

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 2022 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2022 or fiscal plan year beginning <u>01/01/2022</u> and ending <u>12/31/2022</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>SOUTHWEST HEALTH CORPORATION (HOSPITAL METROPOLITANO SAN GERMAN, CABO ROJO Y ARECIBO)</u>	1b Three-digit plan number (PN) ▶	<u>001</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>SOUTHWEST HEALTH CORPORATION (HOSPI TAL SAN GERMAN, CABO ROJO, ARECIBO)</u> <u>PO BOX 63</u> <u>SAN GERMAN, PR 00683</u>	1c Effective date of plan <u>05/01/2007</u>	2b Employer Identification Number (EIN) <u>66-0558678</u>
2c Plan Sponsor's telephone number <u>787-892-5300</u>	2d Business code (see instructions) <u>622000</u>	

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/16/2023	JANET SANTIAGO
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	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.

Form 5500 (2022)
v. 220413

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	477
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)	366
a(2) Total number of active participants at the end of the plan year		6a(2)	368
b Retired or separated participants receiving benefits		6b	79
c Other retired or separated participants entitled to future benefits.....		6c	39
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d	486
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e	0
f Total. Add lines 6d and 6e		6f	486
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....		6g	347
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....		6h	11
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)		7	
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2E 2F 2G 2T 3C 3H			
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:			
9a Plan funding arrangement (check all that apply) (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) ☐ 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 2022 Form M-1 annual report. If the plan was not required to file the 2022 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 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
		2022
		This Form is Open to Public Inspection.

For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022	
A Name of plan SOUTHWEST HEALTH CORPORATION (HOSPITAL METROPOLITANO SAN GERMAN, CABO ROJO Y ARECIBO)	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 SOUTHWEST HEALTH CORPORATION (HOSPITAL SAN GERMAN, CABO ROJO, ARECIBO)	D Employer Identification Number (EIN) 66-0558678

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

BPPR - POPULAR FIDUCIARY SERVICES

66-0561870

(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?
21 64	RK/TRUSTEE FEES	21313	Yes ☒ No ☐	Yes ☒ No ☐	4959	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
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(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE 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 2022 This Form is Open to Public Inspection
For calendar plan year 2022 or fiscal plan year beginning <u>01/01/2022</u> and ending <u>12/31/2022</u>		
A Name of plan <u>SOUTHWEST HEALTH CORPORATION (HOSPITAL METROPOLITANO SAN GERMAN, CABO ROJO Y ARECIBO)</u>	B Three-digit plan number (PN) ► 001	
C Plan sponsor's name as shown on line 2a of Form 5500 <u>SOUTHWEST HEALTH CORPORATION (HOSPI TAL SAN GERMAN, CABO ROJO, ARECIBO)</u>	D Employer Identification Number (EIN) <u>66-0558678</u>	

Part I	Asset and Liability Statement		
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash.....		1a	95120
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....		1b(1)	14411441
(2) Participant contributions.....		1b(2)	64506215
(3) Other.....		1b(3)	
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....		1c(1)	879675835582
(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)	
(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)	15657641277781
(14) Value of funds held in insurance company general account (unallocated contracts).....		1c(14)	
(15) Other		1c(15)	1613206

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(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	2454442	2124245

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	2454442	2124245
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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.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	38190	
(B) Participants	2a(1)(B)	165830	
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		204020
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)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		0
(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)	31603	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		31603
(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)		-288304
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		-52681
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	256203	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		256203
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	21313	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		21313
j Total expenses. Add all expense amounts in column (b) and enter total	2j		277516
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		-330197
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: GALINDEZ LLC

(2) EIN: 66-0703468

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		30696

	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		140000
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?			
4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	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.)			
4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?			
4k		X	
l Has the plan failed to provide any benefit when due under the plan?			
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n			

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 2022 This Form is Open to Public Inspection.
For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022		
A Name of plan SOUTHWEST HEALTH CORPORATION (HOSPITAL METROPOLITANO SAN GERMAN, CABO ROJO Y ARECIBO)		B Three-digit plan number (PN) ► 001
C Plan sponsor's name as shown on line 2a of Form 5500 SOUTHWEST HEALTH CORPORATION (HOSPI TAL SAN GERMAN, CABO ROJO, ARECIBO)		D Employer Identification Number (EIN) 66-0558678
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
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): 66-0561870		
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 19
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) 2022 v. 220413		

