

**Application for Recognition of Exemption  
Under Section 501(c)(3) of the Internal Revenue Code**

OMB No. 1545-0047

Do not enter social security numbers on this form as it may be made public.  
Go to [www.irs.gov/Form1023](http://www.irs.gov/Form1023) for instructions and the latest information.

**Note:** *If exempt status is approved, this application will be open for public inspection.*

Use the "?" buttons throughout this form for help in completing this application. For additional help, call IRS Exempt Organizations Customer Account Services toll-free at 1-877-829-5500.

If you cannot complete required responses within the textbox limits throughout this form, upload your additional narratives with the other required documents.

**Part I Identification of Applicant**

<b>1a</b> Full Name of Organization (exactly as it appears in your organizing document) Impact Health		<b>b</b> Care of Name (if applicable)	
<b>c</b> Mailing Address (Number, street and room/suite) 890 Hendersonville Road, Suite 300		<b>d</b> City Asheville	<b>e</b> Country United States of America
<b>f</b> State North Carolina	<b>g</b> Zip Code + 4 28803-2997	<b>h</b> Foreign Province (or State)	<b>i</b> Foreign Postal Code
<b>2</b> Employer Identification Number 84-3954696	<b>3</b> Month Tax Year Ends 12	<b>4</b> Person to Contact if More Information is Needed (officer, director, trustee, or authorized representative) Morgan Abbott	
<b>5</b> Contact Telephone Number (919) 328-8812	<b>6</b> Fax Number (optional) (919) 328-8789	<b>7</b> User Fee Submitted \$600.00	
<b>8</b> Organization's Website (if available): N/A			

**9** List the names, titles, and mailing addresses of your officers, directors, and/or trustees.

First Name: Antony	Last Name: Chiang	Title: Chair
Mailing Address: 890 Hendersonville Road, Suite 300		City: Asheville
State (or Province): North Carolina		Zip Code (or Foreign Postal Code): 28803
First Name: Rachel	Last Name: Ryan	Title: Director
Mailing Address: 890 Hendersonville Road, Suite 300		City: Asheville
State (or Province): North Carolina		Zip Code (or Foreign Postal Code): 28803
First Name: Mike	Last Name: Yeaton	Title: Director
Mailing Address: 890 Hendersonville Road, Suite 300		City: Asheville
State (or Province): North Carolina		Zip Code (or Foreign Postal Code): 28803
First Name:	Last Name:	Title:
Mailing Address:		City:
State (or Province):		Zip Code (or Foreign Postal Code):
First Name:	Last Name:	Title:
Mailing Address:		City:
State (or Province):		Zip Code (or Foreign Postal Code):

Check here to add more officers, directors, and/or trustees.

**Part II** Organizational Structure

**1** You must be a corporation, limited liability company (LLC), unincorporated association, or trust to be tax exempt.

Select your type of organization.

Corporation

At the end of this form, you must upload a copy of your articles of incorporation (and any amendments) that shows proof of filing with the appropriate state agency.

Limited Liability Company (LLC)

At the end of this form, you must upload a copy of your articles of organization (and any amendments) that shows proof of filing with the appropriate state agency. Also, if you adopted an operating agreement, upload a copy, along with any amendments.

Unincorporated Association

At the end of this form, you must upload a copy of your articles of association, constitution, or other similar organizing document that is dated and includes at least two signatures. Include signed and dated copies of any amendments.

Trust

At the end of this form, you must upload a signed and dated copy of your trust agreement. Include signed and dated copies of any amendments.

**2** Enter the date you formed. (MM/DD/YYYY)

12/12/2019

**3** Select your state (or U.S. territory) of incorporation or other formation. If you were formed under the laws of a foreign country, select Foreign Country.

North Carolina

**4** Have you adopted bylaws? If "Yes," at the end of this form, upload a current copy showing the date of adoption. If "No," explain how you select your officers, directors, or trustees.

Yes  No

See Exhibit C

Commented [LK1]: Colleen Culbertson - Need to do this before filing

**5** Are you a successor to another organization?

Yes  No

Answer "Yes" if you have taken or will take over the activities of another organization, you took over 25% or more of the fair market value of the net assets of another organization, or you were established upon the conversion of an organization from for-profit to nonprofit status. If "Yes," complete Schedule G.

**Part III Required Provisions in Your Organizing Document**

Part III helps ensure that, when you submit this application, your organizing document contains the required provisions to meet the organizational test under section 501(c)(3).

If you cannot check "Yes" in both Lines 1 and 2, your organizing document does not meet the organizational test. DO NOT file this application until you have amended your organizing document. Remember to upload your original and amended organizing documents at the end of this form.

- 1** Section 501(c)(3) requires that your organizing document limit your purposes to one or more exempt purposes within section 501(c)(3), such as charitable, religious, educational, and/or scientific purposes.

