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Part III

Statement of Program Service Accomplishments (See the instructions.)

1

Briefly describe the organization’s mission
to participate in the health care ministry of the Church We commit our valuable resources to provide a family-centered approach in meeting the health care needs of all people in the community and surrounding area regardless of ability to pay, and to foster the values of respect, care, joy and competence

2

Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No
If “Yes,” describe these new services on Schedule O

3

Did the organization cease conducting or make significant changes in how it conducts any program services? ☐ Yes ☒ No
If “Yes,” describe these changes on Schedule O

4

Describe the exempt purpose achievements for each of the organization’s three largest program services by expenses
Section 501(c)(3) and (4) organizations and 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a

(Code) (Expenses \$ 104,957,544 including grants of \$ 0) (Revenue \$ 116,177,780)
SEE SCHEDULE O - Statement of Program Service Accomplishments

4b

(Code) (Expenses \$ including grants of \$) (Revenue \$)

4c

(Code) (Expenses \$ including grants of \$) (Revenue \$)

4d

Other program services (Describe in Schedule O)
(Expenses \$ including grants of \$) (Revenue \$)

4e

Total program service expenses \$ 104,957,544 Must equal Part IX, Line 25, column (B).

Part IV Checklist of Required Schedules

		Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A 	1	Yes
2	Is the organization required to complete Schedule B, Schedule of Contributors? 	2	Yes
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3	No
4	Section 501(c)(3) organizations Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II	4	No
5	Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III	5	No
6	Did the organization maintain any donor advised funds or any accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I 	6	No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," complete Schedule D, Part II 	7	No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III 	8	No
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV 	9	No
10	Did the organization hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V 	10	No
11	Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? If "Yes," complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable 	11	Yes
12	Did the organization receive an audited financial statement for the year for which it is completing this return that was prepared in accordance with GAAP? If "Yes," complete Schedule D, Parts XI, XII, and XIII 	12	No
13	Is the organization a school as described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	No
14a	Did the organization maintain an office, employees, or agents outside of the U S?	14a	No
b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the U S? If "Yes," complete Schedule F, Part I	14b	No
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Part II	15	No
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Part III	16	No
17	Did the organization report more than \$15,000 on Part IX, column (A), line 11e? If "Yes," complete Schedule G, Part I	17	No
18	Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18	No
19	Did the organization report more than \$15,000 on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19	No
20	Did the organization operate one or more hospitals? If "Yes," complete Schedule H 	20	Yes
21	Did the organization report more than \$5,000 on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	21	No
22	Did the organization report more than \$5,000 on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	22	No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? If "Yes," complete Schedule J 	23	Yes
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer questions 24b-24d and complete Schedule K. If "No," go to question 25 	24a	Yes
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c	No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d	No
25a	Section 501(c)(3) and 501(c)(4) organizations Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I 	25a	No
b	Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? If "Yes," complete Schedule L, Part I 	25b	No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II 	26	No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? If "Yes," complete Schedule L, Part III 	27	No

Part IV Checklist of Required Schedules *(Continued)*

	Yes	No
28 During the tax year, did any person who is a current or former officer, director, trustee, or key employee		
a Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? <i>If "Yes," complete Schedule L, Part IV</i> 	28a Yes	
b Have a family member who had a direct or indirect business relationship with the organization? <i>If "Yes," complete Schedule L, Part IV</i> 	28b	No
c Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? <i>If "Yes," complete Schedule L, Part IV</i> 	28c Yes	
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29	No
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30	No
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31	No
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32	No
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations section 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i> 	33	No
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i> 	34 Yes	
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i> 	35	No
36 501(c)(3) organizations Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> 	36	No
37 Did the organization conduct more than 5 percent of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i> 	37	No

Part V

Statements Regarding Other IRS Filings and Tax Compliance

			Yes	No
1a	Enter the number reported in Box 3 of Form 1096, <i>Annual Summary and Transmittal of U.S. Information Returns</i> . Enter -0- if not applicable	1a75		
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c		
2a	Enter the number of employees reported on Form W-3, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return	2a1,395		
b	If at least one is reported in 2a, did the organization file all required federal employment tax returns? . . . Note: <i>If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return.</i>	2b		
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	3a	Yes	
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	3b	Yes	
4a	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)?	4a		No
b	If "Yes," enter the name of the foreign country _____ See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts .			
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		No
c	If "Yes," to 5a or 5b, did the organization file Form 8886-T, <i>Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction</i> ?	5c		
6a	Did the organization solicit any contributions that were not tax deductible?	6a		No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b		
7	Organizations that may receive deductible contributions under section 170(c).			
a	Did the organization provide goods or services in exchange for any quid pro quo contribution of \$75 or more?	7a		No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		No
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d		
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e		No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		No
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?	7g	Yes	
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	7h	Yes	
8	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8		No
9	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.			
a	Did the organization make any taxable distributions under section 4966?	9a		No
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b		No
10	Section 501(c)(7) organizations. Enter			
a	Initiation fees and capital contributions included on Part VIII, line 12	10a		
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b		
11	Section 501(c)(12) organizations. Enter			
a	Gross income from members or shareholders	11a		
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b		
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b		

Part VI

Governance, Management, and Disclosure (Sections A, B, and C request information about policies not required by the Internal Revenue Code.)

