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Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0047

2005

Open to Public Inspection

A For the 2005 calendar year, or tax year beginning 10/01 , 2005, and ending 09/30/2006

B Check if applicable:
- [ ] Address change
- [ ] Name change
- [ ] Initial return
- [ ] Final return
- [X] Amended return
- [ ] Application pending

Please use IRS label or print or type See Specific Instructions

C Name of organization MOSES H. CONE MEMORIAL HOSPITAL OPERATING CORPORATION

Number and street (or P O box if mail is not delivered to street address) Room/suite: 1200 NORTH ELM STREET

City or town, state or country, and ZIP + 4: GREENSBORO, NC 27401

D Employer identification number: 58-1588823

E Telephone number: (336)832-7000

F Accounting method: [ ] Cash [X] Accrual [ ] Other (specify) ▶

- **Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).**

G Website ▶ WWW.MOSESCONE.COM

J Organization type (check only one) ▶ [X] 501(c)(3) ◀ (insert no) [ ] 4947(a)(1) or [ ] 527

K Check here ▶ [ ] if the organization's gross receipts are normally not more than $25,000 The organization need not file a return with the IRS, but if the organization chooses to file a return, be sure to file a complete return Some states require a complete return.

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 ▶ 770,360,760.

H and **I** are not applicable to section 527 organizations

H(a) Is this a group return for affiliates? [ ] Yes [X] No

H(b) If "Yes," enter number of affiliates ▶

H(c) Are all affiliates included? [ ] Yes [ ] No (If "No," attach a list See instructions)

H(d) Is this a separate return filed by an organization covered by a group ruling? [ ] Yes [X] No

I Group Exemption Number

M Check [ ] if the organization is not required to attach Sch B (Form 990, 990-EZ, or 990-PF)

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Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions)

Revenue	1	Contributions, gifts, grants, and similar amounts received			
	a	Direct public support	1a	1,811,634.	
	b	Indirect public support	1b	849,741.	
	c	Government contributions (grants)	1c	318,680.	
	d	Total (add lines 1a through 1c) (cash $ 2,980,057. noncash $)			1d 2,980,057.
	2	Program service revenue including government fees and contracts (from Part VII, line 93)			2 732,465,380.
	3	Membership dues and assessments			3
	4	Interest on savings and temporary cash investments			4
	5	Dividends and interest from securities			5 1,334,374.
	6 a	Gross rents	6a	4,179,283.	
	b	Less rental expenses	6b	602,195.	
	c	Net rental income or (loss) (subtract line 6b from line 6a)			6c 3,577,088.
	7	Other investment income (describe ▶ STMT 4)			7 5,035,301.
	8 a	Gross amount from sales of assets other than inventory — (A) Securities	8a	(B) Other	
	b	Less cost or other basis and sales expenses	8b		
	c	Gain or (loss) (attach schedule)	8c		
	d	Net gain or (loss) (combine line 8c, columns (A) and (B))			8d 24,366,365.
	9	Special events and activities (attach schedule) If any amount is from gaming, check here ▶ [ ]			
	a	Gross revenue (not including $ _____ of contributions reported on line 1a)	9a		
	b	Less direct expenses other than fundraising expenses	9b		
	c	Net income or (loss) from special events (subtract line 9b from line 9a)			9c
	10 a	Gross sales of inventory, less returns and allowances	10a		
	b	Less cost of goods sold	10b		
	c	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)			10c
	11	Other revenue (from Part VII, line 103)			11
	12	**Total revenue** (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)			12 769,758,565.
Expenses	13	Program services (from line 44, column (B))			13 638,199,714.
	14	Management and general (from line 44, column (C))			14 70,904,833.
	15	Fundraising (from line 44, column (D))			15
	16	Payments to affiliates (attach schedule)			16
	17	**Total expenses** (add lines 16 and 44, column (A))			17 709,104,547.
Net Assets	18	Excess or (deficit) for the year (subtract line 17 from line 12)			18 60,654,018.
	19	Net assets or fund balances at beginning of year (from line 73, column (A))			19 148,707,488.
	20	Other changes in net assets or fund balances (attach explanation) STMT 5 STMT 6			20 8,856,329.
	21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)			21 218,217,835.

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions Form **990** (2005)

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Part II Statement of Functional Expenses All organizations must complete column (A) Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others *(See the instructions)*

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 Grants and allocations (attach schedule) (cash $ _____ noncash $ _____) If this amount includes foreign grants, check here ▶ ☐	22				
23 Specific assistance to individuals (attach schedule)	23				
24 Benefits paid to or for members (attach schedule)	24				
25 Compensation of officers, directors, etc.	25	3,780,887.	3,402,798.	378,089.	
26 Other salaries and wages	26	250,156,845.	225,141,160.	25,015,685.	
27 Pension plan contributions	27	14,565,457.	13,108,912.	1,456,545.	
28 Other employee benefits	28	63,040,841.	56,736,757.	6,304,084.	
29 Payroll taxes	29	19,506,191.	17,555,572.	1,950,619.	
30 Professional fundraising fees	30				
31 Accounting fees	31	98,053.	88,248.	9,805.	
32 Legal fees	32	401,400.	361,260.	40,140.	
33 Supplies	33	154,855,553.	139,369,998.	15,485,555.	
34 Telephone	34	834,482.	751,034.	83,448.	
35 Postage and shipping	35	666,048.	599,443.	66,605.	
36 Occupancy	36	17,267,688.	15,540,919.	1,726,769.	
37 Equipment rental and maintenance	37	6,598,246.	5,938,421.	659,825.	
38 Printing and publications	38	422,717.	380,445.	42,272.	
39 Travel	39	1,625,417.	1,462,875.	162,542.	
40 Conferences, conventions, and meetings	40				
41 Interest	41	10,746.	9,671.	1,075.	
42 Depreciation, depletion, etc (attach schedule)	42	20,399,453.	18,359,508.	2,039,945.	
43 Other expenses not covered above (itemize)					
a PURCHASED_PERSONNEL	43a	1,608,083.	1,447,275.	160,808.	
b INSURANCE	43b	7,731,138.	6,958,024.	773,114.	
c BAD_DEBT_EXPENSE	43c	27,164,946.	24,448,451.	2,716,495.	
d PURCHASED_SERVICES	43d	62,830,487.	56,547,438.	6,283,049.	
e OTHER_OPERATING_EXPENSE	43e	4,500,254.	4,042,818.	457,436.	
f CHARITY_CARE_EXPENSE	43f	50,909,276.	45,818,348.	5,090,928.	
g CHARITABLE_EXPENSES	43g	130,339.	130,339.		
44 **Total functional expenses.** Add lines 22 through 43 (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	44	709,104,547.	638,199,714.	70,904,833.	

Joint Costs. Check ▶ ☐ if you are following SOP 98-2

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? ▶ ☐ Yes ☒ No

If "Yes," enter (i) the aggregate amount of these joint costs $ _____, (ii) the amount allocated to Program services $ _____, (iii) the amount allocated to Management and general $ _____, and (iv) the amount allocated to Fundraising $ _____

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Part III Statement of Program Service Accomplishments *(See the instructions)*

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

What is the organization's primary exempt purpose? ▶PROVIDE QUALITY HEALTHCARE SERVICES

All organizations must describe their exempt purpose achievements in a clear and concise manner State the number of clients served, publications issued, etc Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others)

Program Service Expenses (Required for 501(c)(3) and (4) orgs , and 4947(a)(1) trusts, but optional for others)

a PROVISION OF QUALITY HEALTH CARE SERVICES INCLUDING CHARITY CARE AND CARE TO PERSONS COVERED BY GOVERNMENTAL PROGRAMS AT BELOW COST AND TO OTHER RESIDENTS OF THE COMMUNITY. SERVICES INCLUDE INPATIENT ROUTINE, INPATIENT ANCILLARY, OUTPATIENT CARE, INTENSIVE CARE, EMERGENCY SERVICES, AND REHABILITATION.

(Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐

b IN MEETING ITS OBJECTIVE TO PROVIDE QUALITY HEALTHCARE SERVICES DURING THE FISCAL YEAR 9/30/2005, MOSES H. CONE MEMORIAL HOSPITAL OPERATING CORPORATION HAD A TOTAL OF 46,285 PATIENT DISCHARGES, 256,885 DAYS OF CARE, 190,060 TOTAL OUTPATIENT VISITS, AND AN AVERAGE DAILY CENSUS 703.8.

(Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐ 638,199,714.

c

(Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐

d

(Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐

e Other program services (attach schedule)
(Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐

f Total of Program Service Expenses (should equal line 44, column (B), Program services) . . . . . ▶ 638,199,714.

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Part IV Balance Sheets *(See the instructions.)*

	Note: *Where required, attached schedules and amounts within the description column should be for end-of-year amounts only*			(A) Beginning of year		(B) End of year
Assets	45 Cash - non-interest-bearing			3,938,426.	45	6,914,834.
	46 Savings and temporary cash investments			3,594,893.	46	6,031,182.
	47a Accounts receivable	47a	241,708,985.			
	b Less: allowance for doubtful accounts	47b	98,766,587.	128,496,247.	47c	142,942,398.
	48a Pledges receivable	48a				
	b Less: allowance for doubtful accounts	48b			48c	
	49 Grants receivable				49	
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)				50	
	51a Other notes and loans receivable (attach schedule) STMT 6A	51a	713,061.			
	b Less allowance for doubtful accounts	51b		14,520,090.	51c	713,061.
	52 Inventories for sale or use			11,132,206.	52	10,217,970.
	53 Prepaid expenses and deferred charges			3,825,740.	53	4,652,676.
	54 Investments - securities (attach schedule) ▶ ☐ Cost ☐ FMV				54	
	55a Investments - land, buildings, and equipment basis	55a				
	b Less: accumulated depreciation (attach schedule)	55b			55c	
	56 Investments - other (attach schedule) STMT 6B STMT. 7			13,859,594.	56	18,565,884.
	57a Land, buildings, and equipment basis	57a	170,926,293.			
	b Less accumulated depreciation (attach schedule)	57b	89,617,167.	71,305,838.	57c	81,309,126.
	58 Other assets (describe ▶ STMT 8)			4,662,421.	58	41,650,353.
	59 **Total assets** (must equal line 74) Add lines 45 through 58.			255,335,455.	59	312,997,484.
Liabilities	60 Accounts payable and accrued expenses			58,140,884.	60	64,793,765.
	61 Grants payable				61	
	62 Deferred revenue				62	
	63 Loans from officers, directors, trustees, and key employees (attach schedule)				63	
	64a Tax-exempt bond liabilities (attach schedule)				64a	
	b Mortgages and other notes payable (attach schedule)				64b	
	65 Other liabilities (describe ▶ STMT 9)			48,487,083.	65	29,985,884.
	66 **Total liabilities.** Add lines 60 through 65			106,627,967.	66	94,779,649.
Net Assets or Fund Balances	**Organizations that follow SFAS 117, check here** ▶ X and complete lines 67 through 69 and lines 73 and 74					
	67 Unrestricted			144,939,804.	67	215,633,215.
	68 Temporarily restricted			3,767,684.	68	2,584,620.
	69 Permanently restricted				69	
	Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 70 through 74					
	70 Capital stock, trust principal, or current funds				70	
	71 Paid-in or capital surplus, or land, building, and equipment fund				71	
	72 Retained earnings, endowment, accumulated income, or other funds				72	
	73 **Total net assets or fund balances** (add lines 67 through 69 **or** lines 70 through 72, column (A) **must** equal line 19; column (B) **must** equal line 21)			148,707,488.	73	218,217,835.
	74 **Total liabilities and net assets/fund balances.** Add lines 66 and 73			255,335,455.	74	312,997,484.

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Part IV-A Reconciliation of Revenue per Audited Financial Statements With Revenue per Return *(See the instructions.)*

a	Total revenue, gains, and other support per audited financial statements			a	710,368,432.
b	Amounts included on line a but not on Part I, line 12:				
1	Net unrealized gains on investments	b1			
2	Donated services and use of facilities	b2			
3	Recoveries of prior year grants	b3			
4	Other (specify) SEE STATEMENT 10	b4	-34,366,526.		
	Add lines b1 through b4			b	-34,366,526.
c	Subtract line b from line a			c	744,734,958.
d	Amounts included on Part I, line 12, but not on line a:				
1	Investment expenses not included on Part I, line 6b	d1			
2	Other (specify) SEE STATEMENT 11	d2	25,023,607.		
	Add lines d1 and d2			d	25,023,607.
e	**Total revenue** (Part I, line 12) Add lines c and d ▶			e	769,758,565.

Part IV-B Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

a	Total expenses and losses per audited financial statements			a	674,786,266.
b	Amounts included on line a but not on Part I, line 17:				
1	Donated services and use of facilities	b1			
2	Prior year adjustments reported on Part I, line 20	b2			
3	Losses reported on Part I, line 20	b3			
4	Other (specify) SEE STATEMENT 12	b4	16,737,145.		
	Add lines b1 through b4			b	16,737,145.
c	Subtract line b from line a			c	658,049,121.
d	Amounts included on Part I, line 17, but not on line a:				
1	Investment expenses not included on Part I, line 6b	d1			
2	Other (specify) SEE STATEMENT 13	d2	51,055,426.		
	Add lines d1 and d2			d	51,055,426.
e	**Total expenses** (Part I, line 17) Add lines c and d ▶			e	709,104,547.

Part V Current Officers, Directors, Trustees, and Key Employees (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated.) *(See the instructions.)*

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
SEE STATEMENT 14		3,780,886.	414,731.	NONE

Part V-A Current Officers, Directors, Trustees, and Key Employees *(continued)*

		Yes	No
75a	Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings ▶ 19		
b	Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships? If "Yes," attach a statement that identifies the individuals and explains the relationship(s) 75b		X
c	Do any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to this organization through common supervision or common control? **Note.** Related organizations include section 509(a)(3) supporting organizations. 75c		X
	If "Yes," attach a statement that identifies the individuals, explains the relationship between this organization and the other organization(s), and describes the compensation arrangements, including amounts paid to each individual by each related organization.		
d	Does the organization have a written conflict of interest policy? 75d	X	

Part V-B Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other Benefits
(If any former officer, director, trustee, or key employee received compensation or other benefits (described below) during the year, list that person below and enter the amount of compensation or other benefits in the appropriate column. See the instructions)

(A) Name and address	(B) Loans and Advances	(C) Compensation	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
SEE STATEMENT 19	-0-	NONE	297,780.	NONE

Part VI Other Information *(See the instructions.)*

		Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity 76		X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? 77		X
	If "Yes," attach a conformed copy of the changes		
78a	Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return? 78a	X	
b	If "Yes," has it filed a tax return on **Form 990-T** for this year? 78b	X	
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement 79		X
80a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc , to any other exempt or nonexempt organization? 80a	X	
b	If "Yes," enter the name of the organization ▶ STMT 20 and check whether it is [X] exempt or [X] nonexempt		
81a	Enter direct and indirect political expenditures. (See line 81 instructions) 81a NONE		
b	Did the organization file **Form 1120-POL** for this year? 81b		X

Part VI Other Information *(continued)*

				Yes	No
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?		82a		X
b	If "Yes," you may indicate the value of these items here Do not include this amount as revenue in Part I or as an expense in Part II (See instructions in Part III)	82b N/A			
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?		83a	X	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?		83b	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?		84a		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		84b	N/A	
85	*501(c)(4), (5), or (6) organizations* a Were substantially all dues nondeductible by members?		85a	N/A	
b	Did the organization make only in-house lobbying expenditures of $2,000 or less?		85b	N/A	
	If "Yes" was answered to either 85a or 85b, **do not** complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year				
c	Dues, assessments, and similar amounts from members	85c N/A			
d	Section 162(e) lobbying and political expenditures	85d N/A			
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e N/A			
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f N/A			
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?		85g	N/A	
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?		85h	N/A	
86	*501(c)(7) orgs* Enter a Initiation fees and capital contributions included on line 12	86a N/A			
b	Gross receipts, included on line 12, for public use of club facilities	86b N/A			
87	*501(c)(12) orgs* Enter a Gross income from members or shareholders	87a N/A			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	87b N/A			
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? If "Yes," complete Part IX		88	X	
89 a	*501(c)(3) organizations* Enter Amount of tax imposed on the organization during the year under: section 4911 ▶ N/A, section 4912 ▶ N/A, section 4955 ▶ N/A				
b	*501(c)(3) and 501(c)(4) orgs* Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction		89b		X
c	Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958	▶ NONE			
d	Enter Amount of tax on line 89c, above, reimbursed by the organization	▶ NONE			
90 a	List the states with which a copy of this return is filed ▶ NC				
b	Number of employees employed in the pay period that includes March 12, 2005 (See instructions)		90b	6767	
91 a	The books are in care of ▶ MOSES H. CONE MEM. HOSPITAL Telephone no ▶ 336-832-7000				
	Located at ▶ 1200 NORTH ELM STREET GREENSBORO, NC ZIP + 4 ▶ 27401				
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		91b	X	
	If "Yes," enter the name of the foreign country ▶ CAYMAN ISLANDS				
	See the instructions for exceptions and filing requirements for **Form TD F 90-22.1,** Report of Foreign Bank and Financial Accounts				
c	At any time during the calendar year, did the organization maintain an office outside of the United States?		91c		X
	If "Yes," enter the name of the foreign country ▶				
92	*Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of* ***Form 1041*** - Check here ▶ ☐ and enter the amount of tax-exempt interest received or accrued during the tax year ▶	92 N/A			

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Part VII Analysis of Income-Producing Activities *(See the instructions.)*

Note: *Enter gross amounts unless otherwise indicated*	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue					
a PATIENT SERVICE RE					720,625,561.
b OTHER OPERATING RE	900000	56,916.			11,782,903.
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments					
96 Dividends and interest from securities			14	1,334,374.	
97 Net rental income or (loss) from real estate					
a debt-financed property	531120	-66,686.			
b not debt-financed property			16	3,643,774.	
98 Net rental income or (loss) from personal property					
99 Other investment income	621500	-3,913,277.			8,948,578.
100 Gain or (loss) from sales of assets other than inventory	900000	10,747,128.	18	13,619,237.	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue a					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		6,824,081.		18,597,385.	741,357,042.
105 Total (add line 104, columns (B), (D), and (E)) ▶					766,778,508.