*The following is an example of an acceptable purpose clause: The organization is organized exclusively for charitable, religious, educational, and scientific purposes under section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code.*

Does your organizing document meet this requirement?  Yes  No

- 1a** State specifically where your organizing document meets this requirement, such as a reference to a particular article or section in your organizing document (Page/Article/Paragraph):

Page 1, Section 3

- 2** Section 501(c)(3) requires that your organizing document provide that upon dissolution, your remaining assets be used exclusively for section 501(c)(3) exempt purposes, such as charitable, religious, educational, and/or scientific purposes. Depending on your entity type and the state in which you are formed, this requirement may be satisfied by operation of state law.

*The following is an example of an acceptable dissolution clause: Upon the dissolution of this organization, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose.*

Does your organizing document meet this requirement?  Yes  No

- 2a** State specifically where your organizing document meets this requirement, such as a reference to a particular article or section in your organizing document (Page/Article/Paragraph) or indicate that you rely on state law.

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**Part IV Your Activities**

**1** Describe completely and in detail your past, present, and planned activities. Do not refer to or repeat the purposes in your organizing document. For each past, present, or planned activity, include information that answers the following questions:

- a. What is the activity?
- b. Who conducts the activity?
- c. Where is the activity conducted?
- d. What percentage of your total time is allocated to the activity?
- e. How is the activity funded (for example, donations, fees, etc.) and what percentage of your overall expenses is allocated to this activity?
- f. How does the activity further your exempt purposes?

Impact Health is organized to dramatically improve the health and well-being of all people and communities of Western North Carolina.

More than 1.2 million North Carolinians cannot find affordable housing and one in twenty-eight of North Carolina's children under age six is homeless. North Carolina has the eighth highest rate of food insecurity in the United States, with more than one in five children living in food insecure households. Forty-seven percent of North Carolina women have experienced intimate partner violence. Nearly a quarter of North Carolina children have experienced adverse childhood experiences, including physical, sexual, or emotional abuse or household dysfunction, such as living with someone struggling with a substance abuse disorder. Research shows that up to eighty percent of a person's health is determined by social and environmental factors and the behaviors that emerge as a result.

In conjunction with Dogwood Health Trust, a North Carolina nonprofit corporation exempt under Section 501(c)(3) of the Internal Revenue Code, Impact Health has applied to serve as a Lead Pilot Entity for the North Carolina Department of Health and Human Services Healthy Opportunities Pilot (the "NCDHHS Pilot"). If awarded the NCDHHS Pilot, one of Impact Health's initial projects in pursuit of its mission will be building the capacity for, and then testing and evaluating the effectiveness of, select evidence-based, non-medical interventions in improving health outcomes and reducing health care costs for high-need individuals. These interventions will initially be centered in four areas: housing instability, food insecurity, transportation insecurity, and interpersonal violence/toxic stress. These areas were selected from evidence indicating that addressing them will directly impact health outcomes and health care costs. Strategic interventions and investments in these four areas, in partnership with local community groups and health care providers, will help Impact Health achieve its mission of improving the health and well-being of people and communities of Western North Carolina. Impact Health will work to ensure the sustainability of delivering non-medical services identified as effective through its evaluations to help build an innovative, whole-person-centered, and well-coordinated system of care that addresses both medical and non-medical drivers of health.

To achieve these goals, Impact Health plans to develop, oversee, and maintain a network of community-based or social services organizations that offer non-medical services in its community ("Human Service Organizations," or "HSOs"). HSOs will deliver interventions and services to high-need individuals identified by the care managers of medical care providers in the community. Impact Health will distribute capacity-building funding for HSOs, provide technical assistance, and conduct quality improvement activities with its HSO network. Impact Health will ultimately collect and evaluate data on the interventions and services delivered to assess their influence. Impact Health's future projects and goals will be determined based on the results of its evaluations of interventions in its four initial areas of focus.

Regardless of whether Impact Health is selected for the NCDHHS Pilot, Impact Health plans to further programmatic initiatives and leverage strategic partnerships to address the social determinates of health impacting people and communities of Western North Carolina. Another initial project in furtherance of Impact Health's mission will likely involve the facilitation of regional data and service platforms across the counties of Western North Carolina to improve health outcomes. Examples include regional deployment of an online COVID-19 screening tool, an online SNAP benefits enrollment platform, and a census outreach tool.

Impact Health's Board of Directors will consist of at least three but not more than fifteen individuals. The directors will reside throughout Western North Carolina and reflect the diversity, skills, and life experiences of the region. Directors may consist of representatives from health care organizations, behavioral health agencies, local health departments, departments of social services, human service organizations, and other community stakeholders or government leaders. Director representation will reflect the region's expertise or experience across Impact Health's areas of focus.

Impact Health expects to spend approximately eighty percent of its time pursuing the programmatic objectives described above, ten percent of its time raising funds, and ten percent of its time on administrative matters, including without limitation corporate governance and tax compliance.

Since the sole purpose of Impact Health is to dramatically improve the health and well-being of all people and communities of Western North Carolina, the corporation is an organization described in Code Section 501(c)(3).

**Part IV** Your Activities (continued)

2 Enter the 3-character NTEE Code that best describes your activities.

Or check here if you want the IRS to select the NTEE Code that best describes your activities.