Section A. Governing Body and Management

For each "Yes" response to lines 2-7 below, and for a "No" response to lines 8 or 9b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

1a

Enter the number of voting members of the governing body . . .

1a

11

1b

Enter the number of voting members that are independent . . .

1b

6

2

Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?

2

Yes

3

Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? . . .

3

No

4

Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed? . . .

4

No

5

Did the organization become aware during the year of a material diversion of the organization's assets? . . .

5

No

6

Does the organization have members or stockholders?

6

Yes

7a

Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?

7a

Yes

7b

Are any decisions of the governing body subject to approval by members, stockholders, or other persons? . . .

7b

Yes

8

Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following

8a

the governing body?

8a

Yes

8b

each committee with authority to act on behalf of the governing body?

8b

Yes

9a

Does the organization have local chapters, branches, or affiliates?

9a

No

9b

If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?

9b

10

Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990

10

Yes

11

Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O

11

Yes

Section B. Policies

12a

Does the organization have a written conflict of interest policy? If "No", go to line 13 . . .

12a

Yes

12b

Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?

12b

Yes

12c

Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done

12c

Yes

13

Does the organization have a written whistleblower policy?

13

Yes

14

Does the organization have a written document retention and destruction policy?

14

Yes

15

Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision

15a

The organization's CEO, Executive Director, or top management official?

15a

Yes

15b

Other officers or key employees of the organization?

15b

Yes

Describe the process in Schedule O

16a

Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?

16a

No

16b

If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable Federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?

16b

Section C. Disclosure

17

List the States with which a copy of this Form 990 is required to be filed _____

18

Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c) (3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
☐ own website ☐ another's website ☒ upon request

19

Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public. See Additional Data Table.

20

State the name, physical address, and telephone number of the person who possesses the books and records of the organization.
REBECCA COLKER
1800 E LAKE SHORE DRIVE
DECATUR, IL 62521
(217) 464-2970

Section A Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

☐ Check this box if the organization did not compensate any officer, director, trustee or key employee

[illegible]

[illegible]

		Yes	No
3	Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	3	No
4	For any individual listed online 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	4	Yes
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>	5	No

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization

(A)	(B)	(C)
Name and business address	Description of services	Compensation
Pencek Terrence MD 1750 E LAKE SHORE DRIVE SUITE LL2 DECATUR, IL 62521	DOCTOR	1,012,500
ODELL ASSOCIATES 6802 PARAGON PLACE SUITE 500 RICHMOND, VA 23230	ARCHITECH	1,497,785
UROLOGIC SURGERY ASSOC SC 1700 E LAKE SHORE DR DECATUR, IL 62521	PHYSICIANS	525,000
CHRISTY FOLTZ PO BOX 828 DECATUR, IL 62525	CONSTR CONTRACTOR	2,631,960
Central Illinois Emergency Physicia 75 REMITTANCE DRIVE SUITE 1707 CHICAGO, IL 60675	emergency physicians	866,970

Part VIII

Statement of Revenue

				(A) Total Revenue	(B) Related or Exempt Function Revenue	(C) Unrelated Business Revenue	(D) Revenue Excluded from Tax under IRC 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns 1a					
	b	Membership dues					
		1b					
	c	Fundraising events					
		1c					
	d	Related organizations 1d		2,771,025			
	e	Government grants (contributions) 1e					
	f	All other contributions, gifts, grants, and similar amounts not included above 1f					
	g	Noncash contributions included in lines 1a-1f \$					
h	Total (Add lines 1a-1f)			2,771,025			
Program Service Revenue	2a	NET PATIENT SERVICE REVENUE	Business Code 900,099	116,177,780	116,177,780		
	b						
	c						
	d						
	e						
	f	All other program service revenue					
	g	Total. Add lines 2a-2f					
		\$ 116,177,780					
	Other Revenue	3	Investment income (including dividends, interest other similar amounts)		762,870		
4		Income from investment of tax-exempt bond proceeds		0			
5		Royalties		0			
6a		Gross Rents	(i) Real 1,249,882	(ii) Personal			
b		Less rental expenses	1,922,430				
c		Rental income or (loss)	-672,548				
d		Net rental income or (loss)		-672,548			-672,548
7a		Gross amount from sales of assets other than inventory	(i) Securities 5,204	(ii) Other			
b		Less cost or other basis and sales expenses	3,636,772	8,778			
c		Gain or (loss)	-3,636,772	-3,574			
d		Net gain or (loss)		-3,640,346			-3,640,346
8a		Gross income from fundraising events (not including \$ of contributions reported on line 1c) See Part IV, line 18 Attach Schedule G if total exceeds \$15,000 a					
b		Less direct expenses b					
c		Net income or (loss) from fundraising events		0			
9a		Gross income from gaming activities See part IV, line 19 Complete Schedule G if total exceeds \$15,000 a					
b		Less direct expenses b					
c		Net income or (loss) from gaming activities		0			
10a		Gross sales of inventory, less returns and allowances a					
b		Less cost of goods sold b					
c		Net income or (loss) from sales of inventory		0			
		Miscellaneous Revenue	Business Code				
11a		CAFETERA/CAFE	722,210	576,093			576,093
b		OUTSIDE LAUNDRY	812,300	145,232		145,232	
c	REFERENCE LAB	621,500	231,586		231,586		
d	All other revenue		2,526,097			2,526,097	
e	Total. Add lines 11a-11d						
	\$ 3,479,008						
12	Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e			118,877,789	116,177,780	376,818	-447,834