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that (1) contributed more than 5% of total contributions to the plan during the plan year or (2) was one of the top-ten highest contributors (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
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18	If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐
19	If the total number of participants is 1,000 or more, complete lines (a) through (c) a Enter the percentage of plan assets held as: Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____% b Provide the average duration of the combined investment-grade and high-yield debt: ☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more c What duration measure was used to calculate line 19(b)? ☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____
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 _____

Southwest Health Corporation
Retirement and Savings Plan

Financial Statements
and Supplemental Schedules

December 31, 2022 and 2021

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All other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.

INDEPENDENT AUDITORS' REPORT

To the Plan Administrator and Participants of
Southwest Health Corporation
Retirement and Savings Plan

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit

We have performed audits of the financial statements of Southwest Health Corporation Retirement and Saving Plan (the 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). The financial statements comprise the statements of net assets available for benefits as of December 31, 2022 and 2021 and the related statement of changes in net assets available for benefits for the year ended December 31, 2022, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audits of the 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 audits 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 certifications from a qualified institution as of December 31, 2022 and 2021, and for the year ended December 31, 2022, stating that the certified investment information, as described in Note 3 to the financial statements, is complete and accurate.

Opinion

In our opinion, based on our audits and on the procedures performed as described in the Auditors' Responsibilities for the Audit of the Financial Statements section:

- The amounts and disclosures in the accompanying 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 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

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

Responsibilities of Management for the Financial Statements

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

Auditors' Responsibilities for the Audit of the Financial Statements – (continued)

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 the 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 Plan's ability to continue as a going concern for a reasonable period of time.

Our audits 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 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.

Other Matter – Supplemental Schedules Required by ERISA

The supplemental schedules of assets (held at end of year) as of December 31, 2022 and delinquent participant contributions for the year then ended are presented for purposes of additional analysis and are not a required part of the financial statements but are 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 schedules, 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.

Other Matter – Supplemental Schedules Required by ERISA – (continued)

For information included in the supplemental schedules 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 schedules, we evaluated whether the supplemental schedules, other than the information agreed to or derived from the certified investment information, including their form and content, are 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 schedules, other than the information in the supplemental schedules that agreed to or is derived from the certified investment information, are 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 schedules 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).



Galíndez LLC

San Juan, Puerto Rico
October 4, 2023
License No. LLC-322
Expires December 1, 2023

Southwest Health Corporation
Retirement and Savings Plan

Statements of Net Assets Available for Benefits

December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Assets		
Investments, at fair value	<u>\$ 2,113,363</u>	<u>\$ 2,445,439</u>
Cash	<u>20</u>	<u>951</u>
Receivables:		
Employer's contributions	1,441	1,441
Participants' contributions	<u>6,215</u>	<u>6,450</u>
Total receivables	<u>7,656</u>	<u>7,891</u>
Accrued income	<u>3,206</u>	<u>161</u>
Net assets available for benefits	<u><u>\$ 2,124,245</u></u>	<u><u>\$ 2,454,442</u></u>

See notes to financial statements

Southwest Health Corporation
Retirement and Savings Plan

Statement of Changes in Net Assets Available for Benefits

Year Ended December 31, 2022

Additions

Additions to net assets attributed to:

Contributions:

Employer	\$ 38,190
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Participants	<u>165,830</u>
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Total contributions	204,020
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Investment income -

Interest and dividends	<u>31,603</u>
------------------------	---------------

Total additions	<u>235,623</u>
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Deductions

Deductions from net assets attributed to:

Net depreciation in fair value of investments	288,304
---	---------

Benefits paid to participants	254,767
-------------------------------	---------

Rollover distribution to other qualified plan	1,436
---	-------

Administrative expenses	<u>21,313</u>
-------------------------	---------------

Total deductions	<u>565,820</u>
------------------	----------------

Net change	(330,197)
------------	-----------

Net assets available for benefits:

Beginning of year	<u>2,454,442</u>
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End of year	<u><u>\$ 2,124,245</u></u>
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See notes to financial statements