3 Do any of your programs limit the provision of goods, services, or funds to a specific individual or group of specific individuals? For example, answer "Yes" if goods, services, or funds are provided only for a particular individual, your members, individuals who work for a particular employer, or graduates of a particular school. If "Yes," explain the limitation and how recipients are selected for each program.

 Yes  No

4 Do any individuals who receive goods, services, or funds through your programs have a family or business relationship with any officer, director, trustee, or with any of your highest compensated employees or highest compensated independent contractors? If "Yes," explain how these related individuals are eligible for goods, services, or funds.

 Yes  No

5 Do you or will you support or oppose candidates in political campaigns in any way? If "Yes," explain.

 Yes  No

6 Do you or will you attempt to influence legislation? If "Yes," explain how you attempt to influence legislation.

 Yes  No

**Part IV** Your Activities (continued)

**6a** Did you or will you make an election to have your legislative activities measured by expenditures by filing Form 5768? If "No," describe whether your attempts to influence legislation are a substantial part of your activities. Include the time and money spent on your attempts to influence legislation as compared to your total activities.  Yes  No

**7** Do you or will you publish, own, or have rights in music, literature, tapes, artworks, choreography, scientific discoveries, or other intellectual property? If "Yes," describe who owns or will own any copyrights, patents, or trademarks, whether fees are or will be charged, how the fees are determined, and how any items are or will be produced, distributed, and marketed.  Yes  No

**8** Do you or will you provide educational information to the general public on budgeting, personal finance, financial literacy, saving and spending practices, the sound use of consumer credit, and/or assist individuals and families with financial problems such as credit card debt and foreclosure by providing them with counseling? If "Yes," explain.  Yes  No

**9** Do you or will you make grants, loans, or other distributions to organizations? If "Yes," describe the type and purpose of the grants, loans, or distributions, how you select your recipients including submission requirements (such as grant proposals or application forms), and the criteria you use or will use to select recipients. Also describe how you ensure the grants, loans, and other distributions are or will be used for their intended purposes (including whether you require periodic or final reports on the use of funds and any procedures you have if you identify that funds are not being used for their intended purposes). Finally, describe the records you keep with respect to grants, loans, or other distributions you make and identify any recipient organizations and any relationships between you and the recipients. If "No," continue to Line 10.  Yes  No

To achieve its goals, Impact Health plans to develop, oversee, and maintain a network of community-based or social services organizations that offer non-medical services in its community ("Human Service Organizations," or "HSOs"). HSOs will deliver interventions and services to high-need individuals identified by the care managers of medical care providers in the community. Impact Health will distribute capacity-building funding for HSOs, provide technical assistance, and conduct quality improvement activities with its HSO network. Impact Health will ultimately collect and evaluate data on the interventions and services delivered to assess their influence. Impact Health's future projects and goals will be determined based on the results of its evaluations of interventions in its four initial areas of focus.

Regardless of whether Impact Health is selected for the NCDHHS Pilot, Impact Health plans to further programmatic initiatives and leverage strategic partnerships to address the social determinates of health impacting people and communities of Western North Carolina. Another initial project in furtherance of Impact Health's mission will likely involve the facilitation of regional data and service platforms across the counties of Western North Carolina to improve health outcomes. Examples include regional deployment of an online COVID-19 screening tool, an online SNAP benefits enrollment platform, and a census outreach tool.

Impact Health does not currently have an approval process in place for partner and grantee organizations but plans to develop these processes in the future. Processes relevant to the NCDHHS pilot program will be approved by NCDHHS. All partnerships established will be consistent with Impact Health's charitable purpose of dramatically improving the health and well-being of all people and communities of Western North

Carolina. Impact Health's directors will approve and monitor the implementation of policies and agreements, including written contracts, to determine appropriate partner organizations to further Impact Health's charitable mission and ensure resources are used to further Impact Health's charitable purpose. Impact Health has not yet selected partner and grantee organizations, but it will do so based on Impact Health's charitable purpose of dramatically improving the health and well-being of all people and communities of Western North Carolina. For example, Impact Health may grant funds for HSOs to purchase computers to allow for more effective client service and data collection on effective interventions. Impact Health may provide limited funding to individuals in relation to specific programs, such as census peer outreach.

Impact Health will keep standard records as to the amounts and purposes of grants, loans, and distributions made. Impact Health may require an application form, which is yet to be developed and, when appropriate, will also be approved by NCDHHS. Impact Health will execute agreements with those organizations who receive funding obligating the grantee to use the grant funds only for the charitable purposes for which the grant was made, providing for periodic written reports concerning the use of grant funds, requiring a final written report and an accounting of how grant funds were used, and acknowledging Impact Health's authority to withhold and/or recover grant funds in case such funds are, or appear to be, misused.