Part IX

Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).					
Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the U S See Part IV, line 21	0			
2	Grants and other assistance to individuals in the U S See Part IV, line 22	0			
3	Grants and other assistance to governments, organizations and individuals outside the U S See Part IV, lines 15 and 16	0			
4	Benefits paid to or for members	0			
5	Compensation of current officers, directors, trustees, and key employees	348,941	0	348,941	0
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7	Other salaries and wages	42,037,768	37,732,603		
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	732,660	652,067	80,593	
9	Other employee benefits	9,528,301	9,380,719	147,582	
10	Payroll taxes	3,076,950	2,738,486	338,464	
11	Fees for services (non-employees)				
a	Management	7,909,421	5,970,088	1,939,333	
b	Legal	173,136	172	172,964	
c	Accounting	288,886		288,886	
d	Lobbying	0			
e	Professional fundraising See Part IV, line 17	0			
f	Investment management fees	0			
g	Other	8,773,842	5,921,175	2,852,667	
12	Advertising and promotion	1,076,879	17,315	1,059,564	
13	Office expenses	641,726	411,042	230,684	
14	Information technology	2,353,682	5,114	2,348,568	
15	Royalties	0			
16	Occupancy	2,078,835	1,828,244	250,591	
17	Travel	249,266	171,388	77,878	
18	Payments of travel or entertainment expenses for any Federal, state or local public officials	0			
19	Conferences, conventions and meetings	0			
20	Interest	91,860		91,860	
21	Payments to affiliates	0			
22	Depreciation, depletion, and amortization	6,394,971	5,773,177	621,794	
23	Insurance	224,587	224,587		
24	Other expenses—Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below)				
a	SUPPLIES	17,183,215	17,102,340	80,875	
b	BAD DEBTS	12,702,562	12,702,562		
c	MEDICAID TAX ASSESSMENT	3,817,938	3,817,938		
d	OTHER	1,916,095	508,527	1,407,568	
f	All other expenses				
25	Total functional expenses. Add lines 1 through 24f	121,601,521	104,957,544	16,643,977	0
26	Joint Costs. Check ☐ if following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X **Balance Sheet**

		(A) Beginning of year		(B) End of year		
Assets	1	Cash—non-interest-bearing	285,988	1	285,988	
	2	Savings and temporary cash investments	1,620,707	2	3,553,393	
	3	Pledges and grants receivable, net		3		
	4	Accounts receivable, net	25,585,803	4	27,124,006	
	5	Receivables from current and former officers, directors, trustees, key employees or other related parties <i>Complete Part II of Schedule L</i>		5		
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) <i>Complete Part II of Schedule L</i>		6		
	7	Notes and loans receivable, net		7		
	8	Inventories for sale or use	2,463,045	8	2,489,706	
	9	Prepaid expenses and deferred charges	1,982,112	9	1,666,695	
	10a	Land, buildings, and equipment cost basis				
		10a	163,208,636			
	b	Less accumulated depreciation <i>Complete Part VI of Schedule D</i>				
		10b	105,690,443	53,760,711	10c	57,518,193
	11	Investments—publicly traded securities	67,027,194	11	55,224,371	
	12	Investments—other securities See Part IV, line 11 <i>Complete Part VII of Schedule D</i>		12		
	13	Investments—program-related See Part IV, line 11 <i>Complete Part VIII of Schedule D</i>		13		
14	Intangible assets		14			
15	Other assets See Part IV, line 11 <i>Complete Part IX of Schedule D</i>	1,279,349	15	874,260		
16	Total assets. Add lines 1 through 15 (must equal line 34)	154,004,909	16	148,736,612		
Liabilities	17	Accounts payable and accrued expenses	14,444,333	17	15,825,048	
	18	Grants payable		18		
	19	Deferred revenue	0	19	29,797	
	20	Tax-exempt bond liabilities	30,913,625	20	30,286,267	
	21	Escrow account liability <i>Complete Part IV of Schedule D</i>		21		
	22	Payable to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons <i>Complete Part II of Schedule L</i>		22		
	23	Secured mortgages and notes payable to unrelated third parties		23		
	24	Unsecured notes and loans payable		24		
	25	Other liabilities <i>Complete Part X of Schedule D</i>	9,182,968	25	19,971,810	
	26	Total liabilities. Add lines 17 through 25	54,540,926	26	66,112,922	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ☒ and complete lines 27 through 29, and lines 33 and 34.					
	27	Unrestricted net assets	91,204,538	27	73,152,690	
	28	Temporarily restricted net assets	7,029,569	28	8,240,000	
	29	Permanently restricted net assets	1,229,876	29	1,231,000	
	Organizations that do not follow SFAS 117, check here ☐ and complete lines 30 through 34.					
	30	Capital stock or trust principal, or current funds		30		
	31	Paid-in or capital surplus, or land, building or equipment fund		31		
	32	Retained earnings, endowment, accumulated income, or other funds		32		
	33	Total net assets or fund balances	99,463,983	33	82,623,690	
	34	Total liabilities and net assets/fund balances	154,004,909	34	148,736,612	