Note: *Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I*

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes *(See the instructions.)*

Line No ▼	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
	STMT 23

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities *(See the instructions)*

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
STMT 24	%		411,497.	1,956,123.
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts *(See the instructions.)*

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No

(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ Yes ☒ No

Note: *If "Yes" to (b), file Form 8870 and Form 4720 (see instructions)*

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Signature of officer — Date 8/11/10

Type or print name and title: Kenneth L. Boggy CFO

Paid Preparer's Use Only

Preparer's signature	Date	Check if self-employed ▶ ☐	Preparer's SSN or PTIN (See Gen Inst W)
	8/11/10		P00838425

Firm's name (or yours if self-employed), address, and ZIP + 4	EIN ▶	Phone no ▶
PRICEWATERHOUSECOOPERS LLP 800 GREEN VALLEY ROAD, SUITE 500 GREENSBORO, NC 27408 27408	13-4008324	336-665-2700

SCHEDULE A
(Form 990 or 990-EZ)
Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k), 501(n), or 4947(a)(1) Nonexempt Charitable Trust

Supplementary Information - (See separate instructions.)

▶ MUST be completed by the above organizations and attached to their Form 990 or 990-EZ

OMB No 1545-0047

2005

Name of the organization MOSES H. CONE MEMORIAL HOSPITAL OPERATING CORPORATION

Employer identification number 58-1588823

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees

(See page 1 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than $50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
SEE STATEMENT 25				
Total number of other employees paid over $50,000 . . ▶	1973			

Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services

(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than $50,000	(b) Type of service	(c) Compensation
SEE STATEMENT 26		
Total number of others receiving over $50,000 for professional services . . . . . ▶ 82		

Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services

(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See page 2 of the instructions.)

(a) Name and address of each independent contractor paid more than $50,000	(b) Type of service	(c) Compensation
NONE		
Total number of other contractors receiving over $50,000 for other services . . . . . ▶ NONE		

Part III Statements About Activities (See page 2 of the instructions.)

			Yes	No
1	During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ $ _____ (Must equal amounts on line 38, Part VI-A, or line I of Part VI-B)	1		X
	Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities			
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? *(If the answer to any question is "Yes," attach a detailed statement explaining the transactions)*			
a	Sale, exchange, or leasing of property? . . . . . STMT 27	2a	X	
b	Lending of money or other extension of credit?	2b		X
c	Furnishing of goods, services, or facilities? . . . . . STMT 28	2c	X	
d	Payment of compensation (or payment or reimbursement of expenses if more than $1,000)? . SEE FORM 990 PT V	2d	X	
e	Transfer of any part of its income or assets?	2e		X
3a	Do you make grants for scholarships, fellowships, student loans, etc ? (If "Yes," attach an explanation of how you determine that recipients qualify to receive payments) . . . . . STMT 29	3a	X	
b	Do you have a section 403(b) annuity plan for your employees?	3b	X	
c	During the year, did the organization receive a contribution of qualified real property interest under section 170(h)?	3c		X
4a	Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?	4a		X
b	Do you provide credit counseling, debt management, credit repair, or debt negotiation services?	4b		X

Part IV Reason for Non-Private Foundation Status (See pages 3 through 6 of the instructions.)

The organization is not a private foundation because it is (Please check only **ONE** applicable box)

- 5 [ ] A church, convention of churches, or association of churches Section 170(b)(1)(A)(i)
- 6 [ ] A school Section 170(b)(1)(A)(ii) (Also complete Part V)
- 7 [X] A hospital or a cooperative hospital service organization Section 170(b)(1)(A)(iii)
- 8 [ ] A Federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9 [ ] A medical research organization operated in conjunction with a hospital Section 170(b)(1)(A)(iii) **Enter the hospital's name, city, and state** ▶ _____
- 10 [ ] An organization operated for the benefit of a college or university owned or operated by a governmental unit Section 170(b)(1)(A)(iv) (Also complete the **Support Schedule** in Part IV-A)
- 11 a [ ] An organization that normally receives a substantial part of its support from a governmental unit or from the general public Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A)
- 11 b [ ] A community trust Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A)
- 12 [ ] An organization that normally receives **(1) more than 33 1/3%** of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc , functions - subject to certain exceptions, and **(2) no more than 33 1/3%** of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See section 509(a)(2) (Also complete the **Support Schedule** in Part IV-A)
- 13 [ ] An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in **(1)** lines 5 through 12 above, or **(2)** section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2) Check the box that describes the type of supporting organization ▶ [ ] Type 1 [ ] Type 2 [ ] Type 3

Provide the following information about the supported organizations (See page 6 of the instructions)

(a) Name(s) of supported organization(s)	(b) Line number from above

- 14 [ ] An organization organized and operated to test for public safety Section 509(a)(4) (See page 6 of the instructions)

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Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12) ***Use cash method of accounting.***

Note: *You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.* NOT APPLICABLE

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2003	(c) 2002	(d) 2001	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants See line 28)					
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc , purpose					
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975					
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income Attach a schedule Do not include gain or (loss) from sale of capital assets					
23 Total of lines 15 through 22					
24 Line 23 minus line 17					
25 Enter 1% of line 23					

26 Organizations described on lines 10 or 11.

a Enter 2% of amount in column (e), line 24 NOT APPLICABLE ▶ **26a**

b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2001 through 2004 exceeded the amount shown in line 26a. **Do not file this list with your return** Enter the total of all these excess amounts ▶ **26b**

c Total support for section 509(a)(1) test Enter line 24, column (e) ▶ **26c**

d Add Amounts from column (e) for lines 18 _____ 19 _____ 22 _____ 26b _____ ▶ **26d**

e Public support (line 26c minus line 26d total) ▶ **26e**

f **Public support percentage (line 26e (numerator) divided by line 26c (denominator))** ▶ **26f** %

27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person" **Do not file this list with your return.** Enter the sum of such amounts for each year

NOT APPLICABLE

(2004) _____ (2003) _____ (2002) _____ (2001) _____

b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the **larger** of **(1)** the amount on line 25 for the year or **(2)** $5,000 (Include in the list organizations described in lines 5 through 11, as well as individuals) **Do not file this list with your return.** After computing the difference between the amount received and the larger amount described in **(1)** or **(2),** enter the sum of these differences (the excess amounts) for each year

(2004) _____ (2003) _____ (2002) _____ (2001) _____

c Add Amounts from column (e) for lines 15 _____ 16 _____ 17 _____ 20 _____ 21 _____ ▶ **27c**

d Add Line 27a total _____ and line 27b total _____ ▶ **27d**

e Public support (line 27c total minus line 27d total) ▶ **27e**

f Total support for section 509(a)(2) test Enter amount from line 23, column (e) ▶ **27f**

g **Public support percentage (line 27e (numerator) divided by line 27f (denominator))** ▶ **27g** %

h **Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))** ▶ **27h** %

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2001 through 2004, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant **Do not file this list with your return.** Do not include these grants in line 15

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Part V **Private School Questionnaire** (See page 7 of the instructions.) NOT APPLICABLE
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

			Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	29		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	30		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves?	31		
	If "Yes," please describe, if "No," please explain (If you need more space, attach a separate statement)			
32	Does the organization maintain the following:			
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	32a		
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b		
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c		
d	Copies of all material used by the organization or on its behalf to solicit contributions?	32d		
	If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement)			
33	Does the organization discriminate by race in any way with respect to:			
a	Students' rights or privileges?	33a		
b	Admissions policies?	33b		
c	Employment of faculty or administrative staff?	33c		
d	Scholarships or other financial assistance?	33d		
e	Educational policies?	33e		
f	Use of facilities?	33f		
g	Athletic programs?	33g		
h	Other extracurricular activities?	33h		
	If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement)			
34 a	Does the organization receive any financial aid or assistance from a governmental agency?	34a		
b	Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement.	34b		
35	Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc 75-50, 1975-2 C B 587, covering racial nondiscrimination? If "No," attach an explanation	35		

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Part VI-A **Lobbying Expenditures by Electing Public Charities** (See page 9 of the instructions.)

(To be completed **ONLY** by an eligible organization that filed Form 5768) NOT APPLICABLE

Check ▶ a ☐ if the organization belongs to an affiliated group Check ▶ b ☐ if you checked "a" and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred)		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36		
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37		
38 Total lobbying expenditures (add lines 36 and 37)	38		
39 Other exempt purpose expenditures	39		
40 Total exempt purpose expenditures (add lines 38 and 39)	40		
41 Lobbying nontaxable amount. Enter the amount from the following table - **If the amount on line 40 is -** / **The lobbying nontaxable amount is -** Not over $500,000 — 20% of the amount on line 40; Over $500,000 but not over $1,000,000 — $100,000 plus 15% of the excess over $500,000; Over $1,000,000 but not over $1,500,000 — $175,000 plus 10% of the excess over $1,000,000; Over $1,500,000 but not over $17,000,000 — $225,000 plus 5% of the excess over $1,500,000; Over $17,000,000 — $1,000,000	41		
42 Grassroots nontaxable amount (enter 25% of line 41)	42		
43 Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36	43		
44 Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38	44		

Caution: *If there is an amount on either line 43 or line 44, you must file Form 4720.*

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below See the instructions for lines 45 through 50 on page 11 of the instructions)

	Lobbying Expenditures During 4-Year Averaging Period				
Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots nontaxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B **Lobbying Activity by Nonelecting Public Charities** NOT APPLICABLE

(For reporting only by organizations that did not complete Part VI-A) (See page 11 of the instructions.)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of	Yes	No	Amount
a Volunteers			
b Paid staff or management (Include compensation in expenses reported on lines c through h.)			
c Media advertisements			
d Mailings to members, legislators, or the public			
e Publications, or published or broadcast statements			
f Grants to other organizations for lobbying purposes			
g Direct contact with legislators, their staffs, government officials, or a legislative body			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means			
i Total lobbying expenditures (Add lines c through h)			

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities

Part VII **Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations** (See page 12 of the instructions.)

51 Did the reporting organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

		Yes	No
a Transfers from the reporting organization to a noncharitable exempt organization of:			
(i) Cash	51a(i)		X
(ii) Other assets	a(ii)		X
b Other transactions:			
(i) Sales or exchanges of assets with a noncharitable exempt organization	b(i)		X
(ii) Purchases of assets from a noncharitable exempt organization	b(ii)		X
(iii) Rental of facilities, equipment, or other assets	b(iii)		X
(iv) Reimbursement arrangements	b(iv)		X
(v) Loans or loan guarantees	b(v)		X
(vi) Performance of services or membership or fundraising solicitations	b(vi)		X
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	c		X

d If the answer to any of the above is "Yes," complete the following schedule Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
N/A			

52a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ▶ ☐ Yes ☒ No

b If "Yes," complete the following schedule.

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

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RENT AND ROYALTY INCOME

Taxpayer's Name	Identifying Number
MOSES H. CONE MEMORIAL HOSPITAL	58-1588823

DESCRIPTION OF PROPERTY

RENTAL INCOME

Yes | | No | Did you actively participate in the operation of the activity during the tax year?

RENTAL INCOME		
OTHER INCOME		
	4,179,283.	
TOTAL GROSS INCOME		4,179,283.
OTHER EXPENSES:		
OTHER EXPENSES	602,195.	
DEPRECIATION (SHOWN BELOW)		
LESS: Beneficiary's Portion		
AMORTIZATION		
LESS: Beneficiary's Portion		
DEPLETION		
LESS: Beneficiary's Portion		
TOTAL EXPENSES		602,195.
TOTAL RENT OR ROYALTY INCOME (LOSS)		3,577,088.
Less Amount to		
Rent or Royalty		
Depreciation		
Depletion		
Investment Interest Expense		
Other Expenses		
Net Income (Loss) to Others		
Net Rent or Royalty Income (Loss)		3,577,088.
Deductible Rental Loss (if Applicable)		

SCHEDULE FOR DEPRECIATION CLAIMED

(a) Description of property	(b) Cost or unadjusted basis	(c) Date acquired	(d) ACRS des	(e) Bus %	(f) Basis for depreciation	(g) Depreciation in prior years	(h) Method	(i) Life or rate	(j) Depreciation for this year
JSA Totals									

MOSES H. CONE MEMORIAL HOSPITAL 58-1588823

THE TAXPAYER IS AMENDING THE RETURN TO REFLECT THE FOLLOWING CHANGES RELATING UNRELATED BUSINESS INCOME REPORTABLE ON FORM 990-T

1. DUE TO AN ADJUSTMENT TO THE OVERALL SALES PROCEEDS, THE TAXPAYER HAS REDUCED THE GAIN REPORTABLE ON THE SALE OF ITS INTEREST IN A JOINT VENTURE. THE GAIN IS BEING REDUCED BY $1,140,287.
2. DUE TO ADJUSTMENTS TO ACTIVITIES THAT ARE CLASSIFIED AS UNRELATED BUSINESS INCOME, THE TAXPAYER HAS REDUCED THE UNRELATED BUSINESS INCOME REPORTED ON THE ORIGINALLY FILED TAX RETURN BY $38,934.

SUPPLEMENT TO RENT AND ROYALTY SCHEDULE

OTHER INCOME

	4,179,283.
	4,179,283.

OTHER DEDUCTIONS

	602,195.
	602,195.

RENT AND ROYALTY SUMMARY

PROPERTY	TOTAL INCOME	DEPLETION/ DEPRECIATION	OTHER EXPENSES	ALLOWABLE NET INCOME
RENTAL INCOME	4,179,283.		602,195.	3,577,088.
TOTALS	4,179,283.		602,195.	3,577,088.

FORM 990, PART I - OTHER INVESTMENT INCOME

DESCRIPTION	AMOUNT
INCOME FROM JOINT VENTURES	5,035,301.
TOTAL	5,035,301.

FORM 990, PART I - OTHER INCREASES IN FUND BALANCES

DESCRIPTION	AMOUNT
ADJUSTMENT FOR PENSION PLAN	31,796,563.
INTERCO ADJ FOR JOINT VENTURE ACTIVITY	14,795,136.
TOTAL	46,591,699.

FORM 990, PART I - OTHER DECREASES IN FUND BALANCES

DESCRIPTION	AMOUNT
TRANSFERS TO AFFILIATES	8,015,337.
CHANGE IN TEMPORARILY RESTRICTED ASSETS	1,183,063.
UNREALIZED LOSS ON INVESTMENTS	33,603.
CHANGE IN DUE TO DUE FROM AFFILIATES	3,520,563.
INTERCO ADJ FOR SALE OF INTEREST IN JV	24,982,804.
TOTAL	37,735,370.

FEDERAL FOOTNOTES

DETAIL FOR PAGE 4, LINE 51A - OTHER NOTES AND LOANS RECEIVABLE

SALES TAX RECEIVABLE	6,686,558
INTERCOMPANY	(9,363,458)
MISCELLANEOUS A/R	2,537,863
STUDENT NURSING LOANS	852,098
TOTAL	713,061

FEDERAL FOOTNOTES

DETAIL FOR PAGE 4, LINE 57 - LAND, BUILDINGS, AND EQUIPMENT

MOVABLE EQUIPMENT	159,856,834
MINOR EQUIPMENT	28,566
MOTOR VEHICLES	567,456
LEASEHOLD IMPROVEMENTS	390,794
EQUIPMENT IN PROGRESS	9,361,850
CONSTRUCTION IN PROGRESS	720,793
	170,926,293
ACCUMULATED DEPRECIATION	(89,617,167)
	81,309,126

FORM 990, PART IV - INVESTMENTS - OTHER

DESCRIPTION	BEGINNING BOOK VALUE	ENDING BOOK VALUE
INVESTMENT IN JOINT VENTURES	13,859,594.	18,565,884.
TOTALS	13,859,594.	18,565,884.

FORM 990, PART IV - OTHER ASSETS

DESCRIPTION		BEGINNING BOOK VALUE	ENDING BOOK VALUE
OTHER ASSETS		4,662,421.	41,650,353.
	TOTALS	4,662,421.	41,650,353.

FORM 990, PART IV - OTHER LIABILITIES

DESCRIPTION	BEGINNING BOOK VALUE	ENDING BOOK VALUE
OTHER CURRENT LIABILITIES	8,964,028.	27,193,181.
OTHER NON-CURRENT LIABILITIES	39,523,055.	2,792,703.
TOTALS	48,487,083.	29,985,884.

FORM 990, PART IV-A - OTHER REVENUE ON BOOKS BUT NOT ON RETURN

DESCRIPTION	AMOUNT
CHARITY CARE RECLASS	-50,909,276.
OTHER NON-OPERATING EXPENSES	-146,150.
TRIAD LAB. ALLIANCE INCOME	16,722,283.
ANNIE PENN FOUNDATION INCOME	-33,383.
TOTAL	-34,366,526.

FORM 990, PART IV-A - OTHER REVENUE ON RETURN BUT NOT ON BOOKS

DESCRIPTION	AMOUNT
RENTAL EXPENSE RECLASS	-602,195.
GAIN ON SALE OF JV	24,982,804.
INCOME FROM JV	642,998.
TOTAL	25,023,607.

FORM 990, PART IV-B - OTHER EXPENSES ON BOOKS BUT NOT ON RETURN

DESCRIPTION	AMOUNT
TRIAD LABORATOY ALLIANCE EXPENSES	16,079,286.
ANNIE PENN FOUNDATION EXPENSES	22,061.
RENTAL EXPENSE RECLASS	602,195.
UNREALIZED GAIN/LOSS	33,603.
TOTAL	16,737,145.

FORM 990, PART IV-B - OTHER EXPENSES ON RETURN BUT NOT ON BOOKS

DESCRIPTION	AMOUNT
OTHER NON-OPERATING EXPENSES	146,150.
CHARITY CARE EXPENSE RECLASS	50,909,276.
TOTAL	51,055,426.