**Part IV** Your Activities (continued)

- 9a** Do you or will you make grants, loans, or other distributions to organizations that are not recognized by the IRS as tax exempt under section 501(c)(3)? If "Yes," name and/or describe the non-section 501(c)(3) organizations to whom you do or will make distributions and explain how these distributions further your exempt purposes.  Yes  No

Some of Impact Health's community partners that offer non-medical services in its community ("Human Service Organizations," or "HSOs") may not be recognized by the IRS as tax exempt under section 501(c)(3). Impact Health does not currently have an approval process in place for partner and grantee organizations but plans to develop these processes in the future. Processes relevant to the NCDHHS pilot program will be approved by NCDHHS. All partnerships established will be consistent with and in furtherance of Impact Health's charitable purpose of dramatically improving the health and well-being of all people and communities of Western North Carolina. Impact Health's directors will approve and monitor the implementation of policies and agreements, including written contracts, to determine appropriate partner organizations to further Impact Health's charitable mission and ensure resources are used to further Impact Health's charitable purpose. Impact Health has not yet selected partner and grantee organizations, but it will do so based on Impact Health's charitable purpose of dramatically improving the health and well-being of all people and communities of Western North Carolina. For example, Impact Health may grant funds for HSOs to purchase computers to allow for more effective client service and data collection on effective interventions. Impact Health may provide limited funding to individuals in relation to specific programs, such as census peer outreach.

Impact Health will keep standard records as to the amounts and purposes of grants, loans, and distributions made. Impact Health will use the expenditure responsibility requirements applicable to private foundations as a guide for ensuring that all funds distributed are used by recipients in furtherance of its exempt purposes. Impact Health may require an application form, which is yet to be developed and, when appropriate, will also be approved by NCDHHS. Impact Health will execute agreements with those organizations who receive funding obligating the grantee to use the grant funds only for the charitable purposes for which the grant was made, providing for periodic written reports concerning the use of grant funds, requiring a final written report and an accounting of how grant funds were used, and acknowledging Impact Health's authority to withhold and/or recover grant funds in case such funds are, or appear to be, misused.

- 9b** Do you or will you make grants, loans, or other distributions to foreign organizations? If "Yes," name each foreign organization (if not already provided), the country and region within each country in which each foreign organization operates, any relationship you have with each foreign organization, and whether the foreign organization accepts contributions earmarked for a specific country or organization (if so, specify which countries or organizations). If "No," continue to Line 10.  Yes  No

- 9c** Do your contributors know that you have ultimate authority to use contributions made to you at your discretion for purposes consistent with your exempt purposes? If "Yes," describe how you relay this information to contributors.  Yes  No

Impact Health plans to spend less than 10% of its time and capacity raising funds and has not yet initiated any fundraising efforts. Impact Health does not anticipate soliciting contributions where the donor has the right to advise on the use or distribution of the funds or administering donor-advised funds. If Impact Health does solicit contributions, Impact Health will clearly discuss with its contributors as to our operations and programs and how Impact Health directs its funds in accordance with its charitable mission. Impact Health will also make such information available on its website and any published materials distributed to donors or the general public. To the extent Impact Health receives grants, including but not limited to the Healthy Opportunities Pilot, Impact Health will retain such funds in separate accounts and ensure that agreements relating to the grant do not contain terms or conditions that remove or mitigate Impact Health's ultimate authority over the grant funds.

- 9d** Do you or will you make pre-grant inquiries about the recipient organization? If "Yes," describe these inquiries, including whether you inquire about the recipient's financial status, its tax-exempt status under the Internal Revenue Code, its ability to accomplish the purpose for which the resources are provided, and other relevant information.  Yes  No

Impact Health does not currently have an approval process in place for partner and grantee organizations but plans to develop these processes in the future. As part of its due diligence in selecting community partners, Impact Health anticipates taking into account each potential partner's tax-exempt status, financial standing and viability, strategic mission, and sustainability to ensure that the partner is able to accomplish the charitable purpose of the grant. Impact Health will request documentation regarding each partner's tax-exempt status and financial standing, such as financial statements, tax returns, or annual reports. Impact Health will also request a budget for each proposal and weigh the anticipated budget against the overall budget of the recipient organization. Impact Health may also request the organization's governing documents and historical information about the recipient to analyze its reputation and sustainability. Impact Health may also perform site visits, interview executive leadership, or engage in other independent research.

- 9e** Do you or will you use any additional procedures to ensure that your distributions to foreign organizations are used in furtherance of your exempt purposes? If "Yes," describe these procedures, including periodic reporting requirements, auditing grantees, site visits by your employees or compliance checks by impartial experts, etc., to verify that grant funds are being used appropriately.  Yes  No

Impact Health will not make distributions to foreign organizations.

**Part IV** Your Activities (continued)

**9f** Do you share board members or other key personnel with the recipient organization(s)? If "Yes," identify the relationships.  Yes  No

**9g** When you make grants, loans, or other distributions to foreign organizations, will you check the OFAC List of Specially Designated Nationals and Blocked Persons for names of individuals and entities with whom you are dealing to determine if they are included on the list? Describe any other practices you will engage in to ensure that foreign expenditures or grants are not diverted to support terrorism or other non-charitable activities.  Yes  No

Impact Health will not make grants, loans, or distributions to foreign organizations.

