

Form 5500

Annual Return/Report of Employee Benefit Plan

OMB Nos. 1210-0110 1210-0089

2024

This Form is Open to Public Inspection

Department of the Treasury Internal Revenue Service

Department of Labor Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

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.

Part I Annual Report Identification Information

For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

- A This return/report is for: a multiemployer plan, a multiple-employer plan, a single-employer plan, a DFE, etc.
B This return/report is: the first return/report, the final return/report, an amended return/report, a short plan year return/report, etc.
C If the plan is a collectively-bargained plan, check here.
D Check box if filing under: Form 5558, automatic extension, special extension, the DFVC program, etc.
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: HAYS MEDICAL CENTER INC HEALTH CARE BENEFITS TRUST
1b Three-digit plan number (PN): 501
1c Effective date of plan: 01/01/1984
2a Plan sponsor's name, mailing address, city or town, state or province, country, and ZIP or foreign postal code: 2220 CANTERBURY DRIVE, HAYS, KS 67601
2b Employer Identification Number (EIN): 48-0559088
2c Plan Sponsor's telephone number: 785-623-5000
2d Business code (see instructions): 622000

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.

Table with 4 columns: SIGN HERE, Signature of plan administrator, Date, Enter name of individual signing as plan administrator. Includes rows for plan administrator, employer/plan sponsor, and DFE.

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

Form 5500 (2024) v. 240311

3a Plan administrator's name and address <input checked="" type="checkbox"/> 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	893
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 a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g(1) Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item) g(2) Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6a(1)	893
	6a(2)	826
	6b	4
	6c	
	6d	830
	6e	
	6f	830
	6g(1)	
6g(2)		
6h		
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:

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:
4A 4D 4E

9a Plan funding arrangement (check all that apply)	9b Plan benefit arrangement (check all that apply)
(1) <input type="checkbox"/> Insurance	(1) <input type="checkbox"/> Insurance
(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts	(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts
(3) <input checked="" type="checkbox"/> Trust	(3) <input checked="" type="checkbox"/> Trust
(4) <input checked="" type="checkbox"/> General assets of the sponsor	(4) <input type="checkbox"/> General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules	b General Schedules
(1) <input type="checkbox"/> R (Retirement Plan Information)	(1) <input checked="" type="checkbox"/> H (Financial Information)
(2) <input type="checkbox"/> MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary	(2) <input type="checkbox"/> I (Financial Information – Small Plan)
(3) <input type="checkbox"/> SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	(3) <input type="checkbox"/> A (Insurance Information) – Number Attached _____
(4) <input type="checkbox"/> DCG (Individual Plan Information) – Number Attached _____	(4) <input type="checkbox"/> C (Service Provider Information)
(5) <input type="checkbox"/> MEP (Multiple-Employer Retirement Plan Information)	(5) <input type="checkbox"/> D (DFE/Participating Plan Information)
	(6) <input type="checkbox"/> 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 2024 Form M-1 annual report. If the plan was not required to file the 2024 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 H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2024 This Form is Open to Public Inspection
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For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024	
A Name of plan HAYS MEDICAL CENTER INC HEALTH CARE BENEFITS TRUST	B Three-digit plan number (PN) ▶ 501
C Plan sponsor's name as shown on line 2a of Form 5500 HAYS MEDICAL CENTER INC	D Employer Identification Number (EIN) 48-0559088

Part I	Asset and Liability Statement
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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 25040	25106
b Receivables (less allowance for doubtful accounts):		
(1) Employer contributions	1b(1) 1198561	1027640
(2) Participant contributions	1b(2)	
(3) Other	1b(3) 155499	1320
c General investments:		
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1) 3661	5257
(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)	0
(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)	
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)	
(15) Other	1c(15)	

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	1382761	1059323
Liabilities			
g Benefit claims payable.....	1g	1381371	1056530
h Operating payables.....	1h		
i Acquisition indebtedness.....	1i		
j Other liabilities.....	1j		
k Total liabilities (add all amounts in lines 1g through 1j).....	1k	1381371	1056530
Net Assets			
l Net assets (subtract line 1k from line 1f).....	1l	1390	2793