Part XI **Financial Statements and Reporting**

		Yes	No
1	Accounting method used to prepare the Form 990 ☐ cash ☒ accrual ☐ other		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a	No
b	Were the organization's financial statements audited by an independent accountant?	2b	No
c	If "Yes" to lines 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c	
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a	No
b	If "Yes," did the organization undergo the required audit or audits?	3b	

SCHEDULE A

(Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

To be completed by all section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts.
Attach to Form 990 or Form 990-EZ. See separate instructions.

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization ST MARY'S HOSPITAL SISTERS OF THE THIRD ORDER OF ST FRANCIS	Employer identification number 37-0661244
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Part I Reason for Public Charity Status (to be completed by all organizations) (See Instructions)

The organization is not a private foundation because it is (Please check only **one** organization)

1	☐	A church, convention of churches, or association of churches described in Section 170(b)(1)(A)(i).
2	☐	A school described in Section 170(b)(1)(A)(ii). (Attach Schedule E)
3	☒	A hospital or a cooperative hospital service organization described in Section 170(b)(1)(A)(iii). (Attach Schedule H)
4	☐	A medical research organization operated in conjunction with a hospital described in Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state
5	☐	An organization operated for the benefit of a college or university owned or operated by a governmental unit described in Section 170(b)(1)(A)(iv). (Complete Part II)
6	☐	A federal, state, or local government or governmental unit described in Section 170(b)(1)(A)(v).
7	☐	An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in Section 170(b)(1)(A)(vi) (Complete Part II)
8	☐	A community trust described in Section 170(b)(1)(A)(vi) (Complete Part II)
9	☐	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 exempt 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). (Complete Part III)
10	☐	An organization organized and operated exclusively to test for public safety See Section 509(a)(4). (See instructions)
11	☐	An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See Section 509(a)(3). Check the box that describes the type of supporting organization and complete lines 11e through 11h a ☐ Type I b ☐ Type II c ☐ Type III - Functionally Integrated d ☐ Type III - Other
e	☐	By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)
f	☐	If the organization received a written determination from the IRS that it is a Type I, Type II or Type III supporting organization, check this box
g	☐	Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons? (i) a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the the supported organization? (ii) a family member of a person described in (i) above? (iii) a 35% controlled entity of a person described in (i) or (ii) above?
h	☐	Provide the following information about the organizations the organization supports

	Yes	No
11g(i)		No
11g(ii)		No
11g(iii)		No

(i) Name of Supported Organization	(ii) EIN	(iii) Type of organization (described on lines 1- 9 above or IRC section (See Instructions))	(iv) Is the organization in col (i) listed in your governing document?		(v) Did you notify the organization in col (i) of your support?		(vi) Is the organization in col (i) organized in the U S ?		(vii) Amount of support?
			Yes	No	Yes	No	Yes	No	
Total									

Part II

Support Schedule for Organizations Described in IRC 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
(Complete only if you checked the box on line 5, 7, or 8 of Part I.)

Public Support						
Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add line 1-3						
5 The portion of total contribution by each person (other than a government unit or publicly supported organization) included on line 1 that exceed 2% of the amount shown on line 11, column (f)						
6 Public Support subtract line 5 from line 4						

Total Support						
Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
11 Total Support (Add lines 7 through 10)						
12 Gross receipts from related activities, etc (See instructions)					12	
13 First Five Years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here						☐

Computation of Public Support Percentage		
14 Public Support Percentage for 2008 (line 6 column (f) divided by line 11 column (f))	14	
15 Public Support Percentage for 2007 Schedule A, Part IV-A, line 26f	15	
16a 33 1/3% Test - 2008. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		☐
b 33 1/3% Test - 2007. If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		☐
17a 10% Facts and Circumstances Test - 2008. If the organization did not check a box on line 13, 16a, or 16b and line 14 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization		☐
b 10% Facts and Circumstances Test - 2007. If the organization did not check a box on line 13, 16a, 16b, or 17a and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization		☐
18 Private Foundation. If the organization did not check the box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions		☐