Southwest Health Corporation
Retirement and Savings Plan

Notes to Financial Statements

December 31, 2022 and 2021

Note 1 - Description of plan

The following description of the Southwest Health Corporation Retirement and Savings Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan covering substantially all employees of Southwest Health Corporation (the Company or the Plan Sponsor), who have completed 90 days of service and are age 21 or older. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Contributions

Participants may contribute a percentage of their compensation, as defined in the Plan, not exceeding the maximum deferral amount specified by local law. The Company contributes 25% of the first 6% of base compensation that a participant contributes to the Plan. Additional amounts may be contributed by the Company at the option of its Board of Directors and subject to certain limitations.

Participants accounts

Each participant's account is credited with the participant's contributions and allocations of the Company's matching contribution and Plan earnings. Allocations are based on account balances. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are immediately vested in their contributions, plus actual earnings thereon. Vesting in the Company's matching and discretionary contribution portion of their accounts, plus actual earnings thereon, is based on years of continuous service.

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Southwest Health Corporation
Retirement and Savings Plan

Notes to Financial Statements (Continued)

December 31, 2022 and 2021

Note 1 - Description of plan – (continued)

Vesting – (continued)

A participant is fully vested after five years of credited service.

<u>Completed Years of Service</u>	<u>Vested Percentage</u>
Less than 2 full years	0%
2 years less than 3	40%
3 years less than 4	60%
4 years less than 5	80%
5 years or more	100%

Investment options

Participants direct the investment of their account balances into various investment options offered by the Plan. The Plan currently offers mutual funds and a money market account as investment options for its participants.

Notes receivable from participants

Notes receivable from participants are not permitted.

Payment of benefits

On termination of service due to death, disability or retirement, a participant or the participant's beneficiaries may elect to receive an amount equal to the value of the participant's vested interest in his or her account in either a lump-sum amount or periodic installments. For termination of service due to other reasons, a participant may receive the value of the vested interest in his or her account as a lump-sum distribution.

In addition, the Plan provides for in-service distributions in certain circumstances, including financial hardship withdrawals, subject to certain limitations. Also, in-service distributions may be available to participants as special disaster distributions, as determined by the Puerto Rico Treasury Department.

Southwest Health Corporation
Retirement and Savings Plan

Notes to Financial Statements (Continued)

December 31, 2022 and 2021

Note 1 - Description of plan – (continued)

Forfeited accounts

Upon termination from employment or withdrawal from the Plan for any reason other than death, retirement or disability, the Company's contributions on behalf of the participants not then vested are forfeited and used to reduce future Company contributions. During the year ended December 31, 2022, the Plan used forfeited balances to pay administrative expenses amounting to \$20,273. At December 31, 2022 and 2021, forfeited non-vested accounts amounted to \$7,072 and \$26,098, respectively.

Administration expenses

Administrative expenses, unless paid directly by the Plan Sponsor, will be paid from the trust fund and will be charged against participants' accounts.

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 will become fully vested in their accounts.

Note 2 - Summary of significant accounting policies

Basis of accounting

The financial statements of the Plan are prepared under the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America.

Use of estimates

The preparation of financial statements in conformity 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 the disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment valuation and income recognition

The Plan's investments are reported at fair value. Shares of mutual funds are valued at the net asset value (NAV) of shares held by the Plan at year end. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded when received.

Southwest Health Corporation
Retirement and Savings Plan

Notes to Financial Statements (Continued)

December 31, 2022 and 2021

Note 2 - Summary of significant accounting policies – (continued)

Investment valuation and income recognition – (continued)

Net appreciation (depreciation) in fair value of investments, includes the Plan's gain and losses on investments bought and sold as well as held during the year. During the year ended December 31, 2022, the Plan's investments depreciated in value by \$288,304.

Risks and uncertainties

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 value 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.

Benefits payable

The Plan accounts for benefits payable in accordance with the guidance provided by the American Institute of Certified Public Accountants (AICPA) *Audit and Accounting Guide, Audits of Employee Benefit Plans*. This guidance requires that benefits payable to persons who have withdrawn from participation in a defined contribution plan be disclosed in the notes to the financial statements rather than recorded as a liability of the Plan. As of December 31, 2021, benefits payable to participants who have elected to withdraw from the Plan, but have not yet been paid amounted to \$7,764. There were no benefits payable as of December 31, 2022.