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	TITLE AND TIME DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
THOMAS E. CONE 402 COUNTRY CLUB DRIVE GREENSBORO, NC 27408	TRUSTEE 0	NONE	NONE	NONE
J. PATRICK DANAHY 207 COUNTRY CLUB DRIVE GREENSBORO, NC 27408	TRUSTEE 0	NONE	NONE	NONE
DWIGHT M. DAVIDSON, III 210 WINTWORK DRIVE GREENSBORO, NC 27408	TRUSTEE 0	NONE	NONE	NONE
R. TIMOTHY RICE 4600 JEFFERSON WOOD COURT GREENSBORO, NC 27410	PRESIDENT/CEO 40	785,890.	49,703.	NONE
SUSAN FITZGIBBON 1200 N. ELM STREET GREENSBORO, NC 27401	EXEC VP/ASST SEC. 40	285,290.	36,979.	NONE
TIMOTHY J. CLONTZ 1200 N. ELM STREET GREENSBORO, NC 27401	EXEC VP/ASST SEC. 40	258,731.	40,516.	NONE
LOUIS DEJOY 7 ELM RIDGE LANE GREENSBORO, NC 27408	TRUSTEE 0	NONE	NONE	NONE
ELIZABETH S. WARD 1200 N. ELM STREET GREENSBORO, NC 27401	CFO/TREASURER 40	412,261.	39,203.	NONE

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	TITLE AND TIME DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
GLENN WATERS 1900 ROCKGLEN LANE GREENSBORO, NC 27410	COO 40	467,576.	35,596.	NONE
NOEL F. BURT, PHD 1200 N. ELM STREET GREENSBORO, NC 27401	VP/ASST. SEC. 40	270,832.	36,767.	NONE
JOAN WESSMAN, RN 1200 N. ELM STREET GREENSBORO, NC 27401	CHIEF NURSING OFFICE 40	295,004.	37,174.	NONE
JAMES ROSKELLY 1200 N. ELM STREET GREENSBORO, NC 27401	VP/ASST SEC. 40	218,702.	25,540.	NONE
RENE SMITH 1200 N. ELM STREET GREENSBORO, NC 27401	ASST TREASURER 40	110,712.	17,029.	NONE
MARCIA TURNER 1200 N. ELM STREET GREENSBORO, NC 27401	ASST TREASURER 40	108,798.	16,907.	NONE
DAVID KITZMILLER 1200 N. ELM STREET GREENSBORO, NC 27401	ASST TREASURER 40	111,388.	26,618.	NONE
SALLY HAMMOND 1200 N. ELM STREET GREENSBORO, NC 27401	ASST TREASURER 40	83,494.	10,372.	NONE

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	TITLE AND TIME DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
MARVA JARMAN 1200 N. ELM STREET GREENSBORO, NC 27401	ASST TREASURER 40	95,419.	15,823.	NONE
THOMAS GETTINGER 1200 N. ELM STREET GREENSBORO, NC 27401	EXEC VP/ASST. SEC. 40	276,789.	26,504.	NONE
BARRY Z. DODSON, CPA 270 WOODHAVEN DRIVE STONEVILLE, NC 27048	TRUSTEE 0	NONE	NONE	NONE
DAVID R. HOWARD 908 COUNTRY CLUB DRIVE GREENSBORO, NC 27408	TRUSTEE 0	NONE	NONE	NONE
ROBERT H. FOREMAN, M.D. 4104 REDWIVE DRIVE GREENSBORO, NC 27410	TRUSTEE 0	NONE	NONE	NONE
CRAVEN E. WILLIAMS, PHD 200 SUNSET DRIVE GREENSBORO, NC 27408	VICE-CHAIRMAN 0	NONE	NONE	NONE
HENRY E. FRYE 1401 S. BENBOW ROAD GREENSBORO, NC 27406	TRUSTEE 0	NONE	NONE	NONE
FLORENCE G. GATTEN 3507 SMOKETREE DRIVE GREENSBORO, NC 27410	TRUSTEE 0	NONE	NONE	NONE

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	TITLE AND TIME DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
EDWARD L. HAWKINS, M.D. 146 DEERTRAIL LANDING REIDSVILLE, NC 27320	TRUSTEE 0	NONE	NONE	NONE
WILLIAM V. NUTT, JR 1809 ST. ANDREWS ROAD GREENSBORO, NC 27408	TRUSTEE 0	NONE	NONE	NONE
W. WINBURNE KING, III 4667 KIDDS MILL ROAD FRANKLINVILLE, NC 27248	CHAIRMAN 0	NONE	NONE	NONE
LLOYD J. PETERSON, M.D. 7 DUNAWAY COURT GREENSBORO, NC 27408	TRUSTEE 0	NONE	NONE	NONE
LILY KELLY-RADFORD, PH.D. 8 GWYN LANE GREENSBORO, NC 27403	TRUSTEE 0	NONE	NONE	NONE
HENRY W.B. SMITH, III, M.D. 1514 FOXHOLLOW ROAD GREENSBORO, NC 27410	TRUSTEE 0	NONE	NONE	NONE
WILLIAM R. SOLES, JR. 621 WOODLAND DRIVE GREENSBORO, NC 27408	TRUSTEE 0	NONE	NONE	NONE
CHRISTIAN J. STRECK, M.D. 4 STAUNTON COURT GREENSBORO, NC 27410	TRUSTEE 0	NONE	NONE	NONE

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	TITLE AND TIME DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
JAMES K. WEEKS, PH.D. 23 STONECREEK COURT GREENSBORO, NC 27455	TRUSTEE 0	NONE	NONE	NONE
GRAND TOTALS		3,780,886.	414,731.	NONE

FORM 990, PART V-B - FORMER OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	LOANS AND ADVANCES	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
DENNIS R. BARRY 1200 N. ELM STREET GREENSBORO, NC 27401		NONE	297,780.	NONE
GRAND TOTALS		NONE	297,780.	NONE

FORM 990, PART VI - NAMES OF RELATED ORGANIZATIONS

RELATED ORGANIZATION NAME:	THE MOSES H. CONE MEMORIAL HOSPITAL (9/30)
EXEMPT: X NONEXEMPT:	
RELATED ORGANIZATION NAME:	ADVANCED HOMECARE, INC. (9/30)
EXEMPT: X NONEXEMPT:	
RELATED ORGANIZATION NAME:	DIAGNOSTIC RADIOLOGY AND IMAGING (9/30)
EXEMPT: NONEXEMPT: X	
RELATED ORGANIZATION NAME:	GUILFORD CHILD HEALTH, INC. (6/30)
EXEMPT: X NONEXEMPT:	
RELATED ORGANIZATION NAME:	HOMECARE OF CENTRAL CAROLINA (9/30)
EXEMPT: X NONEXEMPT:	
RELATED ORGANIZATION NAME:	HOSPICE AT GREENSBORO (9/30)
EXEMPT: X NONEXEMPT:	
RELATED ORGANIZATION NAME:	PIEDMONT PRACTICE ASSOCIATES, INC. (9/30)
EXEMPT: NONEXEMPT: X	
RELATED ORGANIZATION NAME:	WESLEY LONG COMMUNITY HEALTH SERVICES, INC. (9/30)
EXEMPT: NONEXEMPT: X	
RELATED ORGANIZATION NAME:	WESLEY LONG NURSING CENTER (9/30)
EXEMPT: X NONEXEMPT:	
RELATED ORGANIZATION NAME:	WLCHS POB, LLC (12/31)
EXEMPT: NONEXEMPT: X	
RELATED ORGANIZATION NAME:	GREENSBORO HEALTHCARE NETWORK, LLC (9/30)
EXEMPT: NONEXEMPT: X	

FORM 990, PART VI - NAMES OF RELATED ORGANIZATIONS

RELATED ORGANIZATION NAME: TRIAD HEALTH ALLIANCE (12/31)

EXEMPT: X NONEXEMPT:

RELATED ORGANIZATION NAME: TRIAD LAB ALLIANCE (9/30)

EXEMPT: X NONEXEMPT:

RELATED ORGANIZATION NAME: RANDOLPH CANCER CENTER, LLC (9/30)

EXEMPT: X NONEXEMPT:

RELATED ORGANIZATION NAME: ANNIE PENN HOSPITAL FOUNDATION (9/30)

EXEMPT: X NONEXEMPT:

RELATED ORGANIZATION NAME: MOSES CONE MEDICAL SERVICES, INC.

EXEMPT: X NONEXEMPT:

RELATED ORGANIZATION NAME: DAY SURGERY CENTER OF GREENSBORO, LLC (9/30)

EXEMPT: NONEXEMPT: X

RELATED ORGANIZATION NAME: LAUNDRY LIMITED PARTNERSHIP (6/30)

EXEMPT: NONEXEMPT: X

RELATED ORGANIZATION NAME: TRIAD HEALTH VENTURES, INC. (6/30)

EXEMPT: NONEXEMPT: X

RELATED ORGANIZATION NAME: HEALTHSERVE MINISTRY, INC. (6/30)

EXEMPT: X NONEXEMPT:

RELATED ORGANIZATION NAME: REIDSVILLE COMMUNITY PHYSICIANS, INC. (9/30)

EXEMPT: X NONEXEMPT:

RELATED ORGANIZATION NAME: MOREHEAD HEART CENTER (9/30)

EXEMPT: X NONEXEMPT:

FORM 990, PART VI - NAMES OF RELATED ORGANIZATIONS

RELATED ORGANIZATION NAME:	UNIFIED HOMECARE, LLC (9/30)
EXEMPT: NONEXEMPT: X	
RELATED ORGANIZATION NAME:	GUILFORD ADULT HEALT, INC (9/30)
EXEMPT: X NONEXEMPT:	
RELATED ORGANIZATION NAME:	CALL-A-NURSE, LLC (12/31)
EXEMPT: NONEXEMPT: X	
RELATED ORGANIZATION NAME:	TRIAD LABORATORY ALLIANCE (9/30)
EXEMPT: NONEXEMPT: X	
RELATED ORGANIZATION NAME:	ADVANCED SERVICES (9/30)
EXEMPT: X NONEXEMPT:	
RELATED ORGANIZATION NAME:	CARDIOVAASCULAR DIAGNOSTIC CENTER, LLC (9/30)
EXEMPT: NONEXEMPT: X	
RELATED ORGANIZATION NAME:	PIEDMONT COMMUNITY HEALTHCARE ALLIANCE (9/30)
EXEMPT: X NONEXEMPT:	

FORM 990, PART VIII - ACCOMPLISHMENT OF EXEMPT PURPOSES

LINE NO.	EXPLANATION OF HOW EACH ACTIVITY FOR WHICH INCOME IS REPORTED IN COLUMN (E) OF PART VII CONTRIBUTED IMPORTANTLY TO THE ACCOMPLISHMENT OF EXEMPT PURPOSES
93A, 93B, & 99	THE MOSES H. CONE MEMORIAL HOSPITAL OPERATING CORPORATION PROVIDES QUALITY HEALTHCARE SERVICES TO THE CITIZENS OF GUILFORD COUNTY AND THE SURROUNDING COUNTIES. THESE SERVICES ARE PROVIDED TO THE PATIENTS REGARDLESS OF THIER ABILITY TO PAY. FOR THOSE NOT ABLE TO PAY, THE HOSPITAL PROVIDES CARE UNDER ESTABLISHED POLICIES. SEE DETAILED STATEMENT 100 ATTACHED.

FORM 990, PART IX - INFORMATION REGARDING TAXABLE SUBSIDIARIES

NAME AND ADDRESS EMPLOYER IDENTIFICATION NUMBER	PERCENTAGE OWNERSHIP INTEREST	NATURE OF BUSINESS ACTIVITIES	TOTAL INCOME	ENDING ASSETS
TRIAD LAB ALLIANCE, LLC 4380 FEDERAL DRIVE, SUITE 100 GREENSBORO, NC 27410 56-2017400	62.500000	LAB SERVICES		
UNIFIED HOMECARE, LLC 8380 NC 87, P.O. BOX 2810 REIDSVILLE, NC 27323 56-2033512	50.000000	HOME HEALTHCA	88,986.	1,095,240.
MOREHEAD HEART CENTER, LLC 117 EAST KING HIGHWAY EDEN, NC 27288 00-0000000	50.000000	CARDIOLOGY	NONE	-709,705.
CALL-A-NURSE 1900 S. HAWTHORNE RD, STE 762 WINSTON-SALEM, NC 27103 43-1965884	50.000000	NURSE PHONE	322,511.	1,570,588.
TOTAL INCOME			411,497.	1,956,123.

SCHEDULE A, PART I - COMPENSATION OF THE FIVE HIGHEST PAID EMPLOYEES

NAME AND ADDRESS	TITLE AND TIME DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCOUNT
ANDREW KIRSTEINS 1200 N. ELM STREET GREENSBORO, NC 27401	PHYSICIAN 40	370,426.	38,278.	NONE
ARNOLD GRANDIS, MD 1200 N. ELM STREET GREENSBORO, NC 27401	PHYSICIAN 40	444,484.	29,456.	NONE
LAWRENCE J RANSOM, MD 1200 N. ELM STREET GREENSBORO, NC 27401	PHYSICIAN 40	404,687.	45,070.	NONE
MCRAE SMITH, MD 1200 N. ELM STREET GREENSBORO, NC 27401	PHYSICIAN 40	388,595.	52,197.	NONE
RITA CARLOS, MD 1200 N. ELM STREET GREENSBORO, NC 27401	PHYSICIAN 40	369,628.	37,684.	NONE
	TOTAL COMPENSATION	1,977,820.	202,685.	NONE

SCH. A, PART II-A COMPENSATION OF THE 5 HIGHEST PAID FOR PROF. SERV.

NAME AND ADDRESS	TYPE OF SERVICE	COMPENSATION
KCI USA, INC P.O. BOX 203086 HOUSTON, TX 77216	MEDICAL EQUIP RENTAL	897,249.
CENTRAL CAROLINA SURGERY, PA 1002 N CHURCH ST SUITE 300 GREENSBORO, NC 27401	MEDICAL SERVICES	962,149.
EAGLE PRIMARY PHYSICIANS, PA 324 W WENDOVER AVE, SUITE 211 GREENSBORO, NC 27408	MEDICAL SERVICES	963,852.
LACKLAND ACQUISITION II LLC PO BOX 78219 ST. LOUIS, MO 63178	BUSINESS ACQUISITION	2,154,152.
TRANSCRIPTION RELIEF SERVICES 706 GREEN VALLEY RAOD; SUITE 208 GREENSBORO, NC 27408	TRANSCRIPTION SVC	756,134.
TOTAL COMPENSATION		5,733,536.

SCHEDULE A, PART III - EXPLANATION FOR LINE 2A

FOR THE YEAR ENDED SEPTEMBER 30, 2006, MOSES H. CONE MEMORIAL HOSPITAL OPERATING CORPORATION ("OPERATING CORPORATION") CONTINUED A LEASE WITH PIEDMONT PRACTICE ASSOCIATES, INC. ("PPA"). THIS AGREEMENT PROVIDES FOR THE EMPLOYEES OF PPA WHO ARE DOCTORS TO PROVIDE SERVICES TO THE OPERATING CORPORATION RELATED TO ONCOLOGY AND THE CANCER CENTER. THE LEASE IS UNDERTAKEN AS AN ARMS LENGTH TRANSACTION AND IS AT FAIR MARKET VALUE. FOR THE YEAR ENDED SEPTEMBER 30, 2006, MANAGEMENT FEES PAID TO PPA TOTALED $7,808,868.

SCHEDULE A, PART III - EXPLANATION FOR LINE 2C

THE OPERATING CORPORATION PAYS FEES TO OTT, CONE & REDPATH FOR LEGAL SERVICES THROUGHOUT THE YEAR. FOR THE YEAR ENDED SEPTEMBER 30, 2006, THE FEES TOTALED $104,971. OPERATING CORPORATION ALSO PAID $30,072 TO BROOK PIERCE, MCCLENDON, HUMPHREY & LEONARD FOR LEGAL SERVICES THROUGHOUT THE YEAR. EACH OF THESE LAW FIRMS HAS A PARTNER THAT IS A MEMBER OF THE BOARD OF DIRECTORS OF THE HOSPITAL. ALL FEES ARE NEGOTIATED AT FAIR MARKET VALUE FOR THE SERVICES PROVIDED.
OPERATING CORPORATION PAYS FEES TO EAGLE PHYSICIANS AND ASSOCIATES (EA FOR MEDICAL SERVICES PROVIDED TO THE HOSPITAL. FOR THE YEAR ENDED SEPTEMBER 30, 2006, THOSE FEES TOTALED $963,852. MEMBERS OF THE BOARD OF DIRECTORS OF THE HOSPITAL ARE PHYSICIANS AT EAGLE. ALL FEES ARE NEGOTIATED AT FAIR MARKET VALUE FOR THE SERVICES PROVIDED.

SCHEDULE A, PART III - EXPLANATION FOR LINE 3A

THE MOSES H. CONE MEMORIAL HOSPITAL OPERATING CORPORATION OFFERS EDUCATIONAL ASSISTANCE TO EMPLOYEES. THESE LOANS ARE PAYABLE WITH INTEREST OR FORGIVEN ON THE BASIS OF LENGTH OF EMPLOYMENT SERVICES. IN SOME INSTANCES, WHEN A LOAN IS FORGIVEN, THE LOAN AMOUNT IS TAXABLE TO EMPLOYEES.

SCHEDULE D (Form 1041)

Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

▶ Attach to Form 1041, Form 5227, or Form 990-T. See the separate instructions for Form 1041 (also for Form 5227 or Form 990-T, if applicable).

OMB No 1545-0092

2005

Name of estate or trust

MOSES H. CONE MEMORIAL HOSPITAL
OPERATING CORPORATION

Employer identification number

58-1588823

Note: *Form 5227 filers need to complete* ***only*** *Parts I and II*

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

	(a) Description of property (Example, 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price	(e) Cost or other basis (see page 34)	(f) Gain or (Loss) for the entire year (col (d) less col (e))
1						

2	Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824	2	
3	Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts	3	
4	Short-term capital loss carryover. Enter the amount, if any, from line 9 of the 2004 Capital Loss Carryover Worksheet	4	( )
5	**Net short-term gain or (loss).** Combine lines 1 through 4 in column (f). Enter here and on line 13, column (3) below ▶	5	

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

	(a) Description of property (Example, 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price	(e) Cost or other basis (see page 34)	(f) Gain or (Loss) for the entire year (col (d) less col (e))
6						
	SEE STATEMENT 1					24,366,365.

7	Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824	7	
8	Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts	8	
9	Capital gain distributions	9	
10	Gain from Form 4797, Part I	10	
11	Long-term capital loss carryover Enter the amount, if any, from line 14 of the 2004 Capital Loss Carryover Worksheet	11	( )
12	**Net long-term gain or (loss).** Combine lines 6 through 11 in column (f) Enter here and on line 14a, column (3) below ▶	12	24,366,365.

Part III Summary of Parts I and II

Caution: *Read the instructions* ***before*** *completing this part.*

			(1) Beneficiaries' (see page 36)	(2) Estate's or trust's	(3) Total
13	**Net short-term gain or (loss)**	13			
14	**Net long-term gain or (loss):**				
a	Total for year	14a			24,366,365.
b	Unrecaptured section 1250 gain (see line 18 of the worksheet on page 35)	14b			
c	28% rate gain or (loss)	14c			
15	**Total net gain or (loss).** Combine lines 13 and 14a ▶	15			24,366,365.

Note: *If line 15, column (3), is a net gain, enter the gain on Form 1041, line 4 If lines 14a and 15, column (2), are net gains, go to Part V, and* ***do not*** *complete Part IV If line 15, column (3), is a net loss, complete Part IV and the* ***Capital Loss Carryover Worksheet,*** *as necessary*

Part IV Capital Loss Limitation

16 Enter here and enter as a (loss) on Form 1041, line 4, the **smaller** of.
a The loss on line 15, column (3) **or**
b $3,000 . . . . . 16 ( )

*If the loss on line 15, column (3), is more than $3,000, **or** if Form 1041, page 1, line 22, is a loss, complete the **Capital Loss Carryover Worksheet** on page 37 of the instructions to determine your capital loss carryover*

Part V Tax Computation Using Maximum Capital Gains Rates

(Complete this part **only** if both lines 14a and 15 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), **and** Form 1041, line 22 is more than zero.)