Part IIISupport Schedule for Organizations Described in IRC 509(a)(2)
(Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support						
Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3Gross receipts from activities that are not an unrelated trade or business under section 513						
4Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5The value of services or facilities furnished by a governmental unit to the organization without charge						
6Total Add lines 1-5						
7aAmounts included on lines 1, 2, and 3 received from disqualified persons						
bAmounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the total of lines 9, 10c, 11, and 12 for the year or \$5,000						
cTotal of lines 7a and 7b						
8Public Support (Subtract line 7c from line 6)						

Total Support						
Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
9Amounts from line 6						
10aGross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
bUnrelated business taxable income (less section 511 taxes) from businesses acquired after 30 June, 1975						
cAdd lines 10a and 10b						
11Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13Total Support (Add lines 9, 10c, 11 and 12)						
14First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here						

Computation of Public Support Percentage			
15	Public Support Percentage for 2008 (line 8 column (f) divided by line 13 column (f))	15	
16	Public Support Percentage for 2007 Schedule A, Part IV -A, line 27g	16	

Computation of Investment Income Percentage			
17	Investment Income Percentage for 2008 (line 10c column (f) divided by line 13 column (f))	17	
18	Investment Income Percentage from 2007 Schedule A, Part IV -A, line 27h	18	
19a	33 1/3% Tests - 2008. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization		
b	33 1/3% Tests - 2007. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization		
20	Private Foundation If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions		

Part IV

Supplemental Information. Complete this part to provide the information required by Part II, line 10; Part II, line 17a or 17b, or Part III, line 12. Provide and any other additional information. (see instructions)

Facts and Circumstances Test

SCHEDULE D
(Form 990)

Supplemental Financial Statements

OMB No 1545-0047

2008

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 990. To be completed by organizations that answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.

Name of the organization ST MARY'S HOSPITAL SISTERS OF THE THIRD ORDER OF ST FRANCIS	Employer identification number 37-0661244
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Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year	
2	Aggregate Contributions to (during year)	
3	Aggregate Grants from (during year)	
4	Aggregate value at end of year	
5	Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No	
6	Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or other impermissible private benefit? ☐ Yes ☐ No	

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1	Purpose(s) of conservation easements held by the organization (check all that apply) ☐ Preservation of land for public use (e g , recreation or pleasure) ☐ Preservation of an historically importantly land area ☐ Protection of natural habitat ☐ Preservation of certified historic structure ☐ Preservation of open space	
2	Complete lines 2a–2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year	
a	Total number of conservation easements	
b	Total acreage restricted by conservation easements	
c	Number of conservation easements on a certified historic structure included in (a)	
d	Number of conservation easements included in (c) acquired after 8/17/06	
3	Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ▶	
4	Number of states where property subject to conservation easement is located ▶	
5	Does the organization have a written policy regarding the periodic monitoring, inspection, violations, and enforcement of the conservation easements it holds?	☐ Yes ☐ No
6	Staff or volunteer hours devoted to monitoring, inspecting and enforcing easements during the year ▶	
7	Amount of expenses incurred in monitoring, inspecting, and enforcing easements during the year ▶ \$	
8	Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)?	☐ Yes ☐ No
9	In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements	

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a	If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items	
b	If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items	
	(i) Revenues included in Form 990, Part VIII, line 1	▶ \$
	(ii) Assets included in Form 990, Part X	▶ \$
2	If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items	
a	Revenues included in Form 990, Part VIII, line 1	▶ \$
b	Assets included in Form 990, Part X	▶ \$

Part III

Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3

Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply)

a

☐ Public exhibition

d

☐ Loan or exchange programs

b

☐ Scholarly research

e

☐ Other

c

☐ Preservation for future generations

4

Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV

5

During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?

☐ Yes

☐ No

Part IV

Trust, Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a

Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?

☐ Yes

☐ No

b

If "Yes," explain why in Part XIV and complete the following table

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance

	Amount
1c	
1d	
1e	
1f	

2a

Did the organization include an amount on Form 990, Part X, line 21?

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIV

Part V

Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a)Current Year	(b)Prior Year	(c)Two Years Back	(d)Three Years Back	(e)Four Years Back
1a	Beginning of year balance				
b	Contributions				
c	Investment earnings or losses				
d	Grants or scholarships				
e	Other expenditures for facilities and programs				
f	Administrative expenses				
g	End of year balance				

2

Provide the estimated percentage of the year end balance held as

a

Board designated or quasi-endowment ▶

b

Permanent endowment ▶

c

Term endowment ▶

3a

Are there endowment funds not in the possession of the organization that are held and administered for the organization by

(i) unrelated organizations

3a(i)

No

(ii) related organizations

3a(ii)

b

If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

3b

4

Describe in Part XIV the intended uses of the organization's endowment funds

Part VI

Investments—Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b)Cost or other basis (other)	(c) Depreciation	(d) Book value
1a Land		3,295,160		3,295,160
b Buildings	28,749,518	47,468,339	45,413,443	30,804,414
c Leasehold improvements				
d Equipment	13,777,623	64,790,830	57,706,090	20,862,363
e Other	146,263	4,980,904	2,570,911	2,556,256
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) ▶				57,518,193