Payment of benefits

Benefits are recorded when paid.

Note 3 - Information certified by trustee (unaudited)

The plan administrator has elected the method of compliance permitted by Section 103(a)(3)(C) of the U.S. Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, the trustee of the Plan, Banco Popular de Puerto Rico (the Trustee), has certified as to the completeness and accuracy of all investment related information reflected in the accompanying financial statements as of December 31, 2022 and 2021, and for the year ended December 31, 2022, and the related notes to the financial statements, and the schedule H, part IV, line 4i – schedule of assets (held at end of year). The Trustee maintains all records, executes investment transactions, and holds all the assets of the Plan.

Southwest Health Corporation
Retirement and Savings Plan

Notes to Financial Statements (Continued)

December 31, 2022 and 2021

Note 4 - Fair value measurements

In accordance with the provisions of Financial Accounting Standards Board, Accounting Standards Codification (ASC) No. 820, *Fair Value Measurements*, the Plan uses valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible to estimate fair values.

The Plan determines fair values based on assumptions that market participants would have used in pricing an asset or liability in the principal or most advantageous market.

ASC 820 provides a fair value hierarchy that prioritizes the use of observable inputs in the valuation techniques used to measure fair value, as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

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.

Following is a description of the valuation methodologies used by the Plan for investments measured at fair value at December 31, 2022 and 2021:

Mutual funds – Investments in mutual funds consist of shares of mutual funds that are valued at the daily closing price as reported by the fund. Mutual funds held by the Plan consist of open-ended mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily NAV and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded and were classified as Level 1.

Money market - Money market accounts are valued at cost, plus accrued interest, which approximates fair value. These investments are classified as Level 1.

Southwest Health Corporation
Retirement and Savings Plan

Notes to Financial Statements (Continued)

December 31, 2022 and 2021

Note 4 - Fair value measurements – (continued)

The preceding methods described may have resulted in fair values that may have not been indicative of net realizable values. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could have resulted in different fair value measurements at the reporting date. The Plan management believes its valuation methods are appropriate and consistent with other market participants. There were no changes in the Plan's valuation methodologies used during 2022 and 2021.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets recorded at fair value as of December 31, 2022 and 2021:

	Assets at Fair Value as of December 31, 2022			
	Level 1	Level 2	Level 3	Total
Mutual funds - Fixed income	\$ 14,891	\$ -	\$ -	\$ 14,891
Mutual funds - Equities	1,262,890	-	-	1,262,890
Money market	<u>835,582</u>	<u>-</u>	<u>-</u>	<u>835,582</u>
Total	<u>\$2,113,363</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$2,113,363</u>

	Assets at Fair Value as of December 31, 2021			
	Level 1	Level 2	Level 3	Total
Mutual funds - Fixed income	\$ 15,819	\$ -	\$ -	\$ 15,819
Mutual funds - Equities	1,549,945	-	-	1,549,945
Money market	<u>879,675</u>	<u>-</u>	<u>-</u>	<u>879,675</u>
Total	<u>\$2,445,439</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$2,445,439</u>

Note 5 - Party-in interest transactions

Certain Plan investments consist of money market accounts and cash deposits managed by the Trustee, therefore, these transactions qualify as party-in-interest transactions.

Southwest Health Corporation
Retirement and Savings Plan

Notes to Financial Statements (Continued)

December 31, 2022 and 2021

Note 6 - Non-exempt prohibited transactions

During the year ended December 31, 2022, the Plan corrected late participant contributions for the year ended December 31, 2017, outside of the Voluntarily Fiduciary Correction Program. Estimated investment income that would have been earned had these participant contributions been remitted on a timely basis amounted to \$101 and is included as part of employer contributions in the accompanying statement of changes in net assets available for benefits.

Note 7 - Non-discrimination test

The Plan Sponsor is part of a Controlled Group as defined by the Internal Revenue Code of Puerto Rico (the Code). As such, the discrimination test was performed taking into consideration all members of the Controlled Group. This test requires compliance with a determined percentage of contributions to the Plan, as established in the Code.