**9h** Will you comply with all United States statutes, executive orders, and regulations that restrict or prohibit U.S. persons from engaging in transactions and dealings with designated countries, entities, or individuals, or otherwise engaging in activities in violation of economic sanctions administered by OFAC?  Yes  No

**9i** Will you acquire from OFAC the appropriate license and registration where necessary?  Yes  No

**10** Do you or will you operate in a foreign country or countries? If "Yes," name each foreign country and region within each country in which you do or will operate and describe your operations in each one. If "No," continue to Line 11.  Yes  No

**10a** When you conduct activities in foreign countries, will you check the OFAC List of Specially Designated Nationals and Blocked Persons for names of individuals and entities with whom you are dealing to determine if they are included on the list? Describe any other practices you will engage in to ensure that foreign expenditures or grants are not diverted to support terrorism or other non-charitable activities.  Yes  No

**10b** Will you comply with all United States statutes, executive orders, and regulations that restrict or prohibit U.S. persons from engaging in transactions and dealings with designated countries, entities, or individuals, or otherwise engaging in activities in violation of economic sanctions administered by OFAC?  Yes  No

**10c** Will you acquire from OFAC the appropriate license and registration where necessary?  Yes  No

**Part IV** Your Activities (continued)

**11** Are you a sponsoring organization that maintains one or more donor advised funds? If yes, please provide a complete description of your program, including the specific advice that such donors may provide. Describe in detail the control you maintain (or will maintain) over the use of the funds.  Yes  No

**12** Do you or will you operate a school?  Yes  No  
If "Yes," complete Schedule B.

**13** Is your principal purpose or function to provide hospital or medical care?  Yes  No  
If "Yes," complete Schedule C.

**14** Do you or will you provide low-income housing?  Yes  No  
If "Yes," complete Schedule F.

**15** Do you or will you provide scholarships, fellowships, educational loans, or other educational grants to individuals, including grants for travel, study, or other similar purposes?  Yes  No  
If "Yes," complete Schedule H - Section I.

**16** Check any of the following fundraising activities that you will undertake (check all that apply):

- Website, mail, email, personal, and/or phone solicitations
- Receive donations from another organization's website
- Bingo
- Other (describe)
- Foundation grant solicitations
- Government grant solicitations
- Other (non-bingo) gaming activities

We will not engage in fundraising activities.

**17** Do you or will you engage in fundraising activities for other organizations? If "Yes," describe these arrangements, including the names or descriptions of the organizations for which you raise funds.  Yes  No

**Part V Compensation and Other Financial Arrangements**

**1** Do you or will you compensate officers, directors, or trustees, or do or will you have highest compensated employees, or highest compensated independent contractors? If "No," continue to Line 2.  Yes  No

In establishing compensation for your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors:

**1a** Do or will the individuals that approve compensation arrangements follow a conflict of interest policy?  Yes  No

**1b** Do or will you approve compensation arrangements in advance of paying compensation?  Yes  No

**1c** Do or will you document in writing the date and terms of approved compensation arrangements?  Yes  No

**1d** Do or will you record in writing the decision made by each individual who decided or voted on compensation arrangements?  Yes  No

**1e** Do or will you approve compensation arrangements based on information about compensation paid by similarly situated taxable or tax-exempt organizations for similar services, current compensation surveys compiled by independent firms, or actual written offers from similarly situated organizations?  Yes  No

**1f** Do or will you record in writing both the information on which you relied to base your decision and its source?  Yes  No

**1g** Do or will you have any other practices you use to set reasonable compensation? If "Yes," describe these practices.  Yes  No

**2** Have you adopted a conflict of interest policy consistent with the sample conflict of interest policy in Appendix A to the instructions? If you are a hospital, answer "Yes" if your conflict of interest policy includes provisions consistent with the additional healthcare related provisions in the sample document. If "No," describe the procedures you will follow to ensure that persons who have a conflict of interest will not have influence over setting their own compensation or regarding business deals with themselves.  Yes  No

Commented [CC2]: Must adopt before submission

**3** Do you or will you compensate any of your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors through non-fixed payments, such as discretionary bonuses or revenue-based payments? If "Yes," describe all non-fixed compensation arrangements, including how the amounts are determined, who is eligible for such arrangements, whether you place a limitation on total compensation, and how you determine or will determine that you pay no more than reasonable compensation for services.  Yes  No

**Part V Compensation and Other Financial Arrangements** (continued)

4 Do you or will you purchase or sell any goods, services, or assets from or to: (i) any of your officers, directors, or trustees; (ii) any family of any of your officers, directors, or trustees; (iii) any organizations in which any of your officers, directors, or trustees are also officers, directors, or trustees, or in which any individual officer, director, or trustee owns more than a 35% interest; (iv) your highest compensated employees; or (v) your highest compensated independent contractors? If "Yes," describe any such transactions that you made or intend to make, with whom you make or will make such transactions, how the terms are or will be negotiated at arm's length, and how you determine you pay no more than fair market value or you are paid at least fair market value.  Yes  No