Schedule D (Form 990) 2008

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Financial derivatives and other financial products		
Closely-held equity interests		
Other		
Total. (Column (b) should equal Form 990, Part X, col (B) line 12)		

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Total. (Column (b) should equal Form 990, Part X, col (B) line 13)		

(a) Description	(b) Book value
INVESTMENTS TABOR TRUST FUND	0
ISSUE COSTS - 2008A	43,859
ISSUE COSTS - 2003A	122,814
ISSUE COSTS - 2007A	22,320
ISSUE COSTS - 2007C	199,871
GOODWILL	485,396
Total. (Column (b) should equal Form 990, Part X, col.(B) line 15.)	

(a) Description of Liability	(b) Amount
Federal Income Taxes	
ESTIMATED SELF INSURANCE LIABILITY	5,543,831
RETIRE OBLIGATION - ASBESTOS	1,528,310
ACCRUED BENEFIT LIABILITY	12,899,669
Total. (Column (b) should equal Form 990, Part X, col (B) line 25)	19,971,810

Schedule D (Form 990) 2008

Part XI

Reconciliation of Change in Net Assets from Form 990 to Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	
9	Total adjustments (net) Add lines 4 - 8	9	
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	

Part XII

Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements	1	
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	
5	Total Revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12)	5	

Part XIII

Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Losses reported on Form 990, Part IX, line 25	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	
5	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18)	5	

Part XIV

Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part XIV, lines 1b and 2b, Part V, line 4, Part X, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b

Identifier	Return Reference	Explanation
EXPLANATION FOR ADOPTION OF FIN - 48		On July 1,2007, the Obligated Group adopted FASB Interpretation No 48 (FIN 48), Accounting For Uncertainty in Income Taxes-an Interpretation of FASB Statement No 109 The Interpretation addresses the determination of how tax benefits claimed or expected to be claimed on a tax return should be recorded in the consolidated financial statements Under FIN 48, the Obligated Group must recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position The tax benefits recognized in the consolidated financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement FIN 48 also provides guidance on derecognition, classification, interest and penalties on income taxes, and accounting in interim periods and requires increased disclosures At the date of adoption, and as of June 30, 2009, the Obligated Group does not have a liability for unrecognized tax benefits The adoption of FIN 48 had no impact on the consolidated financial statements of the Obligated Group

SCHEDULE H
(Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

OMB No 1545-0047

2008

Open to Public Inspection

► Attach to Form 990. To be completed by organizations that answer "Yes" to Form 990, Part IV, line 20.

Name of the organization
ST MARY'S HOSPITAL SISTERS
OF THE THIRD ORDER OF ST FRANCIS

Employer identification number
37-0661244

Part I

Charity Care and Certain Other Community Benefits at Cost (Optional for 2008)

		Yes	No
1a	Does the organization have a charity care policy? If "No," skip to question 6a	1a	Yes
b	If "Yes," is it a written policy?	1b	Yes
2	If the organization has multiple hospitals, indicate which of the following best describes application of the charity care policy to the various hospitals ☐ Applied uniformly to all hospitals ☐ Applied uniformly to most hospitals ☐ Generally tailored to individual hospitals		
3	Answer the following based on the charity care eligibility criteria that applies to the largest number of the organization's patients a Does the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing free care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for free care ☐ 100% ☒ 150% ☐ 200% ☐ Other _____%	3a	Yes
b	Does the organization use FPG to determine eligibility for providing discounted care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care ☐ 200% ☐ 250% ☒ 300% ☐ 350% ☐ 400% ☐ Other _____%	3b	Yes
c	If the organization does not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care		
4	Does the organization's policy provide free or discounted care to the "medically indigent"?	4	Yes
5a	Does the organization budget amounts for free or discounted care provided under its charity care policy?	5a	Yes
b	If "Yes," did the organization's charity care expenses exceed the budgeted amount?	5b	No
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?	5c	
6a	Does the organization prepare an annual community benefit report?	6a	Yes
6b	If "Yes," does the organization make it available to the public?	6b	Yes
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H		

7 Charity Care and Certain Other Community Benefits at Cost						
Charity Care and Means-Tested Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Charity care at cost (from worksheets 1 and 2) . .	1		1,213,694		1,213,694	1 02 %
b Unreimbursed Medicaid (from worksheet 3, column a) .	1		7,970,207		7,970,207	6 69 %
c Unreimbursed costs—other means-tested government programs (from worksheet 3, column b)	1		526,893	406,390	120,503	0 1 %
d Total Charity Care and Means-Tested Programs .	3		9,710,794	406,390	9,304,404	7 81 %
Other Benefits						
e Community health improvement services and community benefit operations (from worksheet 4)	445		626,715	2,014	624,701	0 52 %
f Health professions education (from worksheet 5) . .	4		285,594	36,481	249,113	0 21 %
g Subsidized health services (from worksheet 6) . .						
h Research (from worksheet 7)						
i Cash and in-kind contributions to community groups (from worksheet 8) . .	4		1,105,191	906,671	140,730	0 12 %
j Total Other Benefits . . .	453		2,017,500	945,166	1,014,544	0 85 %
k Total (line 7d and 7j) . . .	456		11,728,294	1,351,556	10,318,948	8 66 %