For the years ended December 31, 2022 and 2021, the Controlled Group failed the discrimination test. The Controlled Group elected to correct such non-compliance by reimbursing highly compensated participants the excess contributions made during the years ended December 31, 2022 and 2021 amounting to \$90,819 and \$117,475, respectively. Only those members of the Controlled Group identified to reimburse the excess contributions will record their corresponding portion as a liability in their statements of net assets available for benefits, including related earnings thereon. The Plan had no reimbursable amounts for the years ended December 31, 2022 and 2021.

Note 8 - Tax status

The Plan constitutes a qualified plan, exempt from income taxes under the provisions of the Code. The Plan obtained a favorable determination letter on April 19, 2016, in which the Commonwealth of Puerto Rico tax authorities stated that the Plan, as then designed, was in compliance with the applicable requirements of the Code. The Plan administrator believes that the Plan is currently designed and operated in compliance with the applicable requirements of the Code and the Plan and related trust continue to be tax-exempt.

Note 9 - Subsequent events

The Plan has evaluated subsequent events through October 4, 2023, which is the date the financial statements were available to be issued. No events have occurred subsequent to the statement of net assets available for benefits date and through the date the financial statements were available to be issued, that would require additional adjustments to, or disclosure in, the financial statements.

* * * * *

Southwest Health Corporation
Retirement and Savings Plan

EIN: 66-0558678 – Plan No: 001

Form 5500, Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year)

December 31, 2022

(a)	(b) Identity of issuer, borrower, lessor or similar party	(c) Description of investment	(d) Cost	(e) Current Value
	American Funds Europacific Growth Fund	Mutual funds, 2,636 shares	**	\$ 126,173
	BNY Mellon Research Growth Fund, Inc. Class A	Mutual funds, 4,902 shares	**	58,825
	Federated Equity Income Fund, Inc. Class A	Mutual funds, 81 shares	**	1,672
	Federated Total Return Gov Bond Fund	Fixed income fund, 1,408 shares	**	14,765
	Fidelity Advisor Short Term Bond Fund	Fixed income fund, 1 share	**	36
	Fidelity Advisor Balanced	Mutual funds, 23 shares	**	958
	Fidelity Advisor Stock Select Mid Cap Fund	Mutual funds, 660 shares	**	22,144
	MFS Total Return Fund	Mutual funds, 3,142 shares	**	57,909
	MFS Value Fund	Mutual funds, 5,445 shares	**	258,616
	MFS Core Equity	Mutual funds, 16 shares	**	603
	T Rowe Price Retirement Income Adv	Mutual funds, 2 shares	**	138
	T Rowe Price Retirement 2015	Mutual funds, .901 shares	**	10
	T Rowe Price Retirement 2020	Mutual funds, 0.44 shares	**	9
	T Rowe Price Retirement 2025	Mutual funds, 2,962 shares	**	42,983
	T Rowe Price Retirement 2030	Mutual funds, 2,835 shares	**	71,848
	T Rowe Price Retirement 2035	Mutual funds, 2,909shares	**	49,347
	T Rowe Price Retirement 2040	Mutual funds, 6,086 shares	**	161,783
	T Rowe Price Retirement 2045	Mutual funds, 10,173 shares	**	174,074
	T Rowe Price Retirement 2050	Mutual funds, 8,938 shares	**	122,823
	T Rowe Price Retirement 2055	Mutual funds, 7,397 shares	**	111,551
	Washington Mutual Investor Fd Inc R-4	Mutual funds, 23 shares	**	1,424
	Invesco Oppenheimer Main Street Mid Mid Cap Fund	Mutual funds, 0.001 shares	**	0.02
	Federated US Govt Sec 2-5 Yr	Fixed income fund, 0.003 shares	**	90
	T Rowe Price Retirement 2010	Mutual funds, 0.001 shares	**	0.01
	Total mutual funds			1,277,781
*	BPPR Bank Deposit Open Account	Money Market, 879,674 shares	**	835,582
	Total investments			2,113,363
*	Cash			20
	Total			<u>\$ 2,113,383</u>

* A party-in-interest as defined by ERISA.