Note: *If line 14b, column (2) or line 14c, column (2) is more than zero, complete the worksheet on page 38 of the instructions and skip Part V Otherwise, go to line 17*

17 Enter taxable income from Form 1041, line 22 17

18 Enter the **smaller** of line 14a or 15 in column (2) but not less than zero 18

19 Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) 19

20 Add lines 18 and 19 20

21 If the estate or trust is filing Form 4952, enter the amount from line 4g, otherwise, enter -0- . . ▶ 21

22 Subtract line 21 from line 20 If zero or less, enter -0- 22

23 Subtract line 22 from line 17 If zero or less, enter -0- 23

24 Enter the **smaller** of the amount on line 17 or $2,000 24

25 Is the amount on line 23 equal to or more than the amount on line 24?
☐ **Yes.** Skip lines 25 through 27, go to line 28 and check the "No" box.
☐ **No.** Enter the amount from line 23 25

26 Subtract line 25 from line 24 26

27 Multiply line 26 by 5% (05) 27

28 Are the amounts on lines 22 and 26 the same?
☐ **Yes.** Skip lines 28 through 31; go to line 32
☐ **No.** Enter the **smaller** of line 17 or line 22 28

29 Enter the amount from line 26 (If line 26 is blank, enter -0-) 29

30 Subtract line 29 from line 28 30

31 Multiply line 30 by 15% (15) 31

32 Figure the tax on the amount on line 23. Use the 2005 Tax Rate Schedule on page 23 of the instructions 32

33 Add lines 27, 31, and 32 33

34 Figure the tax on the amount on line 17 Use the 2005 Tax Rate Schedule on page 23 of the instructions 34

35 **Tax on all taxable income.** Enter the **smaller** of line 33 or line 34 here and on line 1a of Schedule G, Form 1041 35

Schedule D Detail of Long-term Capital Gains and Losses

Description	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Long-term Gain/Loss
CAPITAL GAINS (LOSSES) FROM SECURITIES					
VARIOUS	VAR	VAR			-7,448.
TOTAL CAPITAL GAINS (LOSSES) FROM SECURITIES					-7,448.
CAPITAL GAINS (LOSSES) FROM OTHER ASSETS					
VARIOUS	VAR	VAR			-608,991.
CAPITAL GAIN ON SALE OF INTEREST IN JV	VAR	VAR			24,982,804.
TOTAL CAPITAL GAINS (LOSSES) FROM OTHER ASSETS					24,373,813.
Totals					24,366,365.

FEDERAL FOOTNOTES

A REPORT OF THE SERVICE RENDERED TO OUR REGION ABOVE AND BEYOND THE DAILY CARE GIVEN TO INPATIENTS AND OUTPATIENTS

MOSES CONE HEALTH SYSTEM
OCTOBER 2005 - SEPTEMBER 2006

INTRODUCTION

WHEN THE MOSES H. CONE MEMORIAL HOSPITAL OPENED ITS DOORS IN 1953, ITS FOUNDING PRINCIPLE WAS SERVICE TO THE PEOPLE AND THE COMMUNITY. AND THE SAME PRINCIPLE REMAINS TODAY AT THE CORE OF THE DECISIONS MADE AND PROGRAMS DEVELOPED. MOSES CONE HEALTH SYSTEM SERVES THE COMMUNITY BY "PREVENTING ILLNESS, RESTORING HEALTH AND PROVIDING COMFORT, THROUGH EXCEPTIONAL PEOPLE DELIVERING EXCEPTIONAL CARE." THE HEALTH SYSTEM OFFERS A SEAMLESS CONTINUUM OF CARE THROUGH THE SERVICES PROVIDED BY THE HOSPITALS AND OUTPATIENT PROGRAMS.

PROVIDING INPATIENT AND OUTPATIENT HEALTHCARE REPRESENTS THE LARGEST PORTION OF THIS SERVICE. THE SYSTEM'S POLICY OF PROVIDING CARE TO ALL PATIENTS REGARDLESS OF THEIR ABILITY TO PAY CONSTITUTES THE GREATER PART OF THE FINANCIAL COMMITMENT OF SERVICE TO THE COMMUNITY. HARDER TO MEASURE, BUT FAR MORE IMPORTANT, IS THE CARE THAT IMPROVED HEALTH AND SAVED LIVES.

BEYOND THIS SIGNIFICANT FINANCIAL CONTRIBUTION ARE MANY OTHER WAYS IN WHICH MOSES CONE HEALTH SYSTEM AND ITS EMPLOYEES FULFILL OUR MISSION OF SERVING THE COMMUNITY. THE HEALTH SYSTEM COORDINATES AND FINANCES NUMEROUS COMMUNITY OUTREACH EFFORTS AND PROGRAMS IN ADDITION TO FINANCIALLY SUPPORTING CHARITABLE CAUSES THROUGHOUT THE COMMUNITY. THESE EFFORTS OFFER LIFE-SAVING AND LIFE-ENHANCING CARE TO IMPROVE THE HEALTH AND WELL-BEING OF OUR COMMUNITY AND PROVIDE EMOTIONAL SUPPORT TO PATIENTS AND THEIR FAMILIES. THE SYSTEM ALSO IS COMMITTED TO TRAIN AND EDUCATE HEALTHCARE PROFESSIONALS, STUDENTS AND THE COMMUNITY. THE HEALTH SYSTEM DEMONSTRATES THIS COMMITMENT THROUGH SIGNIFICANT FINANCIAL SUPPORT OF THE GREENSBORO AREA HEALTH EDUCATION CENTER, ITS TRAINING OF STUDENTS ENROLLED IN HEALTHCARE TRAINING PROGRAMS THROUGHOUT NORTH CAROLINA AND THE VOLUME OF HOURS EMPLOYEES SPEND MENTORING STUDENTS FROM AREA SCHOOLS. THE VOLUNTEER ORGANIZATIONS OF MOSES CONE HEALTH SYSTEM ALSO PROVIDE FINANCIAL SUPPORT FOR A WIDE RANGE OF SERVICES THROUGHOUT THE HEALTH SYSTEM IN ADDITION TO DEDICATING HOURS OF CARE TO PATIENTS AND FAMILIES.

THE MOSES CONE-WESLEY LONG COMMUNITY HEALTH FOUNDATION PROVIDES

CONTINUED ON NEXT PAGE

FEDERAL FOOTNOTES (CONT'D)

GRANTS AND FUNDING FOR PROGRAMS AND SERVICES DESIGNED TO IMPROVE THE HEALTH OF RESIDENTS OF THIS COMMUNITY AND TO ADDRESS UNMET HEALTH-RELATED NEEDS. THE FOUNDATION CONCENTRATES ITS EFFORTS IN THE AREAS OF WELLNESS AND ACCESS. THE FOUNDATION ALSO STRIVES TO BUILD THE CAPACITY OF COMMUNITIES TO HELP THEMSELVES IN IMPROVING HEALTH STATUS.

SYSTEM EMPLOYEES DISPLAY THEIR CARING SPIRIT BY VOLUNTEERING THEIR TIME AND TALENTS TO ENHANCE THE COMMUNITY. THEY GENEROUSLY GIVE FINANCIAL CONTRIBUTIONS TO MANY ORGANIZATIONS, CHARITIES AND SERVICE PROJECTS, AND PROVIDE HEALTH INFORMATION ON A VARIETY OF TOPICS TO AREA RESIDENTS, SCHOOLS AND LOCAL ORGANIZATIONS.

THE SUCCESS AND REPUTATION OF MOSES CONE HEALTH SYSTEM ARE THE RESULT OF THE CONTINUED COMMITMENT OF EMPLOYEES TO PROVIDING EXCEPTIONAL CARE AND THEIR DEDICATION TO SERVING OUR PATIENTS AND THE COMMUNITY.

STATEMENT OF COMMUNITY BENEFIT
MOSES CONE HEALTH SYSTEM
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2006

I. GENERAL INFORMATION

ORGANIZATION AND BUSINESS
THE MOSES H. CONE MEMORIAL HOSPITAL ("PARENT CORPORATION"), A NONSTOCK, NOT-FOR-PROFIT, PARENT HOLDING COMPANY AND ITS AFFILIATES, THE MOSES H. CONE MEMORIAL HOSPITAL OPERATING CORPORATION ("OPERATING CORPORATION"), THE MOSES CONE MEDICAL SERVICES, INC. ("MEDICAL SERVICES"), AND THE WESLEY LONG COMMUNITY HEALTH SERVICES INC. ("WESLEY LONG HEALTH SERVICES"), WERE ESTABLISHED TO PROVIDE HEALTH CARE SERVICES TO THE RESIDENTS OF GUILFORD COUNTY AND THE SURROUNDING REGIONAL AREA. OPERATING AS AN INTEGRATED NETWORK OF HEALTH SERVICES CALLED THE MOSES CONE HEALTH SYSTEM (THE "HEALTH SYSTEM"), THE HEALTH SYSTEM SEEKS TO PROVIDE AFFORDABLE, SUPERIOR HEALTH CARE TO PATIENTS THROUGH CONTINUED EXPANSION OF ACUTE CARE AND NONHOSPITAL PROGRAMS.

THE MOSES CONE - WESLEY LONG COMMUNITY HEALTH FOUNDATION, INC. (THE "FOUNDATION"), OPERATES AS A CHARITABLE FOUNDATION CREATED TO SUPPORT AND PROMOTE COMMUNITY HEALTH PROGRAMS IN CONCERT WITH THE HEALTH SYSTEM. THE FOUNDATION WAS CAPITALIZED WITH $50 MILLION RECEIVED IN OCTOBER 1997 FROM THE HEALTH SYSTEM AND $60 MILLION RECEIVED FROM THE HEALTH SYSTEM IN APRIL 1999. THE OBLIGATED GROUP IS COMPRISED OF THE PARENT CORPORATION, THE OPERATING CORPORATION AND THE FOUNDATION.

THE MOSES H. CONE MEMORIAL HOSPITAL

CONTINUED ON NEXT PAGE

FEDERAL FOOTNOTES (CONT'D)

THE PARENT CORPORATION WAS FOUNDED THROUGH A TRUST ESTABLISHED BY BERTHA LINDAU CONE AS A MEMORIAL TO HER LATE HUSBAND MOSES H. CONE. FOLLOWING THE DEATH OF BERTHA CONE, THE CORNERSTONE OF THE MOSES H. CONE MEMORIAL HOSPITAL WAS LAID ON MAY 2, 1951, AND THE FACILITY OPENED WITH 53 BEDS ON FEBRUARY 25, 1953, IN GREENSBORO, NORTH CAROLINA. IN 1985, THE PARENT CORPORATION REORGANIZED AND CREATED THE OPERATING CORPORATION TO OPERATE ITS HEALTH CARE FACILITIES AND PROVIDE HEALTH CARE SERVICES TO THE COMMUNITY. THE PARENT CORPORATION RETAINED THE REAL ESTATE AND OTHER NON-CURRENT ASSETS, WHILE THE CURRENT ASSETS AND LIABILITIES WERE TRANSFERRED TO THE OPERATING CORPORATION. THE REAL PROPERTY IS LEASED TO THE OPERATING CORPORATION PURSUANT TO A LEASE OF 10 YEARS. THE LEASE WAS RENEWED EFFECTIVE OCTOBER 1, 2006 FOR A THIRD TEN-YEAR TERM. THE NET ASSETS OF THE PARENT CORPORATION PRIMARILY INCLUDE AN INVESTMENT PORTFOLIO INCLUDING INVESTMENT INCOME THEREON, AND THE HOSPITALS' LAND, BUILDINGS AND FIXED EQUIPMENT. ADDITIONALLY, THE PARENT CORPORATION HOLDS THE LONG-TERM DEBT AND REPORTS THE RELATED ACTIVITY ASSOCIATED WITH FINANCING CERTAIN HOSPITAL EXPANSION PROJECTS. THE MAJORITY OF CASH AND INVESTMENTS HELD BY THE PARENT CORPORATION HAVE BEEN INVESTED IN SECURITIES FOR THE PURPOSE OF FUNDING FUTURE CAPITAL REQUIREMENTS.

THE MOSES H. CONE MEMORIAL HOSPITAL OPERATING CORPORATION ACUTE CARE HOSPITAL SERVICES ARE PROVIDED TO THE COMMUNITY BY THE MOSES H. CONE MEMORIAL HOSPITAL, THE WOMEN'S HOSPITAL OF GREENSBORO, WESLEY LONG COMMUNITY HOSPITAL, MOSES CONE BEHAVIORAL HEALTH CENTER AND ANNIE PENN HOSPITAL. LONG-TERM CARE SERVICES ARE OFFERED THROUGH THE WESLEY LONG NURSING CENTER, THE EXTENDED CARE CENTER AND PENN NURSING CENTER. PATIENT CARE SERVICES AND OTHER MAJOR FACILITIES INCLUDE A FREE-STANDING FAMILY PRACTICE CENTER; THE SHORT STAY HOSPITAL, A PRE- AND POST-SURGERY AND MINOR PROCEDURE FACILITY ATTACHED TO THE MOSES H. CONE MEMORIAL HOSPITAL; THE OUTPATIENT SURGERY CENTER, AN IN-HOUSE OUTPATIENT SURGERY FACILITY LOCATED AT WESLEY LONG COMMUNITY HOSPITAL; THE OUTPATIENT REHABILITATION CENTERS LOCATED THROUGHOUT OUR SERVICE AREA; A NUTRITION AND DIABETES MANAGEMENT CENTER, A CENTER FOR PAIN AND REHABILITATIVE MEDICINE, AND SEVERAL MEDICAL OFFICE BUILDINGS.

TWO AMBULATORY SURGERY CENTERS PREVIOUSLY WHOLLY OWNED AND OPERATED BY THE OPERATING CORPORATION WERE TRANSFERRED TO A JOINT VENTURE IN SEPTEMBER 2004. WESLEY LONG SURGERY CENTER AND MOSES CONE SURGERY CENTER BEGAN OPERATIONS SEPTEMBER 2005 UNDER THE NEW CORPORATE STRUCTURE. IN SEPTEMBER 2005, THE PHYSICIAN PARTNERS JOINED THE JOINT VENTURE AND BOTH AMBULATORY SURGERY CENTERS BEGAN OPERATIONS AS DAY SURGERY CENTER OF GREENSBORO, LLC.

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FEDERAL FOOTNOTES (CONT'D)
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THE CARDIOVASCULAR DIAGNOSTIC CENTER, LLC, JOINTLY OWNED BY THE HEALTH SYSTEM AND AREA CARDIOLOGISTS, BEGAN OPERATION IN DECEMBER 2004.

THE MOSES CONE MEDICAL SERVICES, INC. (A NOT-FOR-PROFIT CORPORATION) AND WESLEY LONG COMMUNITY HEALTH SERVICES, INC. (A FOR-PROFIT CORPORATION) ENTITIES WERE ESTABLISHED TO PARTICIPATE IN VENTURES, INCLUDING OWNERSHIP OF PHYSICIAN PRACTICES, WHICH PROVIDE NONHOSPITAL HEALTH CARE SERVICES. ADDITIONALLY, THE ENTITIES PARTICIPATE IN SERVICES TO SUPPORT THE OVERALL HEALTH SYSTEM ACTIVITIES. THIS PARTICIPATION EXISTS IN THE FORM OF DIRECT OWNERSHIP, AS WELL AS OTHER AFFILIATION ARRANGEMENTS.

MOSES CONE - WESLEY LONG COMMUNITY HEALTH FOUNDATION, INC.
THE FOUNDATION WAS ESTABLISHED TO SUPPORT AND PROMOTE COMMUNITY HEALTH PROGRAMS IN CONCERT WITH THE ACTIVITIES OF THE OTHER HEALTH SYSTEM ENTITIES. THE ACTIVITIES OF THE FOUNDATION ARE NOT CONSIDERED CORE TO THE PROVISION OF HEALTHCARE SERVICES.

THE FIVE HOSPITALS AND THREE NURSING HOME FACILITIES TOGETHER ARE LICENSED FOR 1,458 BEDS. AT THE END OF FISCAL YEAR 2006, THE MOSES CONE HEALTH SYSTEM MEDICAL AND DENTAL STAFF HAD A TOTAL OF 939 PHYSICIANS AND DENTISTS. THE COMPOSITION OF THE SYSTEM'S WORKFORCE TOTALS MORE THAN 7,690 EMPLOYEES. A COPY OF THE CURRENT MISSION STATEMENT OF MOSES CONE HEALTH SYSTEM IS ATTACHED.

THE HISTORY OF THE SYSTEM, FROM ITS BEGINNING IN 1911 TO THE PRESENT DAY, DEMONSTRATES A CLEAR AND CONSISTENT CHARITABLE PURPOSE: THE PROVISION OF HEALTHCARE SERVICES TO ALL RESIDENTS OF THE COMMUNITY WITHOUT REGARD TO AGE, RACE, GENDER, CREED, NATIONAL ORIGIN, ABILITY TO PAY, SEXUAL PREFERENCE, OR PHYSICAL OR MENTAL HANDICAP. BEYOND THE SERVICES DOCUMENTED IN THIS REPORT, HOWEVER, WERE THE COUNTLESS ACTIONS BY EMPLOYEES THAT WILL NEVER BE ABLE TO BE COMPLETELY CAPTURED AND REPORTED NOR FORGOTTEN BY THOSE WHO BENEFITED FROM THEM.

THROUGHOUT THIS REPORT, THE TERM "SYSTEM" IS USED TO REFER TO THE MOSES H. CONE MEMORIAL HOSPITAL AND ITS AFFILIATES. THIS REPORT DOES NOT INCLUDE THE OPERATIONS OF SPECTRUM LABORATORY, WHICH IS INCLUDED IN THE CONSOLIDATED FINANCIALS.

II. UNCOMPENSATED CARE

ONE OF THE MOST TANGIBLE EXPRESSIONS OF THE CHARITABLE PURPOSE OF THE

CONTINUED ON NEXT PAGE

FEDERAL FOOTNOTES (CONT'D)

SYSTEM WAS THE PROVISION OF CARE TO PEOPLE UNABLE TO PAY.