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)	9834600	
(B) Participants.....	2a(1)(B)	2685022	
(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)		12519622
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)	1867	
(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)		
(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)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		
(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)		
(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)		

		(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)		
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		12521489

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	12502310	
(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)		12502310
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses:			
(1) Salaries and allowances	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Recordkeeping fees	2i(3)		
(4) IQPA audit fees	2i(4)		
(5) Investment advisory and investment management fees	2i(5)		
(6) Bank or trust company trustee/custodial fees	2i(6)		
(7) Actuarial fees	2i(7)		
(8) Legal fees	2i(8)		
(9) Valuation/appraisal fees	2i(9)		
(10) Other trustee fees and expenses	2i(10)		
(11) Other expenses.....	2i(11)	17776	
(12) Total administrative expenses. Add lines 2i(1) through (11)	2i(12)		17776
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		12520086

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		1403
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: BRUNGARDT HOWER WARD ELLIOTT & PFEI

(2) EIN: 48-1027384

d The opinion of an independent qualified public accountant is **not attached** as part of Schedule H because:

(1) This form is filed for a CCT, PSA, DCG 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. DCGs do not complete lines 4e, 4f, 4k, 4l, and 5, and DCGs generally complete the rest of Part IV collectively for all plans in the DCG, except as otherwise provided (see instructions).

During the plan year:

	Yes	No	Amount
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.)		X	
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.)		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.)		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.)		X	
e Was this plan covered by a fidelity bond?		X	
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	
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	
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	
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	
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	
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	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		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.		X	

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 _____.

HAYS MEDICAL CENTER, INC.
HEALTH CARE BENEFITS TRUST

FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2024 AND 2023

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*CERTIFIED PUBLIC ACCOUNTANTS
and
BUSINESS ADVISORS*

INDEPENDENT AUDITORS' REPORT

Plan Administrator
Hays Medical Center, Inc.
Health Care Benefits Trust

Opinion

We have audited the accompanying financial statements of the Hays Medical Center, Inc. Health Care Benefits Trust, an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statements of benefit obligations and net assets available for benefits as of December 31, 2024 and 2023, and the related statements of changes in benefit obligations and net assets available for benefits for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits and accumulated plan benefits of the Hays Medical Center, Inc. Health Care Benefits Trust as of December 31, 2024 and 2023, and the changes in its net assets available for benefits and changes in its accumulated plan benefits for the year ended December 31, 2024, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Hays Medical Center, Inc. Health Care Benefits Trust 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 audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Hays Medical Center, Inc. Health Care Benefits Trust's ability to continue as a going concern for one year after the date 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 Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, 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 Hays Medical Center, Inc. Health Care Benefits Trust'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 the Hays Medical Center, Inc. Health Care Benefits Trust's ability to continue as a going concern for a reasonable period of time.

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

Brungardt Hower

Ward Elliott & Pfeifer L. C.

Hays, Kansas
October 7, 2025

HAYS MEDICAL CENTER, INC.
HEALTH CARE BENEFITS TRUST

STATEMENTS OF BENEFIT OBLIGATIONS AND
NET ASSETS AVAILABLE FOR BENEFITS

December 31,

	<u>2024</u>	<u>2023</u>
BENEFIT OBLIGATIONS		
Due to plan sponsor	\$ -	\$ -
Health claims payable and claims incurred but not reported	<u>1,056,530</u>	<u>1,381,371</u>
Total benefit obligations	<u>1,056,530</u>	<u>1,381,371</u>
NET ASSETS AVAILABLE FOR BENEFITS		
Assets		
Receivable from sponsor	1,027,640	1,198,561
Receivable from insurance company	1,320	155,499
Cash	<u>30,363</u>	<u>28,701</u>
Total assets	<u>1,059,323</u>	<u>1,382,761</u>
Liabilities	<u>-</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>-</u>
Net assets available for benefits	<u>1,059,323</u>	<u>1,382,761</u>
EXCESS OF NET ASSETS AVAILABLE FOR BENEFITS OVER BENEFIT OBLIGATIONS	<u>\$ 2,793</u>	<u>\$ 1,390</u>