** Cost information is not required for participants directed investments, therefore has not been included.

Southwest Health Corporation Retirement and Savings Plan

EIN No. 66-0558678 - Plan No. 001

Form 5500, Schedule H, Part IV, Line 4a - Schedule of Delinquent Participants Contributions

Year Ended December 31, 2022

			<u>Total that Constitutes Nonexempt Prohibited Transactions</u>			
				Contributions Corrected Outside Voluntary Fiduciary Correction Program	Contributions Pending Correction in Voluntary Fiduciary Correction Program	Total Fully Corrected Under Voluntarily Fiduciary Correction Program and PTE 2002-51
Plan Contributions Transferred Late to the Plan			Check Here if Late Participant Loan Repayments are Included	Contributions Not Corrected		
Amount Withheld	Date Withheld	Date Remitted				
2017 late remittances				\$ -	\$ 30,696	\$ -
						\$ -

Southwest Health Corporation
Retirement and Savings Plan

EIN: 66-0558678 – Plan No: 001

Form 5500, Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year)

December 31, 2022

(a)	(b) Identity of issuer, borrower, lessor or similar party	(c) Description of investment	(d) Cost	(e) Current Value
	American Funds Europacific Growth Fund	Mutual funds, 2,636 shares	**	\$ 126,173
	BNY Mellon Research Growth Fund, Inc. Class A	Mutual funds, 4,902 shares	**	58,825
	Federated Equity Income Fund, Inc. Class A	Mutual funds, 81 shares	**	1,672
	Federated Total Return Gov Bond Fund	Fixed income fund, 1,408 shares	**	14,765
	Fidelity Advisor Short Term Bond Fund	Fixed income fund, 1 share	**	36
	Fidelity Advisor Balanced	Mutual funds, 23 shares	**	958
	Fidelity Advisor Stock Select Mid Cap Fund	Mutual funds, 660 shares	**	22,144
	MFS Total Return Fund	Mutual funds, 3,142 shares	**	57,909
	MFS Value Fund	Mutual funds, 5,445 shares	**	258,616
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	T Rowe Price Retirement Income Adv	Mutual funds, 2 shares	**	138
	T Rowe Price Retirement 2015	Mutual funds, .901 shares	**	10
	T Rowe Price Retirement 2020	Mutual funds, 0.44 shares	**	9
	T Rowe Price Retirement 2025	Mutual funds, 2,962 shares	**	42,983
	T Rowe Price Retirement 2030	Mutual funds, 2,835 shares	**	71,848
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	T Rowe Price Retirement 2050	Mutual funds, 8,938 shares	**	122,823
	T Rowe Price Retirement 2055	Mutual funds, 7,397 shares	**	111,551
	Washington Mutual Investor Fd Inc R-4	Mutual funds, 23 shares	**	1,424
	Invesco Oppenheimer Main Street Mid Mid Cap Fund	Mutual funds, 0.001 shares	**	0.02
	Federated US Govt Sec 2-5 Yr	Fixed income fund, 0.003 shares	**	90
	T Rowe Price Retirement 2010	Mutual funds, 0.001 shares	**	<u>0.01</u>
	Total mutual funds			1,277,781
*	BPPR Bank Deposit Open Account	Money Market, 879,674 shares	**	<u>835,582</u>
	Total investments			2,113,363
*	Cash			<u>20</u>
	Total			<u><u>\$ 2,113,383</u></u>

* A party-in-interest as defined by ERISA.

** Cost information is not required for participants directed investments, therefore has not been included.

Southwest Health Corporation Retirement and Savings Plan

EIN No. 66-0558678 - Plan No. 001

Form 5500, Schedule H, Part IV, Line 4a - Schedule of Delinquent Participants Contributions

Year Ended December 31, 2022

			<u>Total that Constitutes Nonexempt Prohibited Transactions</u>			
				Contributions Corrected Outside Voluntary Fiduciary Correction Program	Contributions Pending Correction in Voluntary Fiduciary Correction Program	Total Fully Corrected Under Voluntarily Fiduciary Correction Program and PTE 2002-51
Plan Contributions Transferred Late to the Plan			Check Here if Late Participant Loan Repayments are Included	Contributions Not Corrected		
Amount Withheld	Date Withheld	Date Remitted				
2017 late remittances				\$ -	\$ 30,696	\$ -
						\$ -