A. CHARITY CARE $82,334,376

THE SYSTEM PROVIDED SERVICES TO ALL PEOPLE, REGARDLESS OF THEIR ABILITY TO PAY. FOR THOSE WHO EARNED UP TO 125 PERCENT OF THE FEDERAL POVERTY GUIDELINES, SERVICES WERE PROVIDED WITHOUT ANY EXPECTATION OF PAYMENT. FOR THOSE WHOSE ECONOMIC CIRCUMSTANCES PLACED THEM BETWEEN 125 PERCENT AND 200 PERCENT OF THE FEDERAL POVERTY GUIDELINES, THE SYSTEM APPLIED A SLIDING SCALE TO THE CHARGES FOR SERVICES RENDERED, AND THE EXPECTATION OF PAYMENT WAS PROPORTIONAL TO THE PATIENT'S STATUS RELATIVE TO THE FEDERAL POVERTY GUIDELINES. FOR PEOPLE WHOSE ECONOMIC CIRCUMSTANCES PLACED THEM ABOVE 200 PERCENT OF THE FEDERAL POVERTY GUIDELINES, ABILITY TO PAY WAS DETERMINED ON A CASE-BY-CASE BASIS. PAYMENT WAS EXPECTED FOR ROUTINE SERVICES, BUT CASES INVOLVING SERIOUS ILLNESS AND/OR UNUSUALLY HIGH-COST CARE WERE INDIVIDUALLY EVALUATED, AND EXPECTATION OF PAYMENT BY THE SYSTEM WAS ADJUSTED TO RECOGNIZE THE REASONABLE ABILITY OF THE INDIVIDUAL PATIENT TO PAY FOR SERVICES RECEIVED.

FOR THE YEAR ENDING SEPTEMBER 30, 2006, THE SYSTEM PROVIDED SERVICES UNDER THE PREVIOUSLY STATED POLICY WHICH, IF VALUED AT THE USUAL AND CUSTOMARY CHARGES OF THE SYSTEM, WOULD HAVE AMOUNTED TO $51,542,766. BOTH INPATIENTS AND OUTPATIENTS WERE PROVIDED CARE UNDER THE AFOREMENTIONED POLICY. NO PATIENT WAS REFUSED NECESSARY MEDICAL CARE ON THE BASIS OF HIS OR HER ABILITY TO PAY.

IN ADDITION, THE SYSTEM EXPERIENCED $30,791,610 IN BAD DEBT EXPENSE (VALUED AT THE USUAL AND CUSTOMARY CHARGES OF THE SYSTEM). SINCE MOST OF THE BAD DEBT COST TO THE SYSTEM BENEFITS PATIENTS WHO WERE UNABLE TO PAY FOR THEIR CARE, THE SYSTEM CONSIDERED THIS PART OF ITS COST OF CHARITY CARE.

B. MEDICAID $82,708,966

IN ADDITION TO THE LEVEL OF SERVICES IDENTIFIED IN PARAGRAPH A ABOVE, THE SYSTEM WAS AN ACTIVE PARTICIPANT IN THE STATE OF NORTH CAROLINA MEDICAID PROGRAM. THAT PROGRAM SOUGHT TO PROVIDE PAYMENT FOR HEALTHCARE SERVICES TO INDIVIDUALS WHO MET CERTAIN FINANCIAL AND CATEGORICAL REQUIREMENTS. FINANCIAL REQUIREMENTS INCLUDED EVALUATION OF BOTH ASSETS AND INCOME AND WERE GENERALLY MORE STRINGENT THAN FEDERAL POVERTY GUIDELINES. CATEGORICAL REQUIREMENTS INVOLVED QUALIFICATION UNDER CRITERIA SUCH AS ELIGIBILITY FOR AID TO FAMILIES WITH DEPENDENT CHILDREN, DISABILITY OR AGE. FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2006, REIMBURSEMENT FROM MEDICAID FOR SERVICES

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FEDERAL FOOTNOTES (CONT'D)

PROVIDED TO MEDICAID PATIENTS BY THE SYSTEM WAS SUMMARIZED AS FOLLOWS:

CHARGES	$163,569,401
REIMBURSEMENT	(80,860,435)
TOTAL DIFFERENCE BETWEEN CHARGES AND ACTUAL REIMBURSEMENT FOR SERVICES PROVIDED TO MEDICAID PATIENTS	$82,708,966

C. MEDICARE $202,713,407

IN ADDITION TO THE PROVISION OF CARE WITHOUT EXPECTATION OF PAYMENT OR THE PROVISION OF CARE TO MEDICAID-ELIGIBLE PEOPLE AT RATES SUBSTANTIALLY BELOW CHARGES, THE SYSTEM PROVIDED SERVICES TO PEOPLE COVERED UNDER THE FEDERAL MEDICARE PROGRAM. MEDICARE RECIPIENTS WERE THE LARGEST SINGLE PAYOR CLASSIFICATION OF PATIENTS SERVED BY THE SYSTEM. THE PAYMENT RATE FOR INPATIENT SERVICES WAS ON A PER CASE RATE, CALCULATED BASED ON THE DIAGNOSTIC-RELATED GROUP INTO WHICH THE PATIENT WAS CATEGORIZED, COUPLED WITH OTHER FACTORS RELATED TO AREA WAGE RATES, MEDICAL EDUCATION, CAPITAL COSTS AND OTHER VARIABLES. OUTPATIENT SERVICES WERE REIMBURSED ON A PRE-DETERMINED CASE RATE.

FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2006, REIMBURSEMENT FROM MEDICARE FOR SERVICES PROVIDED TO MEDICARE PATIENTS BY THE SYSTEM WAS SUMMARIZED AS FOLLOWS:

CHARGES	$415,258,306
REIMBURSEMENT	(212,544,899)
TOTAL DIFFERENCE BETWEEN CHARGES AND ACTUAL REIMBURSEMENT FOR SERVICES PROVIDED TO MEDICARE PATIENTS	$202,713,407

D. SUMMARY, UNCOMPENSATED CARE

DIFFERENCE BETWEEN CHARGES AND ACTUAL REIMBURSEMENT FOR:

CARE PROVIDED TO THE MEDICALLY INDIGENT	$ 82,334,376
CARE PROVIDED TO MEDICAID PATIENTS	$ 82,708,966
CARE PROVIDED TO MEDICARE PATIENTS	$202,713,407
TOTAL UNCOMPENSATED CARE	$367,756,749

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FEDERAL FOOTNOTES (CONT'D)

IN ADDITION TO THE DIRECT PROVISION OF PATIENT CARE SERVICES, THE SYSTEM ENGAGED IN A VARIETY OF OTHER ACTIVITIES RESULTING IN BENEFITS TO THE COMMUNITY AS DESCRIBED ON THE FOLLOWING PAGES.

III. DONATIONS

A. CORPORATE DONATIONS

MOSES CONE HEALTH SYSTEM RECOGNIZED THE IMPORTANT WORK OF MANY ORGANIZATIONS AND CHARITIES DURING FISCAL YEAR 2006. WHILE THE PRINCIPAL COMMUNITY DONATION BY THE SYSTEM WAS IN THE AREA OF INDIGENT CARE (DETAILED ELSEWHERE IN THIS REPORT), DONATIONS WITHIN THE CONTEXT OF THE ORGANIZATION'S DONATION POLICY ALSO WERE MADE TO OTHER CHARITABLE CAUSES.

B. EMPLOYEE DONATIONS

1. HOSPITAL-SPONSORED EVENTS

MOSES CONE HEALTH SYSTEM EMPLOYEES ALSO CONTRIBUTED FINANCIALLY THROUGH PROJECTS AND PROGRAMS ENDORSED BY THE SYSTEM AND EMPLOYEE COUNCILS AT THE MOSES H. CONE MEMORIAL HOSPITAL, WESLEY LONG COMMUNITY HOSPITAL, THE WOMEN'S HOSPITAL OF GREENSBORO/ADMINISTRATIVE SERVICES BUILDING, BEHAVIORAL HEALTH CENTER, REGIONAL CANCER CENTER, ANNIE PENN HOSPITAL, HEALTH SERVICES AND LEBAUER HEALTHCARE. SYSTEM-ENDORSED FUNDRAISERS INCLUDED THE UNITED WAY CAMPAIGNS FOR BOTH GREENSBORO AND ROCKINGHAM COUNTY; JUVENILE DIABETES FOUNDATION; AMERICAN HEART ASSOCIATION - GUILFORD HEART AND STROKE WALK; AMERICAN CANCER SOCIETY - RELAY FOR LIFE IN GREENSBORO AND ROCKINGHAM COUNTY; AND MARCH OF DIMES - WALKAMERICA. EMPLOYEES DONATED TO THESE HOSPITAL-SPONSORED EVENTS

2. OTHER COMMUNITY SERVICE

THE SYSTEM ESTABLISHED SEVERAL SERVICE PROJECTS TO ASSIST MEMBERS OF THE COMMUNITY. SANTALINK, CARELINK'S YEARLY SERVICE PROJECT TO COLLECT TOYS FOR AREA CHILDREN, DELIVERED THREE AMBULANCES FULL OF TOYS, GAMES AND BIKES TO KIDS PATH OF GUILFORD AND RANDOLPH COUNTY, HOSPICE OF ROCKINGHAM COUNTY AND HELP INC. OF ROCKINGHAM COUNTY. EMPLOYEES ALSO PARTICIPATED IN THE COUNTYWIDE FILL-THE-BUS CAMPAIGN, DONATING SCHOOL SUPPLIES TO LOCAL SCHOOLS.

MOSES CONE HEALTH SYSTEM EMPLOYEES ALSO ORGANIZED VARIOUS FOOD DRIVES THROUGHOUT THE YEAR TO BENEFIT THE COMMUNITY. BETWEEN OCTOBER OF 2005 AND SEPTEMBER OF 2006, EMPLOYEES DONATED MORE THAN 1,400 POUNDS

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FEDERAL FOOTNOTES (CONT'D)

OF FOOD AND TOILETRIES TO THE GREENSBORO URBAN MINISTRIES FOOD BANK TO HELP THOSE LESS FORTUNATE. EMPLOYEES AT ANNIE PENN HOSPITAL SPONSORED TWO FOOD DRIVES TO RESTOCK THE PANTRIES AT REIDSVILLE OUTREACH CENTER AND ROCKINGHAM COUNTY RED CROSS. ANNIE PENN HOSPITAL EMPLOYEES ALSO HELD A YARD SALE, IN WHICH THE MONEY RAISED WAS DONATED TO HELP INC. AND REIDSVILLE OUTREACH CENTER TO PROVIDE HOLIDAY MEALS TO CLIENTS. INDIVIDUAL DEPARTMENTS THROUGHOUT MOSES CONE HEALTH SYSTEM ALSO ORGANIZED VARIOUS FOOD DRIVES THROUGHOUT THE YEAR.

FINALLY, INDIVIDUAL DEPARTMENTS THROUGHOUT MOSES CONE HEALTH SYSTEM ORGANIZED OTHER COMMUNITY-SERVICE ACTIVITIES THROUGHOUT THE YEAR, INCLUDING SPONSORING FAMILIES DURING THE HOLIDAYS, ORGANIZING COMMUNITY ART PROGRAMS AND COORDINATING MUSIC CONCERTS FOR PATIENTS AND VISITORS. THE DEPARTMENTAL SERVICE ACTIVITIES REACHED APPROXIMATELY 17,986 PEOPLE AND HAD AN APPROXIMATE VALUE OF $9,930. EMPLOYEES DEVOTED 1,579 HOURS TO THESE ACTIVITIES, A VALUE OF $51,554, IF CALCULATED AT THE FISCAL YEAR 2006 EMPLOYEE AVERAGE HOURLY WAGE AND BENEFITS RATE OF $32.65.

3. CHILDCARE SCHOLARSHIP FUND

A SCHOLARSHIP FUND WAS ESTABLISHED FOR MOSES CONE HEALTH SYSTEM CHILDCARE CENTERS, INCLUDING THE CHILDREN'S CORNER, KIDS CONNECTION AND WOODMONT CHILD DEVELOPMENT CENTER. THE SCHOLARSHIPS WERE FUNDED THROUGH THE PROCEEDS FROM SODEXHO VENDING MACHINES LOCATED THROUGHOUT THE SYSTEM. THE SCHOLARSHIPS WERE MADE AVAILABLE TO EMPLOYEES WITH A .5 FTE STATUS OR HIGHER WHO MET SPECIFIC INCOME GUIDELINES AND WERE AWARDED ON A FIRST-COME, FIRST-SERVED BASIS, DEPENDING ON THE AVAILABILITY OF CLASSROOM SPACE AND AVAILABLE FUNDS. DURING FISCAL YEAR 2006, 40 CHILDREN RECEIVED ASSISTANCE RANGING FROM 50 PERCENT TO 75 PERCENT OF THEIR TUITION THROUGH THE CHILDCARE SCHOLARSHIP FUND. THE TOTAL AMOUNT OF MONEY DONATED TO THE SCHOLARSHIP FUND THROUGH VENDING MACHINE SALES DURING FISCAL YEAR 2006 WAS $171,550.

4. CAMP CAREFREE

MOSES CONE HEALTH SYSTEM EMPLOYEES ALSO SUPPORTED CAMP CAREFREE, A CAMP FOR CHILDREN WHO HAVE A VARIETY OF CHRONIC ILLNESSES AND DISABILITIES OR WHO ARE EXPERIENCING GRIEF AS THE RESULT OF A SIGNIFICANT LOSS. IN FISCAL YEAR 2006, EMPLOYEES DONATED $7,500 TO CAMP CAREFREE. THE MONEY WAS RAISED THROUGH THE CONE CAPERS EMPLOYEE TALENT SHOW AND A BAKE SALE.

C. OTHER DONATIONS

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FEDERAL FOOTNOTES (CONT'D)

1. MAMMOGRAPHY SCHOLARSHIP FUND

SCREENING MAMMOGRAMS ARE RECOMMENDED FOR WOMEN ANNUALLY AT AGE 40. THE COST OF THIS TEST CAN BE EXPENSIVE WITHOUT THE ASSISTANCE OF A HEALTHCARE PROVIDER. THE WOMEN'S HOSPITAL OF GREENSBORO WANTED TO PROVIDE A WAY FOR WOMEN IN FINANCIAL NEED WHO DO NOT HAVE HEALTH INSURANCE TO OBTAIN THIS LIFE-SAVING TEST. THEREFORE, THE WOMEN'S HOSPITAL ESTABLISHED THE MAMMOGRAPHY SCHOLARSHIP FUND. ONE MEANS OF FUNDING THIS ACCOUNT WAS THROUGH THE PROCEEDS OF THE WOMEN'S ONLY 5K WALK & RUN. DURING FISCAL YEAR 2006, PARTICIPANTS IN THE RACE, BOTH MOSES CONE HEALTH SYSTEM EMPLOYEES AND COMMUNITY RESIDENTS, RAISED $35,476 FOR THE SCHOLARSHIP FUND. IN ADDITION TO THE WOMEN'S ONLY, OTHER ORGANIZATIONS AND PRIVATE CONTRIBUTORS DONATED TO THE MAMMOGRAPHY SCHOLARSHIP FUND. THE TOTAL CONTRIBUTION TO THE MAMMOGRAPHY SCHOLARSHIP FUND DURING FISCAL YEAR 2006 WAS $52,463. THESE CONTRIBUTIONS AND THE REMAINING FUNDS FROM FISCAL YEAR 2005 PROVIDED SCREENING MAMMOGRAMS TO 298 WOMEN IN FINANCIAL NEED DURING FISCAL YEAR 2006. THE SCREENING MAMMOGRAMS RECEIVED BY THE SCHOLARSHIP RECIPIENTS WERE VALUED AT $35,307.

VALUE OF MAMMOGRAPHY SCHOLARSHIP FUND SERVICES	$35,307
TOTAL NUMBER OF WOMEN SERVED	298

3. DONATED EQUIPMENT AND SUPPLIES

DEPARTMENTS THROUGHOUT MOSES CONE HEALTH SYSTEM ALSO DONATED EQUIPMENT AND SUPPLIES TO SCHOOLS, MEDICAL MISSION TRIPS, MEDICAL ORGANIZATIONS AND COMMUNITY GROUPS. DONATED ITEMS - INCLUDING MEDICAL JOURNALS, LABORATORY SUPPLIES, CPAP MASKS, OPERATING ROOM SUPPLIES AND OTHER MEDICAL SUPPLIES AS WELL AS EDUCATIONAL MATERIALS - HAD AN APPROXIMATE VALUE OF $12,237.

IV. TRAINING AND EDUCATION FOR HEALTHCARE PROFESSIONALS

THE SYSTEM IS COMMITTED TO HEALTHCARE EDUCATION. THIS SUPPORT IS SHOWN IN TWO WAYS: THROUGH SIGNIFICANT ONGOING FINANCIAL SUPPORT OF THE GREENSBORO AREA HEALTH EDUCATION CENTER (A PARTNERSHIP BETWEEN MOSES CONE HEALTH SYSTEM AND THE SCHOOL OF MEDICINE OF THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL) AND THROUGH THE NUMEROUS COMMUNITY EDUCATION ACTIVITIES PROVIDED AND SUPPORTED BY THE SYSTEM.

A. GREENSBORO AREA HEALTH EDUCATION CENTER (AHEC)

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FEDERAL FOOTNOTES (CONT'D)
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THE GREENSBORO AHEC WAS ESTABLISHED IN 1974 AS A PARTNERSHIP BETWEEN MOSES CONE HEALTH SYSTEM AND THE SCHOOL OF MEDICINE OF UNC-CHAPEL HILL. THE FINANCIAL CONTRIBUTION MADE BY THE SYSTEM TO THE GREENSBORO AHEC FOR AHEC'S 2006-2007 FISCAL YEAR WAS $4,758,937.

THE GREENSBORO AHEC SERVED THE EDUCATIONAL NEEDS OF HEALTH PROFESSIONALS IN AN EIGHT-COUNTY REGION IN THE CENTRAL PIEDMONT OF NORTH CAROLINA. AHEC'S GRADUATE MEDICAL EDUCATION PROGRAMS, CO-SPONSORED BY THE SYSTEM, INCLUDED FREE-STANDING RESIDENCY PROGRAMS IN FAMILY MEDICINE AND INTERNAL MEDICINE, IN ADDITION TO RESIDENCY PROGRAMS IN PEDIATRICS THAT ARE INTEGRATED WITH RESIDENCY PROGRAMS AT UNC-CHAPEL HILL.
FULL-TIME RESIDENCY POSITIONS AT MOSES CONE HEALTH SYSTEM:

FAMILY MEDICINE	25
INTERNAL MEDICINE	22

PEDIATRIC RESIDENCY POSITIONS: 10 POSITIONS (120 ONE-MONTH ROTATIONS)

IN ADDITION TO RESIDENCY TRAINING, AHEC PROVIDED ROTATIONS FOR STUDENTS IN MEDICINE, NURSING, ALLIED HEALTH PROFESSIONS, DENTISTRY AND PHARMACY. CONTINUING EDUCATION ALSO WAS PROVIDED TO INDIVIDUALS IN THOSE SAME DISCIPLINES. DURING FISCAL YEAR 2006, THE FOLLOWING 1,157 STUDENTS RECEIVED TRAINING THROUGH GREENSBORO AHEC. IN ADDITION THERE WERE 2,084 OF INSTRUCTIONAL HOURS PROVIDED BY GREENSBORO AHEC.