5 Do you or will you have any leases, contracts, loans, or other agreements with: (i) your officers, directors, or trustees; (ii) any family of any of your officers, directors, or trustees; (iii) any organizations in which any of your officers, directors, or trustees are also officers, directors, or trustees, or in which any individual officer, director, or trustee owns more than a 35% interest; (iv) your highest compensated employees; or (v) your highest compensated independent contractors? If "Yes," describe any written or oral arrangements that you made or intend to make, with whom you have or will have such arrangements, how the terms are or will be negotiated at arm's length, and how you determine you pay no more than fair market value or you are paid at least fair market value.  Yes  No

6 Do you or will you contract with another organization to develop, build, market, or finance your facilities? If "Yes," describe each facility, the role of the other organization, and any business or family relationship between the organization and your officers, directors, or trustees. Explain how that entity is selected, how the terms of any contract(s) are negotiated at arm's length, and how you determine you will pay no more than fair market value for services.  Yes  No

**Commented [AM3]:** Colleen: Let's discuss whether you anticipate Impact Health having a Services Agreement or other contractual arrangements with Dogwood that need to be disclosed here.

**Part V Compensation and Other Financial Arrangements** (continued)

- 7 Does or will someone other than your own employees or volunteers manage your activities or facilities? If "Yes," describe the activities or facilities that will be managed by others, the names of the persons or organizations that manage or will manage your activities or facilities, and any business or family relationship between the organization and your officers, directors, or trustees. Explain how these managers were or will be selected, how the terms of any contracts or other agreements were or will be negotiated, and how you determine you will pay no more than fair market value for services.  Yes  No

- 8 Do you participate in any joint ventures, including partnerships or limited liability companies treated as partnerships, in which you share profits and losses with partners? If "Yes," state your ownership percentage in each joint venture, list your investment in each joint venture, describe the tax status of other participants in each joint venture (including whether they are section 501(c)(3) organizations), describe the activities of each joint venture, describe how you exercise control over the activities of each joint venture, and describe how each joint venture furthers your exempt purposes.  Yes  No

**Part VI Financial Data**

- 1 Select the option that best describes you to determine the years of revenues and expenses you need to provide.

- You completed less than one tax year.

Provide a total of three years of financial information (including the current year and two future years of reasonable and good faith projections of your future finances) in the following Statement of Revenues and Expenses.

- You completed at least one tax year but fewer than five.

Provide a total of four years financial information (including the current year and three years of actual financial information or reasonable and good faith projections of your future finances) in the following Statement of Revenues and Expenses.

- You completed five or more tax years.

Provide financial information for your five most recent tax years (including the current year) in the following Statement of Revenues and Expenses.

**Part VI** Financial Data (continued)

**A. Statement of Revenues and Expenses**

Type of revenue	Current tax year	4 prior tax years or 2 succeeding tax years			
	From: 1/1/20 To: 12/31/20	From: 1/1/21 To: 12/31/21	From: 1/1/22 To: 12/31/22	From: _____ To: _____	From: _____ To: _____
<b>1</b> Gifts, grants, and contributions received (do not include unusual grants)	300,000	0	0		
<b>2</b> Membership fees received	0	0	0		
<b>3</b> Gross investment income	0	0	0		
<b>4</b> Net unrelated business income	0	0	0		
<b>5</b> Taxes levied for your benefit	0	0	0		
<b>6</b> Value of services or facilities furnished by a governmental unit without charge (not including the value of services generally furnished to the public without charge)		0	0		
<b>7</b> Any revenue not otherwise listed above or in lines 9 - 12 below (provide an itemized list below)		0	0		
<b>8</b> Total of lines 1 through 7	300,000	0	0		
<b>9</b> Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to your exempt purposes (provide an itemized list below)	0	10,000,000	10,000,000		
<b>10</b> Total of lines 8 and 9	10,000,000	10,000,000	10,000,000		
<b>11</b> Net gain or loss on sale of capital assets (provide an itemized list below)	0	0	0		
<b>12</b> Unusual grants (provide an itemized list below)	0	0	0		
<b>13</b> Total Revenue (add lines 10 through 12)	300,000	10,000,000	10,000,000		
Type of expense	Current tax year	4 prior tax years or 2 succeeding tax years			
<b>14</b> Fundraising expenses	0	0	0		
<b>15</b> Contributions, gifts, grants, and similar amounts paid out (provide an itemized list below)	150,000	7,000,000	7,000,000		
<b>16</b> Disbursements to or for the benefit of members (provide an itemized list below)	0	0	0		
<b>17</b> Compensation of officers, directors, and trustees	0	220,000	220,000		
<b>18</b> Other salaries and wages	0	1,400,000	1,400,000		
<b>19</b> Interest expense	0	0	0		
<b>20</b> Occupancy (rent, utilities, etc.)	0	250,000	250,000		
<b>21</b> Depreciation and depletion	0	0	0		
<b>22</b> Professional fees	0	0	0		
<b>23</b> Any expense not otherwise classified, such as program services (provide an itemized list below)	150,000	1,030,000	1,030,000		
<b>24</b> Total Expenses (add lines 14 through 23)	300,000	10,000,000	10,000,000		

Commented [AM4]: To be revised.