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

HAYS MEDICAL CENTER, INC.
HEALTH CARE BENEFITS TRUST

STATEMENT OF CHANGES IN BENEFIT OBLIGATIONS
AND NET ASSETS AVAILABLE FOR BENEFITS

Year ended December 31, 2024

NET DECREASE IN BENEFIT OBLIGATIONS

Decrease during the year attributable to health claims payable and claims incurred but not reported	\$ <u>324,841</u>
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NET DECREASE IN NET ASSETS AVAILABLE FOR BENEFITS

Additions

Contributions	
Sponsor	9,834,600
Participants	<u>2,685,022</u>

Total contributions	12,519,622
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Interest and dividend income	<u>1,867</u>
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Total additions	<u>12,521,489</u>
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Deductions

Benefits paid	12,827,151
Administrative expenses	<u>17,776</u>

Total deductions	<u>12,844,927</u>
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Net decrease	<u>(323,438)</u>
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INCREASE IN EXCESS OF NET ASSETS AVAILABLE FOR BENEFITS

OVER BENEFIT OBLIGATIONS	1,403
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EXCESS OF NET ASSETS AVAILABLE FOR BENEFITS

OVER BENEFIT OBLIGATIONS

Beginning of year	<u>1,390</u>
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End of year	<u><u>\$ 2,793</u></u>
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The accompanying notes are an integral part of this financial statement.

HAYS MEDICAL CENTER, INC.
HEALTH CARE BENEFITS TRUST

NOTES TO FINANCIAL STATEMENTS

December 31, 2024 and 2023

NOTE A - DESCRIPTION OF PLAN

The following description of the Hays Medical Center, Inc. Health Care Benefits Trust (Plan) provides only general information. Participants should refer to the Plan agreement for a complete description of the Plan's provisions.

1. General

The Plan is partially self-funded and provides health care benefits covering substantially all eligible employees of Hays Medical Center, Inc. (Sponsor). In March 2010, Pawnee Valley Community Hospital became a member of the Hays Medical Center, Inc. consolidated group and its employees became eligible for the Plan. In January 2015, St. Rose Health Center became a member of the Hays Medical Center, Inc. consolidated group and its employees became eligible for the Plan. In August 2018, the employees of the University of Kansas Health Systems Great Bend Campus and Great Bend Physicians became eligible for the Plan. In August 2019, all employees of St. Rose Health Center became employees of The University of Kansas Health System Great Bend Campus. Effective January 1, 2021, all participants in the Plan transferred to the University of Kansas Health System plan. The Plan remained open in 2021 to allow for processing of claims, but did not have participants. Effective January 1, 2022 all eligible Sponsor and Pawnee Valley employees were reinstated as participants. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended. The Hays Medical Center, Inc. compliance committee oversees governance of the Plan.

2. Benefits

The Plan provides health care benefits (medical, prescription drug, vision, and dental) to eligible active employees, and to their covered dependents.

3. Stop loss coverage

The Plan has entered into a stop-loss insurance arrangement in an effort to limit its exposure for self-insured benefits (individual participant claims over a specific dollar amount, as well as its aggregate exposure for all claims).

4. Self-insured benefits

The Plan is sponsored by Hays Medical Center, Inc. and is administered by third-party administrators, Luminare Health Benefits, Inc., Delta Dental of Kansas, Inc. and Capital Rx, Inc., that process and pay claims. Claims are submitted to third-party administrators by plan participants or directly by health care providers. The third-party administrators process such claims and make payment to the participant or the health care provider if directed to do so by the participant. The third-party administrators are reimbursed for the payments they make through the Plan's trust account. However, the ultimate responsibility for payments to participants and providers is retained by the Plan, and the Plan is dependent upon continued funding by the Sponsor.

HAYS MEDICAL CENTER, INC.
HEALTH CARE BENEFITS TRUST

NOTES TO FINANCIAL STATEMENTS

December 31, 2024 and 2023

NOTE A - DESCRIPTION OF PLAN - continued

5. Contributions

The Sponsor shares the cost of employee and dependent coverage with the covered employees. The level of employee contributions is set by the Plan administrator. Any excess of benefit obligations over net assets available for benefits is funded by the Sponsor.