B. OTHER EDUCATIONAL ACTIVITIES FOR HEALTH PROFESSIONALS SPONSORED BY MOSES CONE HEALTH SYSTEM

1. CLINICAL TRAINING - LOCAL COLLEGES, COMMUNITY COLLEGES AND HIGH SCHOOLS ESTABLISHED RELATIONSHIPS WITH THE SYSTEM FOR THE CLINICAL TRAINING OF STUDENTS IN A WIDE VARIETY OF HEALTH PROFESSIONS. ALSO, TWO TRAINING PROGRAMS WERE OPERATED AT THE HOSPITALS: THE RADIOLOGIC TECHNOLOGY PROGRAM AND THE PHARMACY RESIDENCY TRAINING PROGRAM.

MOSES CONE HEALTH SYSTEM FINANCIAL SPONSORSHIP OF THE RADIOLOGIC TECHNOLOGY PROGRAM AND THE PHARMACY RESIDENCY PROGRAM, FOR FISCAL YEAR 2006:

RADIOLOGIC TECHNOLOGY PROGRAM $252,774

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FEDERAL FOOTNOTES (CONT'D)

PHARMACY RESIDENCY PROGRAM $351,636

2. EDUCATIONAL PRESENTATIONS TO AREA HEALTHCARE PROFESSIONALS AND HEALTHCARE STUDENTS

MOSES CONE HEALTH SYSTEM EMPLOYEES SHARED THEIR TIME AND MEDICAL EXPERTISE AS GUEST LECTURERS FOR MANY LOCAL SCHOOLS, STUDENT ORGANIZATIONS AND AREA TRAINING PROGRAMS FOR HEALTHCARE PROFESSIONALS. DURING FISCAL YEAR 2006, 143 SUCH LECTURES WERE PRESENTED BY SYSTEM EMPLOYEES FOR APPROXIMATELY 3,189 STUDENTS. EMPLOYEES ALSO PROVIDED EDUCATIONAL PRESENTATIONS TO PRACTICING HEALTHCARE PROFESSIONALS AND AREA PROFESSIONAL GROUPS. IN 2006, 27 SUCH LECTURES WERE PRESENTED BY SYSTEM EMPLOYEES FOR APPROXIMATELY 757 PROFESSIONALS.

MOSES CONE HEALTH SYSTEM EMPLOYEES DEVOTED APPROXIMATELY 698 HOURS OF PREPARATION, DELIVERY AND TRANSPORTATION TIME TO THE PRESENTATIONS DISCUSSED ABOVE, A VALUE OF $22,790, IF CALCULATED AT THE FISCAL YEAR 2006 EMPLOYEE AVERAGE HOURLY WAGE AND BENEFITS RATE OF $32.65. THE TOTAL VALUE OF SERVICES THIS BENEFIT PROVIDED TO THE COMMUNITY, INCLUDING STAFF TIME AND DIRECT EXPENSES ASSOCIATED WITH THE 170 PRESENTATIONS AND STAFF TIME, WAS $47,382.

3. MENTORING OF STUDENTS

IN FISCAL YEAR 2006, SYSTEM EMPLOYEES FROM 26 DEPARTMENTS REPORTED THAT THEY DEVOTED A TOTAL OF 22,137 HOURS TO MENTORING 261 STUDENTS. THE STUDENTS WERE ENROLLED IN A VARIETY OF SCHOOL PROGRAMS TO PREPARE THEM FOR FUTURES IN HEALTHCARE CAREERS FIELDS SUCH AS SOCIAL WORK, RADIOLOGY, NURSING, PHARMACY, SPORTS MEDICINE, PHYSICAL THERAPY, RESPIRATORY THERAPY AND ADMINISTRATION. THE STUDENTS REPRESENTED LOCAL HIGH SCHOOLS; NUMEROUS INSTITUTIONS OF HIGHER LEARNING FROM ACROSS NORTH CAROLINA, SUCH AS THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL, DUKE UNIVERSITY, EAST CAROLINA UNIVERSITY, WAKE FOREST UNIVERSITY, CALDWELL COMMUNITY COLLEGE, THE UNIVERSITY OF NORTH CAROLINA AT GREENSBORO, NORTH CAROLINA A&T STATE UNIVERSITY, ELON UNIVERSITY, WINSTON-SALEM STATE UNIVERSITY, ALAMANCE COMMUNITY COLLEGE, DAVIDSON COUNTY COMMUNITY COLLEGE AND ROCKINGHAM COMMUNITY COLLEGE; AND OUT-OF-STATE UNIVERSITIES, SUCH AS GRACELAND UNIVERSITY IN MISSOURI, BELLARMINE UNIVERSITY IN KENTUCKY, VIRGINIA TECH AND THE UNIVERSITY OF MARYLAND. THE HOURS OF TIME THAT MOSES CONE HEALTH SYSTEM STAFF SPENT MENTORING THESE STUDENTS, IF VALUED CONSERVATIVELY AT THE AVERAGE HOURLY WAGE OF THE SYSTEM FOR FISCAL YEAR 2006, $32.65, REPRESENTED A VALUE OF $722,773.

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FEDERAL FOOTNOTES (CONT'D)

V. MEDICAL LIBRARY

THE MEDICAL AND HEALTHCARE CONSUMER LIBRARIES MAINTAINED BY MOSES CONE HEALTH SYSTEM ARE RESOURCES FOR HEALTH PROFESSIONALS AND THE COMMUNITY. THE LIBRARIES PROVIDE AN INCREASINGLY WIDE RANGE OF INFORMATION SERVICES, FROM A SELECTION OF JOURNALS, BOOKS AND AUDIOVISUALS TO THE LATEST RESOURCES FOR RESEARCHING MEDICAL LITERATURE. THE LIBRARIES ARE PART OF AN INTERLIBRARY LOAN SYSTEM LINKING THE SYSTEM TO HUNDREDS OF LIBRARIES THROUGHOUT THE NATION. LIBRARY SERVICES ARE AVAILABLE TO EMPLOYEES, THE MEDICAL STAFF, HEALTHCARE PROFESSIONALS AND THE GREATER COMMUNITY FREE OF CHARGE (WITH THE EXCEPTION OF SPECIALIZED SEARCH SERVICES AND SOME INTERLIBRARY LOAN TRANSACTIONS).

MEDICAL LIBRARIES LOCATED AT THE MOSES H. CONE MEMORIAL HOSPITAL, WESLEY LONG COMMUNITY HOSPITAL AND THE WOMEN'S HOSPITAL OF GREENSBORO:

MOSES CONE HEALTH SYSTEM FINANCIAL SPONSORSHIP OF MEDICAL LIBRARIES AT MOSES CONE HOSPITAL, WESLEY LONG COMMUNITY HOSPITAL AND THE WOMEN'S HOSPITAL $394,159

VI. COMMUNITY HEALTH EDUCATION AND OUTREACH

MOSES CONE HEALTH SYSTEM EMPLOYEES ARE COMMITTED TO IMPROVING THE HEALTH AND WELL-BEING OF THE COMMUNITY. THIS COMMITMENT WAS DEMONSTRATED THROUGHOUT THE YEAR AS EMPLOYEES PROVIDED HEALTH EDUCATION AND OUTREACH PROGRAMS FOR COMMUNITY GROUPS. INCLUDED IN THOSE EFFORTS WERE UNDERWRITING THE COST OF "FREE" COMMUNITY SCREENINGS, PARTICIPATING IN LOCAL HEALTH FAIRS BY PROVIDING EXHIBITS AND STAFF TO ANSWER QUESTIONS, ORGANIZING AND PRESENTING HEALTH EDUCATION CLASSES, AND COORDINATING SUPPORT GROUPS. SYSTEM EMPLOYEES AND MEMBERS OF THE MEDICAL AND DENTAL STAFF PROVIDED A TREMENDOUS AMOUNT OF HEALTH EDUCATION AND SUPPORT TO AREA SCHOOLS, CHURCHES, COMMUNITY GROUPS, EMPLOYERS AND COMMUNITY RESIDENTS.

A. "FREE" SCREENINGS SPONSORED BY MOSES CONE HEALTH SYSTEM

THROUGH THE WORK OF VARIOUS DEPARTMENTS, THE SYSTEM PROVIDED "FREE" SCREENINGS TO 3,096 PEOPLE DURING FISCAL YEAR 2006. THE SCREENINGS INCLUDED TESTING FOR OSTEOPOROSIS, BLOOD SUGAR, BALANCE, CERVICAL CANCER, COLON CANCER, SKIN CANCER, ORAL CANCER AND PROSTATE CANCER.

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FEDERAL FOOTNOTES (CONT'D)

SPORTS PHYSICALS, FLU SHOTS AND SLEEP EVALUATIONS ALSO WERE PROVIDED. EMPLOYEES DEVOTED 2,431 HOURS PROVIDING THESE SCREENINGS, A VALUE OF $79,372. THE TOTAL VALUE OF SERVICES THIS BENEFIT PROVIDED TO THE COMMUNITY, INCLUDING STAFF TIME AND EXPENSES ASSOCIATED WITH THE SCREENINGS, WAS $163,324.

MOSES CONE HEALTH SYSTEM BEHAVIORAL HEALTH CENTER OFFERED THE BEHAVIORAL HEALTH HELPLINE AND ASSESSMENT SERVICE TO SERVE INDIVIDUALS WHO WERE EXPERIENCING A CRISIS AND BELIEVED THEY NEEDED ASSISTANCE. THE HELPLINE, STAFFED 24 HOURS PER DAY EVERY DAY OF THE YEAR BY TRAINED MENTAL HEALTH PROFESSIONALS AND PROVIDED AT NO CHARGE, COULD ARRANGE FREE FACE-TO-FACE ASSESSMENTS AT THE BEHAVIORAL HEALTH CENTER OR REFER CALLERS TO A PSYCHIATRIST, PSYCHOLOGIST OR SOCIAL WORKER IN PRIVATE PRACTICE. DURING FISCAL YEAR 2006, THE BEHAVIORAL HEALTH CENTER PROVIDED 8,454 FREE ASSESSMENTS. THE COST OF SPONSORING THE BEHAVIORAL HEALTH HELPLINE AND ASSESSMENT SERVICE BY THE SYSTEM DURING FISCAL YEAR 2006 WAS $575,000.

IN ADDITION, HEALTHSERVE COMMUNITY HEALTH CLINIC PROVIDED PRIMARY HEALTHCARE ON A SLIDING-FEE BASIS TO THE ADULT UNDERINSURED AND UNINSURED POPULATION OF GUILFORD COUNTY. IN ADDITION TO PRIMARY MEDICAL CARE, HEALTHSERVE WAS ABLE TO PROVIDE PHARMACY SERVICES AND SOCIAL WORK SERVICES WHEN NECESSARY TO THE PATIENT BASE. THROUGH VOLUNTEERS IN OUR COMMUNITY, HEALTHSERVE ALSO OFFERED SOME SPECIALTY SERVICES, SUCH AS PODIATRY, GYNECOLOGY AND DERMATOLOGY.

B. HEALTH EDUCATION CLASSES

MOSES CONE HEALTH SYSTEM HAS A LONG-STANDING COMMITMENT TO COMMUNITY EDUCATION RELATED TO HEALTH ISSUES AND HEALTHY LIFESTYLE CHOICES. THIS COMMITMENT WAS DEMONSTRATED DURING FISCAL YEAR 2006 THROUGH AN ACTIVE SCHEDULE OF CLASSES PROVIDED FOR THE COMMUNITY ON A VARIETY OF HEALTH-RELATED TOPICS AS WELL AS CLASSES DESIGNED FOR PATIENT POPULATIONS WITH SPECIAL HEALTH NEEDS.

THESE COMMUNITY EDUCATIONAL SERVICES WERE PROVIDED BY STAFF OR TRAINED PROFESSIONALS FROM VARIOUS DEPARTMENTS THROUGHOUT THE SYSTEM. EMPLOYEES DEVOTED 1,972 HOURS TO THESE CLASSES, A VALUE OF $64,386 IF CALCULATED AT THE FISCAL YEAR 2006 EMPLOYEE AVERAGE HOURLY WAGE AND BENEFITS RATE OF $32.65. THE VALUE OF STAFF TIME ALONG WITH THE DIRECT EXPENSES ASSOCIATED WITH PROVIDING THE 414 TOTAL CLASSES FOR 6,186 PEOPLE WAS $118,149.

C. OTHER HEALTH EDUCATION AND COMMUNITY OUTREACH PROGRAMS SPONSORED BY MOSES CONE HEALTH SYSTEM

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FEDERAL FOOTNOTES (CONT'D)

1. EXPLORER SCOUT POST

IN FISCAL YEAR 2006, MOSES CONE HEALTH SYSTEM SPONSORED AN EXPLORER POST THROUGH THE BOY SCOUTS OF AMERICA. THE EXPLORER POST PROGRAM, FOCUSED ON CAREERS IN HEALTHCARE, MATCHED THE INTERESTS OF THE ADOLESCENTS BETWEEN AGES 14 AND 20 WITH ADULT EXPERTISE AND THE RESOURCES OF THE SPONSORING AGENCY.

FEDERAL FOOTNOTES

THE YOUTH PARTICIPATING IN THIS PROGRAM GAINED PRACTICAL EXPERIENCE IN THEIR SPECIFIC AREA OF INTEREST, SKILL OR CAREER AND LEARNED VALUABLE LEADERSHIP SKILLS. DURING FISCAL YEAR 2006, EMPLOYEES OF MOSES CONE HEALTH SYSTEM VOLUNTEERED 65 HOURS TO THIS PROGRAM. ADDITIONALLY, THE SYSTEM PROVIDED $800 TO PURCHASE UNIFORMS FOR THE YOUTH. THE EFFORTS OF THE SYSTEM EMPLOYEES PROVIDED 1,400 HOURS OF ACTIVITY FOR THE EXPLORER POST PROGRAM. SYSTEM STAFF TIME REPRESENTED AN INVESTMENT OF $2,122.

2. HEALTHCONNECT: PHYSICIAN REFERRAL AND CLASS-REGISTRATION SERVICE

REGISTRATION CALLS FOR SCREENINGS, PERINATAL EDUCATION CLASSES AND COMMUNITY EDUCATION PROGRAMS	10,985 CALLS
OTHER INFORMATIONAL CALLS ABOUT MOSES CONE HEALTH SYSTEM PROGRAMS AND MEDICAL SERVICES	12,846 CALLS
THE SYSTEM SPONSORED THE COST FOR THE CLASS-REGISTRATION SERVICE AND ADMINISTRATIVE EXPENSES.	$123,180 DIRECT EXPENSE

3. NEONATAL INTENSIVE CARE UNIT REUNION:
636 ATTENDEES, DIRECT EXPENSE OF $13,685, AND ADDITIONAL EXPENSE OF $9,305 REPRESENTING 285 STAFF HOURS

4. THE PARENT REVIEW

"THE PARENT REVIEW" IS A COMMUNITY NEWSLETTER CONTAINING VALUABLE INFORMATION FOR PARENTS OR EXPECTANT PARENTS ABOUT PREGNANCY AND RAISING CHILDREN. MOSES CONE HEALTH SYSTEM DISTRIBUTED THIS PUBLICATION QUARTERLY TO THE WOMEN'S HOSPITAL OF GREENSBORO FOR NEW AND EXPECTANT PARENTS. IN ADDITION TO THE FREE-OF-CHARGE PRINTED NEWSLETTER, AN E-MAIL COMPONENT OF "THE PARENT REVIEW" WAS AVAILABLE TO EXPECTANT PARENTS, IN WHICH THEY RECEIVE WEEK-BY-WEEK INFORMATION ABOUT THEIR PREGNANCY AS WELL AS EDUCATIONAL TIPS DURING THE BABY'S FIRST YEAR. DURING FISCAL YEAR 2006, 280 PEOPLE SUBSCRIBED TO THE E-MAIL COMPONENT. THE TOTAL COST TO PROVIDE BOTH THE PRINTED AND E-MAIL COMPONENTS OF "THE PARENT REVIEW" WAS $6,000 DURING FISCAL YEAR 2006.

5. SUPPORT PROGRAMS

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FEDERAL FOOTNOTES (CONT'D)

AS PART OF MOSES CONE HEALTH SYSTEM'S MISSION OF "PROVIDING COMFORT," MANY SUPPORT PROGRAMS WERE SPONSORED BY THE SYSTEM DURING FISCAL YEAR 2006. THESE PROGRAMS PROVIDED EMOTIONAL SUPPORT, COPING TOOLS TO DEAL WITH THEIR DIAGNOSIS OR THAT OF A LOVED ONE, AND EDUCATIONAL INFORMATION ABOUT ISSUES THEY MAY BE FACING. INCLUDED IN THE ARRAY OF SUPPORT PROGRAMS OFFERED BY MOSES CONE HEALTH SYSTEM WERE PROSTATE CANCER SUPPORT GROUP, BREAST CANCER SUPPORT GROUP, LOOK GOOD FEEL BETTER, CANCER AND FOOTBALL, DIABETES SUPPORT GROUP, HA-HA: HELPING AMPUTEES HELP AMPUTEES, FEELINGS AFTER BIRTH SUPPORT GROUP AND HEALING ARTS PROGRAMS. DURING FISCAL YEAR 2006, 2,910 PEOPLE ATTENDED THE 402 SUPPORT GROUP MEETINGS OFFERED BY MOSES CONE HEALTH SYSTEM. THE DIRECT EXPENSE FOR SPONSORING THE SUPPORT GROUPS WAS $19,100.

D. SUPPORT PROVIDED BY MOSES CONE HEALTH SYSTEM TO COMMUNITY GROUPS

MOSES CONE HEALTH SYSTEM VALUES THE COMMITMENTS PROVIDED BY COMMUNITY ORGANIZATIONS TO ASSIST THE RESIDENTS OF OUR COMMUNITY. THE SYSTEM HAS MAINTAINED RELATIONSHIPS WITH COMMUNITY ORGANIZATIONS IN ORDER TO SUPPORT THEIR SERVICES AND FURTHER MEET THE NEEDS OF THE COMMUNITY. MOSES CONE HEALTH SYSTEM PROVIDED SPONSORSHIP, STAFF SUPPORT AND IN-KIND SERVICES TO MANY AREA PROGRAMS. MEETING ROOMS ALSO WERE MADE AVAILABLE TO OUTSIDE ORGANIZATIONS FOR A WIDE VARIETY OF MEETINGS, SEMINARS AND EDUCATIONAL PROGRAMS.

