Principal Funds Inc	Registered Investment Company Prin RE Secs R6 Fund	\$ 0.00	\$ 355,554.52
*	Principal Funds Inc	Registered Investment Company Prin SmCp S&P 600 Idx R6 Fd	\$ 0.00	\$ 1,218,292.53
*	Principal Funds Inc	Registered Investment Company Principal Bond Mkt Ind Inst Fd	\$ 0.00	\$ 141,541.90
*	Principal Funds Inc	Registered Investment Company Principal Int'l Eq Ind R6 Fd	\$ 0.00	\$ 194,770.24
*	Principal Funds Inc	Registered Investment Company PRIN MIDCAP VALUE I R6 FUND	\$ 0.00	\$ 501,297.38
*	Principal Funds Inc	Registered Investment Company PRINCIPAL DIV INTL R6 FUND	\$ 0.00	\$ 468,446.99
*	Participant Loans	Range of Interest Rates Rates Range From 5.25% To 8.25%	\$ 0.00	\$ 1,570,925.00