NOTE B - SUMMARY OF ACCOUNTING POLICIES

1. Basis of accounting and use of estimates

The accompanying financial statements have been prepared using the accrual basis of accounting. The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, benefit obligations and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

2. Payment of benefits

Claim payments are recorded when paid by the third-party administrators. Amounts due to third-party administrators that have yet to be reimbursed by the Plan are recorded as health claims payable and claims incurred but not reported, and are included as components of benefit obligations in the accompanying statements of benefit obligations and net assets available for benefits. Any differences between estimated amounts and actual claims are reflected in subsequent periods.

3. Stop-loss insurance premiums

Contributions exclude direct sponsor payments for stop-loss insurance premiums. These premiums were approximately \$1,247,000 and \$1,080,000 for the years ended December 31, 2024 and 2023, respectively.

4. Administrative fees

Contributions also exclude direct sponsor payments to third-party claims administrators for administrative fees. These fees were approximately \$515,000 and \$641,000 for the years ended December 31, 2024 and 2023, respectively.

5. Subsequent events

Management has evaluated subsequent events through October 7, 2025, the date the financial statements were available to be issued.

HAYS MEDICAL CENTER, INC.
HEALTH CARE BENEFITS TRUST

NOTES TO FINANCIAL STATEMENTS

December 31, 2024 and 2023

NOTE C - BENEFIT OBLIGATIONS

Health costs incurred by participants and dependents are partially covered by a stop-loss insurance policy. The policy provides coverage for claims that exceed \$165,000 per individual in 2024 and 2023.

The benefit obligations of the Plan at December 31, 2024 and 2023 consist primarily of health care costs incurred, but not paid at year end. Management estimated the amounts based upon the actual claims paid from January through May of the following year, less any associated insurance proceeds. An additional estimate for claims incurred but not reported is determined by management on the basis of historical trends.

The following table presents the components of the changes in the Plan's benefit obligations for the year ended December 31, 2024:

Benefit obligations, beginning of year		\$ 1,381,371
Claims reported and approved for payment	\$ 12,502,310	
Benefits paid	<u>12,827,151</u>	
Net decrease in benefit obligations		<u>(324,841)</u>
Benefit obligations, end of year		<u>\$ 1,056,530</u>

NOTE D - CASH

The Plan's cash consists of a bank-administered money market mutual fund with a balance of \$5,257 at December 31, 2024 and \$3,661 at December 31, 2023, which is not covered by FDIC insurance; additionally, a checking account is used as a clearing account to pay medical claims, and has a balance of \$25,106 at December 31, 2024 and \$25,040 at December 31, 2023.

NOTE E - TAX STATUS

The trust established under the Plan to hold the Plan's net assets is qualified pursuant to Section 501(c)(9) of the Internal Revenue Code and, accordingly, the trust is exempt from income taxes. The Sponsor has obtained a favorable tax determination letter from the Internal Revenue Service and the Sponsor believes that the Plan, as amended, continues to qualify and to operate as designed.

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 for any uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service.

The Plan is subject to routine audits by tax authorities; however, there are currently no audits for any tax periods in progress.

HAYS MEDICAL CENTER, INC.
HEALTH CARE BENEFITS TRUST

NOTES TO FINANCIAL STATEMENTS

December 31, 2024 and 2023

NOTE F - PLAN TERMINATION

The Sponsor has the right under the Plan to modify the benefits provided, to discontinue its contributions at any time, or to terminate the Plan subject to the provisions set forth in ERISA.

NOTE G - RECONCILIATION OF FINANCIAL STATEMENTS TO SCHEDULE I OF FORM 5500

Net assets available for benefits per the financial statements are the same as Schedule I of Form 5500 at December 31, 2024 and 2023.

The following is a reconciliation of benefits paid per the financial statements to Schedule I of Form 5500:

	<u>2024</u>
Benefits paid per the financial statements	\$ 12,827,151
Net decrease in benefit obligations	<u>(324,841)</u>
Benefit payments per Schedule I of Form 5500	<u>\$ 12,502,310</u>