E. COMMUNICATION WITH PATIENTS

RECOGNIZING THAT A GROWING NUMBER OF AREA RESIDENTS DO NOT SPEAK ENGLISH, THE SYSTEM USED INTERPRETERS FOR A VARIETY OF LANGUAGES TO ASSIST WITH COMMUNICATION WHEN THOSE INDIVIDUALS SOUGHT CARE FROM MOSES CONE HEALTH SYSTEM. FOR THE SPANISH-SPEAKING POPULATION, THE SYSTEM HAD TWO FULL-TIME SPANISH INTERPRETERS ON STAFF. IN ADDITION, SPANISH INTERPRETATION SERVICES WERE MADE AVAILABLE THROUGH CONTRACTS WITH COMMUNICATION ACCESS PARTNERS, THE UNIVERSITY OF NORTH CAROLINA AT GREENSBORO CENTER FOR NEW NORTH CAROLINIANS, AND ROSARIO INC. FOR ON-SITE INTERPRETATION AT NO CHARGE TO PATIENTS WHEN A STAFF INTERPRETER WAS NOT AVAILABLE.

INTERPRETERS ALSO WERE AVAILABLE THROUGH CONTRACTS WITH COMMUNICATION ACCESS PARTNERS, THE UNIVERSITY OF NORTH CAROLINA AT GREENSBORO CENTER FOR NEW NORTH CAROLINIANS, AND LANGUAGE RESOURCES INC. TO PROVIDE ASSISTANCE WITH COMMUNICATION. A CONTRACT WITH PACIFIC INTERPRETERS, WHICH PROVIDES FOREIGN INTERPRETATION IN MORE THAN 180

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FEDERAL FOOTNOTES (CONT'D)

LANGUAGES 24 HOURS A DAY, MADE TELEPHONIC INTERPRETATION SERVICES AVAILABLE TO PATIENTS AT NO CHARGE WHEN AN ON-SITE INTERPRETER WAS NOT AVAILABLE.

FOR DEAF AND HEARING-IMPAIRED PATIENTS, THE SYSTEM HAD SIGN LANGUAGE INTERPRETING SERVICES AVAILABLE TO PATIENTS AT NO CHARGE THROUGH CONTRACTS WITH COMMUNICATION SERVICES FOR THE DEAF AND HARD OF HEARING AND COMMUNICATION ACCESS PARTNERS. THE SYSTEM ALSO MADE TDD DEVICES AVAILABLE TO THE DEAF AND HEARING-IMPAIRED AT NO CHARGE.

VII. HEALTH-RELATED VOLUNTEER SERVICE OF MOSES CONE HEALTH SYSTEM EMPLOYEES

MOSES CONE HEALTH SYSTEM EMPLOYEES VOLUNTEERED THEIR PERSONAL TIME, TALENTS AND SERVICES TO MANY HEALTH-RELATED ORGANIZATIONS IN VARIOUS WAYS THROUGHOUT THE YEAR. EXAMPLES OF THEIR HEALTH-RELATED VOLUNTEER SERVICE INCLUDED:

" PROVIDING PATIENT CARE AS VOLUNTEER NURSES AND PHYSICIANS AT COMMUNITY HEALTH CLINICS, SCREENINGS AND CAMP LOCATIONS.

" SERVING AS BOARD OR COMMITTEE MEMBERS FOR LOCAL AND STATE HEALTH-RELATED ORGANIZATIONS, SUCH AS GUILFORD COUNTY PEDIATRIC FATALITY TASK FORCE, NORTH CAROLINA PHYSICAL THERAPY ASSOCIATION, HOSPICE AND PALLIATIVE CARE, NORTH CAROLINA ASSOCIATION OF PERIANESTHESIA NURSES, GUILFORD COUNTY BOARD OF HEALTH AND CYSTIC FIBROSIS FOUNDATION.

MOSES CONE HEALTH SYSTEM EMPLOYEES ALSO VOLUNTEERED THEIR TIME AND SERVICES TO NON-HEALTH-RELATED ORGANIZATIONS DURING FISCAL YEAR 2006. EXAMPLES INCLUDED:

" HELPING CHILDREN IN THE COMMUNITY BY SERVING AS SCHOOL VOLUNTEERS, ATHLETIC
TEAM COACHES AND TROOP LEADERS FOR GIRLS SCOUTS AND BOY SCOUTS OF AMERICA.

" SERVING AS BOARD OR COMMITTEE MEMBERS FOR LOCAL ORGANIZATIONS, SUCH AS THE SALVATION ARMY, UNITED WAY AND GREENSBORO SYMPHONY GUILD, AS WELL AS VOLUNTEERING FOR CHURCHES AND LOCAL ORGANIZATIONS, SUCH AS HABITAT FOR HUMANITY AND SPECIAL OLYMPICS.

IN ALL, 89 EMPLOYEES REPORTED SERVING MORE THAN 9,408 HOURS IN VARIOUS VOLUNTEER ROLES DURING FISCAL YEAR 2006.

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FEDERAL FOOTNOTES (CONT'D)

VIII. CONTRIBUTIONS OF THE HOSPITALS' VOLUNTEER ORGANIZATIONS

VOLUNTEER ORGANIZATIONS OF MOSES CONE HEALTH SYSTEM ARE LOCATED AT THE MOSES H. CONE MEMORIAL HOSPITAL, WESLEY LONG COMMUNITY HOSPITAL, THE WOMEN'S HOSPITAL OF GREENSBORO AND ANNIE PENN HOSPITAL. THE VOLUNTEER ORGANIZATIONS CONSIST OF ADULT, TEEN-AGE AND COLLEGE VOLUNTEERS, AS WELL AS HOSPITAL AND HOME-BASED VOLUNTEERS. ALL FOUR VOLUNTEER ORGANIZATIONS WERE ACTIVE AND VITAL PARTS OF THE SUCCESS OF MOSES CONE HEALTH SYSTEM DURING FISCAL YEAR 2006. THROUGH THEIR DEDICATION, HOURS OF SERVICE AND DONATED FUNDS, THE SYSTEM PROVIDED IMPORTANT SERVICES AND CARE TO PATIENTS, FAMILY MEMBERS, VISITORS AND THE COMMUNITY. VOLUNTEERS CONTRIBUTED MORE THAN 126,988 HOURS OF TIME PROVIDING A VARIETY OF SERVICES THROUGHOUT THE SYSTEM. IN ADDITION TO THEIR TIME SPENT VOLUNTEERING, DONATIONS FOR FISCAL YEAR 2006 FROM THE VOLUNTEER ORGANIZATIONS.

BEYOND THE CASH DONATIONS, HOSPITAL VOLUNTEERS WORKED IN COUNTLESS WAYS TO COMFORT AND ASSIST PATIENTS AND VISITORS DURING FISCAL YEAR 2006, INCLUDING THE FOLLOWING:

" WORKING IN BOTH CLINICAL AND ADMINISTRATIVE DEPARTMENTS THROUGHOUT THE SYSTEM TO ASSIST STAFF MEMBERS, PATIENTS AND VISITORS.

" KNITTING PRAYER SHAWLS AND PROVIDING TURBANS, PILLOWS AND ORCHIDS TO 300 CANCER PATIENTS.

" ASSEMBLING MORE THAN 6,000 AMENITY BAGS FOR NEW PARENTS.

" PROVIDING ASSISTANCE WITH SYSTEM-SPONSORED EVENTS AND FUNDRAISERS.

" DELIVERING MAIL TO PATIENTS THROUGHOUT MOSES CONE HEALTH SYSTEM.

" STAFFING THE INFORMATION DESKS THROUGHOUT MOSES CONE HEALTH SYSTEM AND SERVING AS GREETERS.

" PROVIDING MORE THAN 5,000 HANDMADE CAPS FOR NEWBORN AS WELL AS HANDMADE HOLIDAY BLANKETS, BIBS AND CAPS FOR BABIES BORN DURING DECEMBER AT THE WOMEN'S HOSPITAL.

" MAKING STOCKINETTE CAPS FOR BABIES AT THE WOMEN'S HOSPITAL AND PINK AND BLUE BOWS FOR NEW MOTHERS AT ANNIE PENN HOSPITAL.

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FEDERAL FOOTNOTES (CONT'D)
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" PROVIDING INFANT CLOTHING TO MORE THAN 2,000 FAMILIES IN NEED.

" COLLECTING AND DISTRIBUTING MAGAZINES TO PATIENT CARE AND LOBBY AREAS.

" PROVIDING COLORING BOOKS AND CRAYONS TO CHILDREN IN CLINICAL AREAS AND WAITING ROOMS.

IX. MOSES CONE~WESLEY LONG COMMUNITY HEALTH FOUNDATION

A SUPPORTING ORGANIZATION TO MOSES CONE HEALTH SYSTEM, THE MOSES CONE~WESLEY LONG COMMUNITY HEALTH FOUNDATION ENCOURAGES THE CREATION OF PROGRAMS AND SERVICES TO IMPROVE THE HEALTH OF RESIDENTS IN THE COMMUNITY. FUNDED IN 1997 AT THE TIME OF THE MERGER BETWEEN MOSES CONE HEALTH SYSTEM AND WESLEY LONG COMMUNITY HOSPITAL, THE FOUNDATION IS GOVERNED BY A 17-MEMBER BOARD OF DIRECTORS. THE FOUNDATION SERVES AS A CATALYST, CONVENER AND ADVOCATE AS IT BRINGS TOGETHER ORGANIZATIONS AND INDIVIDUALS THROUGHOUT THE COMMUNITY TO IDENTIFY AND ADDRESS UNMET HEALTH-RELATED NEEDS.

THE MISSION OF THE FOUNDATION SPEAKS TO THE IMPROVEMENT OF HEALTH STATUS. THE FOUNDATION CONCENTRATES ITS EFFORTS IN THE AREAS OF WELLNESS AND ACCESS. TO THAT END, THE FOUNDATION BOARD'S CURRENT STATEMENT OF FUNDING PRIORITIES IS AS FOLLOWS:

ACCESS, WITH PARTICULAR EMPHASIS ON THE ELIMINATION OF BARRIERS TO HEALTH SERVICES BY PEOPLE IN NEED.

WELLNESS, WITH PARTICULAR ATTENTION TO
A. PHYSICAL ACTIVITY.
B. NUTRITION/OBESITY.
C. SUBSTANCE ABUSE, INCLUDING TOBACCO-USE PREVENTION/CESSATION.
D. RESPONSIBLE SEXUAL BEHAVIOR, ESPECIALLY THE PREVENTION OF HIV/AIDS, STDS AND ADOLESCENT PREGNANCY.
E. MENTAL HEALTH.
F. INJURY PREVENTION.

IN ADDITION, THE COMMUNITY HEALTH IMPROVEMENT FUND (CHIF) IS AN AVENUE FOR THE FOUNDATION TO PROVIDE SUPPORT FOR NEW PROGRAMS THAT ADDRESS EMERGING OR PRIORITY HEALTH NEEDS; PROGRAMS THAT DEMONSTRATE NEW AND INNOVATIVE APPROACHES TO ADDRESSING SUCH NEEDS; OR TO PROVIDE START-UP FUNDING FOR DEMONSTRATED BEST PRACTICES. THE FOUNDATION ALSO RESERVES A SMALL PORTION OF ITS RESOURCES FOR PLANNING, EVALUATION, CONTRIBUTIONS AND SPECIAL SITUATIONS.

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FEDERAL FOOTNOTES (CONT'D)
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THE FOUNDATION HAS A STRONG AND SPECIAL INTEREST IN BUILDING THE CAPACITY OF COMMUNITIES TO HELP THEMSELVES IN IMPROVING HEALTH STATUS. BASED ON THESE PRIORITIES, THE FOUNDATION COMMITTED FUNDS FOR THE FOLLOWING IN 2006:

COMMUNITY HEALTH IMPROVEMENT FUND $ 381,777
TWELVE GRANTS TO AREA HEALTH AND HUMAN SERVICE AGENCIES WERE FUNDED TO IMPROVE THE HEALTH OF RESIDENTS IN THE COMMUNITY. THE COMMUNITY HEALTH IMPROVEMENT FUND PROVIDES SUPPORT FOR NEW PROGRAMS THAT ADDRESS EMERGING OR PRIORITY HEALTH NEEDS, PROGRAMS THAT DEMONSTRATE NEW AND INNOVATIVE APPROACHES TO ADDRESSING SUCH NEEDS OR START-UP FUNDING FOR DEMONSTRATED BEST PRACTICES.

ALCOHOL AND DRUG SERVICES OF GUILFORD INC.:
QUITSMART $ 51,127
QUITSMART REPRESENTS A COLLABORATION BETWEEN ALCOHOL AND DRUG SERVICES AND HEALTHSERVE COMMUNITY HEALTH CLINIC TO ASSIST 120 HEALTHSERVE PATIENTS WITH SMOKING CESSATION. THE INTERVENTION COVERS ALL PHARMACOTHERAPY COSTS, PROGRAM COSTS AND INCENTIVES FOR THOSE COMPLETING THE PROGRAM.

CHILDREN'S HOME SOCIETY: HEALTHY CHILDREN - THERAPEUTIC AND CLINICAL SERVICES (HC-TCS) $ 95,000
THE HEALTHY CHILDREN - THERAPEUTIC AND CLINICAL SERVICES (HC-TCS) PROGRAM PROVIDES SERVICES TO FOSTER-CARE CHILDREN AND FAMILIES OF THOSE WHO ADOPTED CHILDREN WITH MENTAL HEALTH ISSUES. THERAPEUTIC FOSTER CARE IS AN EVIDENCE-BASED BEST PRACTICE MODEL ORIGINALLY USED IN THE JUVENILE JUSTICE SYSTEM AND IS BEING INTRODUCED IN A NUMBER OF COMMUNITIES NATIONWIDE. THERAPEUTIC FOSTER CARE IS NOW OFFERED TO MENTALLY ILL FOSTER CHILDREN IN GUILFORD COUNTY. THIS MEANS THAT CLINICAL PROVIDERS AND FOSTER PARENTS WILL WORK TOGETHER TO PROVIDE PRIMARY MENTAL HEALTH INTERVENTIONS TO CHILDREN IN THEIR HOMES.

COMMUNITY FOUNDATION OF GREATER GREENSBORO: BUILDING STRONGER NEIGHBORHOODS 01/06 - 12/06 $ 20,000
THE BUILDING STRONGER NEIGHBORHOODS (BSN) PROGRAM IS A COLLABORATIVE INITIATIVE OF THE CEMALA FOUNDATION, COMMUNITY FOUNDATION OF GREATER GREENSBORO, MOSES CONE~WESLEY LONG COMMUNITY HEALTH FOUNDATION, TANNEBAUM & STERNBERGER FOUNDATION AND THE WEAVER FOUNDATION THAT IS DESIGNED TO BE A FUNDING RESOURCE FOR NEIGHBORHOOD GROUPS THAT WANT TO STRENGTHEN THEIR CAPACITY.

FAMILY LIFE COUNCIL OF GREATER GREENSBORO INC.:
JOVENES SABIAS $27,019
THE PROGRAM PROVIDES HEALTH AND SEXUALITY EDUCATION TO 150 ADOLESCENT

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FEDERAL FOOTNOTES (CONT'D)

HISPANIC GIRLS IN BOTH SCHOOL-BASED AND COMMUNITY-BASED SETTINGS USING THE JOVENES SABIAS CURRICULUM. THE PROPOSED PROGRAM IS MODELED ON OUR SUCCESSFUL WISE GUYS AND JOVENES SABIOS PROGRAMS FOR BOYS WHICH HAVE PROVEN THEIR EFFECTIVENESS THROUGH A HISTORY OF POSITIVE EVALUATION RESULTS AND HAVE BEEN RECOGNIZED AND REPLICATED NATIONWIDE.

FAMILY LIFE COUNCIL OF GREATER GREENSBORO INC.:
WISE GUYS AND MENTORS $ 109,741
WISE GUYS MENTORS PROGRAM WILL BUILD ON THE SUCCESS OF THE PROVEN AND WELL ESTABLISHED WISE GUYS EDUCATIONAL PROGRAM FOR TEEN BOYS, BY ADDING A MENTORING COMPONENT OF THE PROGRAM FOR AT-RISK BOYS IN SELECT PROGRAM SITES.

FAMILY SERVICE OF THE PIEDMONT, INC.: COUNSELING FEE ASSISTANCE PLAN (CFAP) $ 100,000
THE PROGRAM SEEKS TO MAKE MENTAL HEALTH COUNSELING SERVICES MORE ACCESSIBLE AND AFFORDABLE TO FAMILIES IN GUILFORD COUNTY WITH THE LEAST AMOUNT OF RESOURCES. THE PROGRAM WILL OFFER A SLIDING-FEE SCALE FOR CLIENTS WHO CANNOT AFFORD TO PAY THE FULL FEE, ARE NEWLY EXCLUDED BY THE STATE MENTAL HEALTH REFORM PLAN FROM A "TARGET POPULATION," ARE UNINSURED OR UNDERINSURED, OR CANNOT MEET THEIR CO-PAY OR DEDUCTIBLE.

FOOD ASSISTANCE INC.: GROCERIES ON WHEELS $ 65,000
A VOLUNTEER-DRIVEN FOOD DELIVERY PROGRAM THAT PROVIDES FOOD TO MORE THAN 200 SENIORS (AGE 55 AND OLDER) AND DISABLED LOW-INCOME RESIDENTS WHO HAVE LIMITED MOBILITY AND NO FAMILY TO ASSIST THEM. NUTRITIONAL INFORMATION AND HEALTHY RECIPES ARE GIVEN WITH EVERY DELIVERY.

GUILFORD CHILD DEVELOPMENT:
NURSE FAMILY PARTNERSHIP PROGRAM $ 74,825
THE NURSE FAMILY PARTNERSHIP PROGRAM IS AN INTENSIVE NURSE HOME VISITATION PROGRAM WHICH TARGETS FIRST-TIME, LOW-INCOME MOTHERS (WITH AN EMPHASIS IN GUILFORD COUNTY ON TEEN MOTHERS).

GUILFORD CHILD HEALTH INC.:
TAKE CHARGE WEIGHT INITIATIVE $ 156,582
THIS PROJECT STRIVES TO REDUCE CHILDHOOD OBESITY WITHIN THE GUILFORD CHILD HEALTH PATIENT POPULATION BY TEACHING HEALTHY EATING HABITS AND THE IMPORTANCE OF PARTICIPATING IN PHYSICAL ACTIVITY.