Part IICommunity Building Activities

(Complete this table if the organization conducted any community building activities) (Optional for 2008)

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1Physical improvements and housing						
2Economic development						
3Community support			75,480	24,131	5,676	
4Environmental improvements						
5Leadership development and training for community members						
6Coalition building						
7Community health improvement advocacy						
8Workforce development						
9Other						
10Total			75,480	24,131	5,676	

Part IIIBad Debt, Medicare, & Collection Practices

(Optional for 2008)

Section A. Bad Debt Expense

		Yes	No
1Does the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No. 15?	1	Yes	
2Enter the amount of the organization's bad debt expense (at cost)	2	5,004,809	
3Enter the estimated amount of the organization's bad debt expense (at cost) attributable to patients eligible under the organization's charity care policy	3	46,492	
4Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense. In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, or rationale for including other bad debt amounts in community benefit			

Section B. Medicare

5Enter total revenue received from Medicare (including DSH and IME)	5	27,971,423	
6Enter Medicare allowable costs of care relating to payments on line 5	6	31,722,796	
7Enter line 5 less line 6—surplus or (shortfall)	7	-3,751,373	
8Describe in Part VI the extent to which any shortfall reported on line 7 should be treated as community benefit and the costing methodology or source used to determine the amount reported on line 6 and indicate which of the following methods was used			
☐ Cost accounting system	☒ Cost to charge ratio	☐ Other	

Section C. Collection Practices

9aDoes the organization have a written debt collection policy?	9a	Yes	
9bIf "Yes," does the organization's collection policy contain provisions on the collection practices to be followed for patients who are known to qualify for charity care or financial assistance? Describe in Part VI	9b	Yes	

Part IVManagement Companies and Joint Ventures

(Optional for 2008)

(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership%	(e) Physicians' profit % or stock ownership %
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				

[illegible]

Part VI Supplemental Information (Optional for 2008)

Complete this part to provide the following information

1 Provide the description required for Part I, line 3c, Part I, line 7, Part III, line 4, Part III, line 8, and Part III, line 9b

DUE TO A SOFTWARE LIMITATION, THE AMOUNTS FOR COLUMN (B), PERSONS SERVED, CANNOT BE INCLUDED ON PART I, LINES 7A THROUGH 7K THE CORRECT NUMBER OF PERSONS SERVED ARE AS FOLLOWS CHARITY CARE AND MEANS-TESTED GOVERNMENT PROGRAMS 7A CHARITY CARE AT COST 2,430, 7C UNREIMBURSED COSTS - OTHER MEANS-TESTED GOVERNMENT PROGRAMS 3,185, 7D TOTAL CHARITY CARE AND MEANS-TESTED GOVERNMENT PROGRAMS 5,615, OTHER BENEFITS 7E COMMUNITY HEALTH IMPROVEMENT SERVICES AND COMMUNITY BENEFIT OPERATIONS 14,942, 7F HEALTH PROFESSIONS EDUCATION 2,251, 7I CASH AND IN-KIND CONTRIBUTIONS TO COMMUNITY GROUPS 14,712, 7J TOTAL OTHER BENEFITS 31,905, 7K TOTAL 37,520

The hospital strongly believes that its charity care, and the related community benefit obtained from such care, is understated because of those patients that potentially qualify for charity care but do not wish to apply for it In addition, some care is not classified as charity due to missing documentation on patient resources Thus, the hospital's bad debt includes a portion that could be classified as charity care if application for such care was sought and/or completed Currently, the hospital is implementing processes, procedures and systems to more effectively determine charity care that will reduce a patient's documentation requirements and ease the patient's emotional burden in applying for charity care This will provide a more accurate reporting of charity care services provided by the hospital Bad Debt Costs attributable to charity represents the bad debt cost of services provided to charity care patients that were identified initially as eligible for charity care A system report was created on patient accounts written off to bad debt and a second report was created that showed accounts with charity adjustments during fiscal year 2009 Identical patient accounts from each type of report were identified in order to determine which "charity" accounts were finally written off to bad debts at some point thereafter The hospital's cost to charge ratio was applied to the bad debt amounts identified to arrive at an estimated bad debt cost

The hospital continually strives to provide excellent patient care in the most cost effective fashion Nonetheless, the Medicare program, in many cases, does not provide payment that covers the full cost of the care provided Since it is the mission of the hospital to respond to community need, hospital management continually advocates for improved Medicare payment so that the cost of quality care to those patients that are not able to afford it is not compromised and is fairly subsidized by all payers While this shortfall in Medicare payments is not classified as community benefit by the IRS, we nonetheless believe it is an important contribution made by the hospital to the health and well being of the community Our mission calls us to serve all patients with the highest possible quality and efficiency, even if we are not paid fully for doing so St Mary's Hospital serve thousands of persons covered by Medicare Like Medicaid, Medicare funding does not cover the actual cost of delivering hospital services to people enrolled in the program In Fiscal Year 2009, St Mary's was left to make up the \$3.7 million difference between what Medicare paid and the actual cost of services to Medicare beneficiaries