**25** Itemized financial data

Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to your exempt purposes:

- NCDHHS Healthy Opportunities Pilot – Lead Pilot Entity funding (\$22,400,000)

Contributions, gifts, grants, and similar amounts paid out (attach an itemized list)

- Capacity Building funding for HSOs (\$14,500,000)
- Grants consistent with COVID-19, benefits, or other regional health strategies (\$150,000)

Any expense not otherwise classified, such as program services (attach itemized list)

- Contracts to provide services via regional platforms, e.g. benefits enrollment (\$150,000)
- Capacity building or other support services for HSOs, e.g. billing support services (\$2,490,000)

<b>Part VI Financial Data</b> (continued)	
<b>B. Balance Sheet (for your most recently completed tax year)</b>	
Year End: 12/31/20	
<b>Assets</b>	
<b>1</b> Cash	<b>0.0</b>
<b>2</b> Accounts receivable, net	<b>0.0</b>
<b>3</b> Inventories	<b>0.0</b>
<b>4</b> Bonds and notes receivable (provide an itemized list below)	<b>0.0</b>
<b>5</b> Corporate stocks (provide an itemized list below)	<b>0.0</b>
<b>6</b> Loans receivable (provide an itemized list below)	<b>0.0</b>
<b>7</b> Other investments (provide an itemized list below)	<b>0.0</b>
<b>8</b> Depreciable assets (provide an itemized list below)	<b>0.0</b>
<b>9</b> Land	<b>0.0</b>
<b>10</b> Other assets (provide an itemized list below)	<b>0.0</b>
<b>11</b> Total Assets (add lines 1 through 10)	<b>0.0</b>
<b>Liabilities</b>	
<b>12</b> Accounts payable	<b>0.0</b>
<b>13</b> Contributions, gifts, grants, etc. payable	<b>0.0</b>
<b>14</b> Mortgages and notes payable (provide an itemized list below)	<b>0.0</b>
<b>15</b> Other liabilities (provide an itemized list below)	<b>0.0</b>
<b>16</b> Total Liabilities (add lines 12 through 15)	<b>0.0</b>
<b>Fund Balances or Net Assets</b>	
<b>17</b> Total fund balances or net assets	<b>0.0</b>
<b>18</b> Total Liabilities and Fund Balances or Net Assets (add lines 16 and 17)	<b>0.0</b>

**19** Itemized financial data

**Part VII Foundation Classification**

Part VII is designed to classify you as an organization that is either a private foundation or a public charity. Public charity classification is a more favorable tax status than private foundation classification. If you are a private foundation, this part will further determine whether you are a private operating foundation.

**1** Select the foundation classification you are requesting from the list below.

- You are described in 509(a)(1) and 170(b)(1)(A)(vi) as an organization that receives a substantial part of its financial support in the form of contributions from publicly supported organizations, from a governmental unit, or from the general public.
- You are described in 509(a)(2) as an organization that normally receives not more than one-third of its financial support from gross investment income and receives more than one-third of its financial support from contributions, membership fees, and gross receipts from activities related to its exempt functions (subject to certain exceptions).
- You are described in 509(a)(1) and 170(b)(1)(A)(i) as a church or a convention or association of churches. Complete Schedule A.
- You are described in 509(a)(1) and 170(b)(1)(A)(ii) as a school. Complete Schedule B.
- You are described in 509(a)(1) and 170(b)(1)(A)(iii) as a hospital, a cooperative hospital service organization, or a medical research organization operated in conjunction with a hospital. Complete Schedule C.
- You are described in 509(a)(1) and 170(b)(1)(A)(iv) as an organization operated for the benefit of a college or university that is owned or operated by a governmental unit.
- You are described in 509(a)(1) and 170(b)(1)(A)(ix) as an agricultural research organization directly engaged in the continuous active conduct of agricultural research in conjunction with a college or university.
- You are described in 509(a)(3) as an organization supporting either one or more organizations described in 509(a)(1) or 509(a)(2) or a publicly supported section 501(c)(4), (5), or (6) organization. Complete Schedule D.
- You are described in 509(a)(4) as an organization organized and operated exclusively for testing for public safety.
- You are a publicly supported organization and would like the IRS to decide your correct classification.
- You are a private foundation.

**1a** As a private foundation, section 508(e) requires special provisions in your organizing document in addition to those that apply to all organizations described in section 501(c)(3). Check this box to confirm that your organizing document includes these provisions or you rely on state law.

State specifically where your organizing document meets this requirement, such as a reference to a particular article or section in your organizing document (Page/Article/Paragraph) or state that you rely on state law.

**1b** Do you or will you provide scholarships, fellowships, educational loans, or other educational grants to individuals, including grants for travel, study, or other similar purposes?  Yes  No  
If "Yes," complete Schedule H - Section II.