GUILFORD COALITION ON ADOLESCENT PREGNANCY PREVENTION:
COMMUNITY CAPACITY DEVELOPMENT $ 79,174
THIS GRANT WILL BE USED TO STRENGTHEN THE COALITION'S ROLE AS AN

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FEDERAL FOOTNOTES (CONT'D)
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ESSENTIAL RESOURCE IN GUILFORD COUNTY FOR TEEN PREGNANCY PREVENTION TO FURTHER IMPACT THE SERVICE DELIVERY SYSTEM. GUILFORD COALITION ON ADOLESCENT PREGNANCY PREVENTION IS A TEEN PREGNANCY PREVENTION LEADER IN THE COMMUNITY THAT HAS BEEN INSTRUMENTAL IN SETTING THE STAGE FOR A MULTI-LEVEL, CROSS-SECTIONAL COLLECTION OF AGENCIES COLLABORATING TO CREATE LESS COMPETITION FOR FUNDING AS WELL AS PROVIDE BEST PRACTICE, EVIDENCE-BASED TRAINING TO INCREASE THE EFFICIENCY AND EFFECTIVENESS OF ADOLESCENT HEALTH CURRICULA.

GUILFORD COUNTY COALITION ON INFANT MORTALITY:
ADOPT-A-MOM $ 135,000
THE ADOPT-A-MOM PROGRAM COORDINATES PRENATAL CARE FOR 450 WOMEN WHO ARE MEDICAID INELIGIBLE AND LACK PRIVATE INSURANCE. THIS IS A COLLABORATIVE EFFORT OF A DIVERSE GROUP OF PEOPLE WHO WORK TOGETHER TO ELIMINATE INFANT DEATH AND DISABILITY THROUGH COMMUNITY EDUCATION AND INVOLVEMENT WITH THE MOTTO OF "CREATING FUTURES, ONE BABY AT A TIME."

GUILFORD COUNTY DEPARTMENT OF SOCIAL SERVICES: HEALTH
CHOICE 9TH YEAR SUPPORT $ 84,000
THE PROGRAM OBJECTIVE IS TO ENROLL AS MANY ELIGIBLE CHILDREN AS POSSIBLE IN THE CHILDREN'S HEALTH INSURANCE PROGRAM (HEALTHCHOICE) OR IN MEDICAID.

GUILFORD COUNTY SCHOOLS:
PROJECT FIT AMERICA 2006-2007 $ 25,600
EXPANSION OF PROJECT FIT AMERICA (PFA) TO TWO ADDITIONAL SCHOOLS: MURPHEY TRADITIONAL ACADEMY AND MCLEANSVILLE ELEMENTARY SCHOOL. THE FUNDS WILL COVER THE PFA FEE (EQUIPMENT, CURRICULUM AND TEACHER TRAINING) AND GUILFORD COUNTY SCHOOLS WILL COVER THE INSTALLATION COSTS.

GUILFORD COUNTY SCHOOLS: SMART (STUDENT MENTORING
AWARENESS AND RESOURCE TEAM) $ 265,000
THE SMART PROGRAM IS DESIGNED TO CREATE AND MAINTAIN PEER-LED SUBSTANCE ABUSE PREVENTION TEAMS AT THE SCHOOL LEVEL AND PROVIDE ACCESSIBLE ALTERNATIVE TO SUSPENSION (ATS) PROGRAMS FOR STUDENTS WHO VIOLATE THE TOBACCO, ALCOHOL AND OTHER DRUG POLICIES. STUDENTS PARTICIPATE IN PEER-LED ACTIVITIES TO PREVENT TOBACCO, ALCOHOL AND OTHER DRUG USE. THE PEER-LED GROUPS PROVIDE VALUABLE INFORMATION TO OTHER STUDENTS, STAFF MEMBERS AND PARENT GROUPS THROUGHOUT THE SCHOOL YEAR.

GUILFORD COUNTY SUBSTANCE ABUSE COALITION $ 109,428
THE GUILFORD COUNTY SUBSTANCE ABUSE COALITION IS COMPRISED OF A WIDE

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FEDERAL FOOTNOTES (CONT'D)

CROSS-SECTION OF THE COMMUNITY. FUNDS FROM THIS GRANT ARE BEING USED TO HELP FACILITATE THE GROWTH AND DEVELOPMENT OF THE COALITION.

GUILFORD TECHNICAL COMMUNITY COLLEGE FOUNDATION: HEALTH CARE TRANSLATOR FOR GTCC DENTAL LABS $ 6,700
THIS GRANT WILL ALLOW GTCC TO HIRE A PART-TIME SPANISH INTERPRETER TO IMPROVE COMMUNICATION TO ESL PATIENTS AT THE DENTAL CLINICS.

MALACHI HOUSE: AFTER-CARE AND COMMUNITY SUPPORT PROGRAM $ 77,612
FUNDS WILL BE USED TO PROVIDE ACCESS TO LONG-TERM CARE FOR SUBSTANCE ABUSE TREATMENT, COMPREHENSIVE TRAINING AND SUPPORT SERVICES, FOCUSED ON WELLNESS TO SUPPORT THOSE SUFFERING FROM SUBSTANCE ABUSE.

MARY'S HOUSE INC.: MARY'S HOMES $ 71,027
MARY'S HOMES IS COMPRISED OF 16 NEW PERMANENT SINGLE-FAMILY DWELLINGS FOR HOMELESS WOMEN IN RECOVERY AND THEIR MINOR CHILDREN. THIS PROJECT PROVIDES FULL CASE MANAGEMENT SERVICES, LONG-TERM HOUSING AND THERAPY FOR 16 FAMILIES, INCLUDING ANY SPECIAL NEEDS OF THE CHILDREN. IT IS WELL DOCUMENTED IN RESEARCH THAT CASE MANAGEMENT SERVICES ARE CRITICAL TO THE SUCCESS OF ANY ADDICTION TREATMENT PROVIDED BUT HAVE SPECIAL SIGNIFICANCE WHEN SINGLE MOTHERS AND THEIR CHILDREN ARE THE SERVICE RECIPIENTS.

MENTAL HEALTH ASSOCIATION OF GREENSBORO: SUPPORT SOURCE: BRIDGING THE GAPS $ 66,183
SUPPORT SOURCE IS A MULTI-YEAR INITIATIVE TO ADDRESS GAPS IN MENTAL HEALTH SERVICES AFFECTING OUR COMMUNITY. THE MENTAL HEALTH ASSOCIATION OF GREENSBORO (MHAG) CONDUCTED A COMPREHENSIVE MENTAL HEALTH AWARENESS CAMPAIGN FOR THE AFRICAN-AMERICAN COMMUNITY IN 2005-2006. MHAG NOW PLANS TO DO THE SAME FOR THE LATINO/HISPANIC COMMUNITY (2006-2007) WHICH SHOULD RAISE THE AWARENESS LEVEL OF THE ENTIRE COMMUNITY WHILE ADDRESSING SPECIFIC HEALTHCARE AND CULTURAL ISSUES AND NEEDS OF THE MINORITY COMMUNITIES.

MOSES CONE HEALTH SYSTEM:
CONGREGATIONAL NURSE PROGRAM $ 412,241
THE CONGREGATIONAL NURSE PROGRAM WILL PLACE NURSES IN 12 NEW FAITH ORGANIZATIONS.

MOSES CONE HEALTH SYSTEM INTERNAL MEDICINE: DIABETES: IMPROVING CHRONIC CARE $ 118,815
THE PROJECT IS DESIGNED TO IMPROVE ACCESS TO DIABETES EDUCATION RESULTING IN IMPROVED SELF-MANAGEMENT SKILLS FOR OUR INDIGENT POPULATION WITH DIABETES. OVERALL IMPROVEMENTS IN THE DELIVERY OF CARE SHOULD ENHANCE THE PATIENT'S SHORT-TERM AND LONG-TERM FUNCTION,

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FEDERAL FOOTNOTES (CONT'D)

DECREASE THEIR MORBIDITY, AND INCREASE THEIR COMFORT AND CONFIDENCE IN MANAGING THEIR LIVES.

MOSES CONE HEALTH SYSTEM HUMAN RESOURCES DEPARTMENT:
WORKFORCE DEVELOPMENT:
STUDENT FINANCIAL AID PROGRAMS YEAR 4 $ 220,250
THIS IS AN INITIATIVE OF THE HEALTH SYSTEM TO SUPPORT CODE BLUE, A HEALTH CAREERS MARKETING AND RECRUITING INITIATIVE AIMED AT MIDDLE AND HIGH SCHOOL STUDENTS, AND A PROGRAM THAT PROVIDES FINANCIAL AID TO NURSING AND OTHER HEALTH CAREER STUDENTS. THE FINANCIAL AID WOULD BE STRUCTURED AS FORGIVABLE LOANS, WITH FORGIVENESS BASED ON POST GRADUATE EMPLOYMENT WITH MOSES CONE HEALTH SYSTEM.

MOSES CONE~WESLEY LONG COMMUNITY HEALTH FOUNDATION:
COMMUNITY CARE NETWORK (CCN) COLLABORATIVE $1,617,852
THE COMMUNITY CARE NETWORK MEMBER AGENCIES ARE AGENCIES IN GUILFORD COUNTY THAT PROVIDE HEALTHCARE SERVICES TO THE MEDICALLY UNINSURED AND UNDERINSURED. THE WORK OF THE CCN IS AN ONGOING EFFORT TO CREATE A SEAMLESS CONTINUUM OF CARE AMONG THESE AGENCIES IN ORDER TO IMPROVE ACCESS THROUGH BETTER USE OF EXISTING HEALTHCARE RESOURCES.

NATURAL SCIENCE CENTER OF GREENSBORO:
HEALTH QUEST ADVENTURE $ 400,000
HEALTH QUEST ADVENTURE WILL BE A 3,600-SQUARE-FOOT DYNAMIC, ENLIGHTENING AND EMPOWERING MULTIDIMENSIONAL MUSEUM EXPERIENCE ADDRESSING BROAD ISSUES OF HUMAN HEALTH, ANATOMY AND THE SCIENCE OF MODERN MEDICINE. IT WILL SERVE AS A SIGNATURE MUSEUM EXHIBIT AND EDUCATIONAL TOOL DESIGNED TO IGNITE INTEREST, INSPIRE PASSION, INSTILL KNOWLEDGE AND INFORM THE CITIZENS OF GREENSBORO AND GUILFORD COUNTY ABOUT HUMAN BIOLOGY AND CONTINUED GLOBAL AND LOCAL ADVANCEMENTS IN THE MEDICAL FIELD. DESIGNED BY A STRONG AND DIVERSE TEAM OF DOCTORS, NURSES, MUSEUM SPECIALISTS AND COMMUNITY LEADERS, HEALTH QUEST ADVENTURE WILL PROVIDE MORE THAN 200,000 VISITORS WITH A CUTTING-EDGE, ONE-OF-A-KIND, EDUCATIONAL AND IMMERSION-BASED PASSAGE FROM HUMAN BIRTH TO END OF LIFE.

SAFE GUILFORD $ 110,111
SAFE GUILFORD HELPS THE COMMUNITY ADDRESS INJURY PREVENTION BY COLLECTING DATA, USING THAT DATA TO DEVELOP PREVENTION STRATEGIES AND EVALUATING THOSE STRATEGIES FOR EFFECTIVENESS.

SICKLE CELL DISEASE ASSOCIATION OF THE PIEDMONT: HEALTHY LIVES HEALTHY COMMUNITY TOOLKIT $ 25,244
FUNDS WILL BE USED TO DEVELOP A COMMUNITY HEALTH FAIR TOOLKIT TO BE USED AS A CONSISTENT FORMAT BY AGENCIES THAT OFFER HEALTH SCREENINGS

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FEDERAL FOOTNOTES (CONT'D)

WHICH CAN IMPROVE THE INDIVIDUAL'S KNOWLEDGE OF SELF-WELLNESS AND DETECTION WITH FOLLOW-UP OF PREVENTABLE HEALTH CONDITIONS.

SPECIAL OLYMPICS NORTH CAROLINA: GUILFORD COUNTY SPECIAL OLYMPICS ATHLETE TRAINING AND COMPETITION $ 50,000
FUNDING TO IMPROVE THE PHYSICAL HEALTH AND WELL-BEING OF CHILDREN AND ADULTS WITH INTELLECTUAL DISABILITIES IN GUILFORD COUNTY BY PROVIDING THEM WITH ACCESS TO STRUCTURED PHYSICAL ACTIVITY THROUGH YEAR-ROUND SPORTS TRAINING AND ATHLETIC COMPETITION PROGRAMS.

THE INTERNATIONAL CIVIL RIGHTS CENTER AND MUSEUM:
HISTORY OF ACCESS TO CARE EXHIBIT $ 100,000
FUNDING APPROVED FOR $100,000 OVER THREE YEARS TO BUILD AN EXHIBIT RELATED TO THE HISTORY OF ACCESS TO MEDICAL CARE AT THE MOSES H. CONE MEMORIAL HOSPITAL AND WESLEY LONG COMMUNITY HOSPITAL AND THE NAACP LAWSUIT IN THE 1960S.

THE UNIVERSITY OF NORTH CAROLINA AT GREENSBORO - CENTER FOR YOUTH, FAMILY AND COMMUNITY PARTNERSHIPS:
SUPPORTING SOCIAL AND EMOTIONAL DEVELOPMENT OF INFANTS AND YOUNG CHILDREN $ 100,100
FUNDING TO CONTINUE A TWO-YEAR PROJECT DESIGNED TO INCREASE ACCESS TO QUALITY EARLY CHILDHOOD MENTAL HEALTH SERVICES WHILE PROVIDING TRAINING FOR PEDIATRICIANS AND DAY-CARE PROFESSIONALS.

THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL CENTER FOR INFECTION DISEASES:
BRIGHT FUTURE $ 42,504
THIS THREE-YEAR INITIATIVE IS INTENDED TO EXPAND A MODEL CASE MANAGEMENT PROJECT WORKING IN GUILFORD COUNTY THAT ADDRESSES THE CHALLENGES FACED BY HIV-INFECTED FORMER OFFENDERS AND OFFERS A ROADMAP TO OTHER COMMUNITIES GRAPPLING WITH THIS SOCIAL AND PUBLIC HEALTH ISSUE.

YMCA OF GREENSBORO INC.:
COMMUNITY OBESITY PREVENTION INITIATIVE $ 95,000
FUNDING WILL BE USED TO HELP THE OBESITY COALITION DEVELOP STRATEGIES TO ADDRESS THE OBESITY EPIDEMIC IN GUILFORD COUNTY.

X. SUMMARY OF QUANTIFIABLE COMMUNITY BENEFITS PROVIDED BY MOSES CONE HEALTH SYSTEM

A SUMMARY LISTING OF THE QUANTIFIABLE COMMUNITY BENEFITS PROVIDED BY MOSES CONE HEALTH SYSTEM DESCRIBED IN THE BODY OF THIS REPORT APPEARS BELOW. MANY OF THE BENEFITS DESCRIBED ON THE PREVIOUS

CONTINUED ON NEXT PAGE

FEDERAL FOOTNOTES (CONT'D)

PAGES CANNOT BE QUANTIFIED IN DOLLARS, ESPECIALLY MANY OF THE SYSTEM'S CONTRIBUTIONS IN THE AREA OF COMMUNITY HEALTH EDUCATION AND OUTREACH.

A. CONTRIBUTIONS BY MOSES CONE HEALTH SYSTEM MEASURABLE IN DOLLARS, FISCAL YEAR 2006:

UNCOMPENSATED PATIENT CARE		$367,756,749
CORPORATE DONATIONS		$ 730,839
SPONSORSHIP OF GREENSBORO AREA HEALTH EDUCATION CENTER		$ 4,758,937
SPONSORSHIP OF MOSES CONE HEALTH SYSTEM RADIOLOGIC TECHNOLOGY PROGRAM AND MOSES CONE HEALTH SYSTEM PHARMACY RESIDENCY PROGRAM		$ 604,410
SPONSORSHIP OF PRESENTATIONS TO HEALTHCARE PROFESSIONALS AND AREA SCHOOL STUDENTS		$ 24,592
SPONSORSHIP OF MOSES CONE HEALTH SYSTEM MEDICAL LIBRARIES		$ 394,159
SPONSORSHIP OF COMMUNITY HEALTH SCREENINGS		$ 83,952
SPONSORSHIP OF MOSES CONE HEALTH SYSTEM BEHAVIORAL HEALTH CENTER HELPLINE AND ASSESSMENT SERVICE		$ 575,000
SPONSORSHIP OF COMMUNITY OUTREACH PROGRAMS		
HEALTH FAIRS	$	141,905
HEALTH EDUCATION CLASSES	$	53,763
HEALTHCONNECT	$	123,180
NICU REUNION	$	13,685
THE PARENT REVIEW	$	6,000
VALUE OF MOSES CONE HEALTH SYSTEM STAFF TIME*		
* ORGANIZING DEPARTMENTAL COMMUNITY SERVICE ACTIVITIES	$	51,554
* MAKING PRESENTATIONS TO HEALTHCARE PROFESSIONALS AND AREA SCHOOL STUDENTS	$	22,790
* MENTORING STUDENTS	$	722,773
* PROVIDING COMMUNITY HEALTH SCREENINGS	$	79,372

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FEDERAL FOOTNOTES (CONT'D)

* PARTICIPATING IN HEALTH FAIRS	$	94,326
* PROVIDING HEALTH EDUCATION CLASSES	$	64,386
* SPONSORING A MEDICAL EXPLORER POST (INCLUDING $800 FOR UNIFORMS)	$	2,922
* ASSISTING WITH THE NICU REUNION	$	9,305
SUBTOTAL	$	376,333,699

* CONSERVATIVELY VALUED AT MOSES CONE HEALTH SYSTEM FISCAL YEAR 2006 AVERAGE WAGE AND BENEFIT RATE OF $32.65 PER HOUR.

B. RELATED CONTRIBUTIONS MEASURABLE IN DOLLARS, FISCAL YEAR 2006:

EMPLOYEE DONATIONS		
HOSPITAL-SPONSORED EVENTS	$	705,724
COMMUNITY-SERVICE ACTIVITIES	$	9,930
CHILDCARE SCHOLARSHIP FUND	$	171,550
CAMP CAREFREE	$	7,500
VALUE OF MAMMOGRAPHY SCHOLARSHIP FUND SERVICES	$	35,307
DONATED EQUIPMENT AND SUPPLIES	$	12,237
CONTRIBUTIONS BY HOSPITAL VOLUNTEER ORGANIZATIONS	$	156,950
MOSES CONE~WESLEY LONG COMMUNITY HEALTH FOUNDATION	$	5,391,759
SUBTOTAL	$	6,490,957

C. TOTAL QUANTIFIABLE COMMUNITY BENEFITS, FISCAL YEAR 2006:

MOSES CONE HEALTH SYSTEM CONTRIBUTIONS	$	376,333,699
RELATED CONTRIBUTIONS	$	6,490,957
TOTAL QUANTIFIABLE COMMUNITY BENEFITS:	$	382,824,656