**1c** Are you a private operating foundation?  Yes  No

To be a private operating foundation you must engage directly in the active conduct of charitable, religious, educational, and similar activities, as opposed to indirectly carrying out these activities by providing grants to individuals or other organizations.

**Part VII** Foundation Classification (continued)

- 1d** Describe how you meet the requirements for private operating foundation status, including how you meet the income test and either the assets test, the endowment test, or the support test. If you've been in existence for less than one year, describe how you are likely to satisfy the requirements for private operating foundation status.

- 2** If you have been in existence more than 5 years, you must confirm your public support status. To confirm your qualification as a public charity described in 509(a)(1) and 170(b)(1)(A)(vi) in existence for five or more tax years, you must have received one-third or more of your total support from governmental agencies, contributions from the general public, and contributions or grants from other public charities; or 10% or more of your total support from governmental agencies, contributions from the general public, and contributions or grants from other public charities and the facts and circumstances indicate you are a publicly supported organization. Calculate whether you meet this support test for your most recent five-year period.

- i.** Did you receive contributions from any person, company, or organization whose gifts totaled more than the 2% amount of line 8 in Part VI-A?  Yes  No

If "Yes," identify each person, company, or organization by letter (A, B, C, etc.) and indicate the amount contributed by each. Keep a list showing the name of and amount contributed by each of these donors for your records.

- ii.** Based on your calculations, did you receive at least one-third of your support from public sources or did you normally receive at least 10 percent of your support from public sources and you have other characteristics of a publicly supported organization?  Yes  No

- 2a** If you have been in existence more than 5 years, you must confirm your public support status. To confirm your qualification as a public charity described in 509(a)(2) in existence for five or more tax years, you must have normally received more than one-third of your support from contributions, membership fees, and gross receipts from activities related to your exempt functions, or a combination of these sources, and not more than one-third of your support from gross investment income and net unrelated business income. Calculate whether you meet this support test for your most recent five-year period.

- i.** Did you receive amounts from any disqualified persons?  Yes  No

If "Yes," identify each disqualified person by letter (A, B, C, etc.) and indicate the amount contributed by each. Keep a list showing the name of and amount contributed by each of these donors for your records.

- ii.** Did you receive amounts from individuals or organizations other than disqualified persons that exceeded the greater of \$5,000 or 1% of the amount on line 10 of Part VI-A Statement of Revenues and Expenses?  Yes  No

If "Yes," identify each individual or organization by letter (A, B, C, etc.) and indicate the amount contributed by each. Keep a list showing the name of and amount contributed by each of these donors for your records.

- iii.** Based on your calculations, did you normally receive more than one-third of your support from a combination of gifts, grants, contributions, membership fees, and gross receipts (from permitted sources) from activities related to your exempt functions and normally receive not more than one-third of your support from investment income and unrelated business taxable income?  Yes  No

**Part VIII Effective Date**

In general, a determination letter recognizing exemption of an organization described in section 501(c)(3) is effective as of the date of formation of an organization if: (1) its purposes and activities prior to the date of the determination letter have been consistent with the requirements for exemption; and (2) it has filed an application for recognition of exemption within 27 months from the end of the month in which it was organized.

- 1 Are you submitting this application within 27 months of the end of the month in which you were legally formed?  Yes  No  
If "No," complete Schedule E.

**Part IX Annual Filing Requirements**

*If you fail to file a required information return or notice for three consecutive years, your exempt status will be automatically revoked.*

- 1 Certain organizations are not required to file annual information returns or notices (Form 990, Form 990-EZ, or Form 990-N, e-Postcard). If you are granted tax-exemption, are you claiming to be excused from filing Form 990, Form 990-EZ, or Form 990-N?  Yes  No

If "Yes," are you claiming you are excused from filing because you are:

- A church or association of churches
- An integrated auxiliary (such as a men's or women's organization, religious school, mission society, or religious group)
- A church-affiliated organization (other than a section 509(a)(3) organization) that is exclusively engaged in managing funds or maintaining retirement programs and is described in Revenue Procedure 96-10, 1996-1 C.B. 577
- A school below college level affiliated with a church or operated by a religious order
- A mission society (other than a section 509(a)(3) supporting organization) sponsored by, or affiliated with, one or more churches or church denominations, if more than half of the society's activities are conducted in, or directed at, persons in foreign countries
- An affiliate of a governmental unit that meets the requirements of Revenue Procedure 95-48, 1995-2 C.B. 418 (other than a section 509(a)(3) supporting organization)
- Other (describe)

**Part X Signature**

- I declare under the penalties of perjury that I am authorized to sign this application on behalf of the above organization and that I have examined this application, and to the best of my knowledge it is true, correct, and complete.

\_\_\_\_\_  
(Type name of signer)

\_\_\_\_\_  
(Type title or authority of signer)

\_\_\_\_\_  
(Date)

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**Upload checklist:**

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- Organizing document (and any amendments)
- Bylaws, if adopted
- Form 2848, Power of Attorney and Declaration of Representative (if applicable)
- Form 8821, Tax Information Authorization (if applicable)
- Supplemental responses (if applicable)
- Expedited handling request (if applicable)