Even with the best intentions, patients cannot always meet their responsibility to pay for the care they receive, for a number of reasons, from the loss of a job to temporary hardships This leaves St Mary's Hospital to cover the unpaid balance or even the entire bill, an expense for the system referred to as "bad debt " In fiscal year 2009, bad debt cost St Mary's was nearly \$5 million with no outside source of funding to help compensate for the expense A growing problem, bad debt accounted for more than 4.5% of our total expenses in fiscal year 2009 and constituted a significant community benefit

2 Needs Assessment. Describe how the organization assesses the health care needs of the communities it serves

An integral part of the mission of St Mary's Hospital is the commitment to meet the health care needs of all in the community, regardless of ability to pay St Mary's service to the community would not be possible without the shared leadership and active engagement of our community partners Together, we assess the health care needs of the community, identify health priorities, and work to create viable solutions to fulfill the growing health-related needs and challenges in our community The hospital collaborates with United Way, other non-profit organizations, and local community groups in the community in conducting a community health needs assessment survey, which is conducted every four years The results are evaluated for unmet and underserved healthcare needs and utilized for determining whether programs should be added, expanded, or in some cases, scaled back so resources can be allocated to areas of greater need The assessment helps us develop strategies for improving community health Three Advisory Councils assist St Mary's in identifying community health care needs and organizations for involvement These councils are comprised of members of the community representing area businesses, clergy, education, and non-profit organizations, as well as patients The focus of these groups is two-way communication between the hospital and the community The St Mary's Hospital Advisory Council advises the hospital on a wide range of strategies, including unmet needs in the community The Oncology Advisory Council advises St Mary's specifically about cancer-related needs and services, and is comprised entirely of cancer survivors The Rehabilitation Advisory Council likewise advises specifically about rehabilitative-related needs and services Additional efforts to engage and seek input from the community include a dedicated Diversity Coordinator to ensure that all members of the community have a voice in healthcare services Input is obtained from the patients we serve through patient satisfaction surveys Input provided through some of these surveys was taken into consideration in the development of the hospital's master facility plan, which has resulted in a current major Emergency Room capital project The hospital Board of Directors is community-based and maintains a good pulse on the community we serve They provide valuable input on an ongoing basis on the community's healthcare needs The System revised the process for selecting the hospital Board of Directors from a System-dominated board to a community-focused board in 2008

3 Patient Education of Eligibility for Assistance. Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's charity care policy

The Registration Department provides brochures to patients upon registration regarding the payment assistance programs available to them at St Mary's The brochures are also supplied in waiting and ancillary areas for easy access by the patient Contact numbers for several agencies are listed in the brochure, as well as information about how to read and understand the bill The hospital has a representative on site to assist patients who may be eligible for Medicaid assistance through the Illinois Department of Public Assistance They work with patients to determine if they may be eligible, and if so, assist in pulling together the necessary application for submission The St Mary's website provides information to patients and their families about the hospital's billing practices The charity application is available online, as well as contact information for various government programs and hospital contacts One on one conversations to educate patients about financial assistance often stem from patients receiving a statement or a pre-collection letter At that point, the customer service representative or cashier, or other qualified staff, will inform/educate the caller about financial assistance options The first pre-collection letter reminds the patient their account is in delinquent status It also informs them they may be eligible for financial assistance through the hospital's Charity Care program The letter provides direct contact information to begin the application process for Charity Care

4 Community Information. Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves

St Mary's primary service area is Macon County, Illinois, with surrounding counties comprising much of the secondary and tertiary service area The population of Macon County in 2008 was 108,000, which represented a decrease of 7.6% since 1990 The median household income, as reported in 2007, was \$44,752 The poverty rate for the same period was 15.9% It is estimated the household income has had little to no increase since 2007, with the same trend expected for the foreseeable future Primary, secondary and tertiary service area demographic information is used to identify ages and incomes of each segment The only growing population in each service area is age 64+ The aging population will have an impact on the development of future services at St Mary's The racial makeup of the county on the 2000 census was 83% White, 14% African American, with other races comprising the remaining 3% Macon County has 580 square miles in land area and a population density of 186.6 per square mile The town of Decatur, which is where St Mary's Hospital is located, is the county seat and also the largest city in Macon County In 2008 manufacturing was the largest of twenty major sectors, representing 22.6% of all jobs in the county Health care and social assistance comprised the next largest sector, representing 13.8%

5 Community Building Activities. Describe how the organization's community building activities, as reported in Part II, promote the health of the communities the organization serves

The Lake Shore Connection program is focused on individuals age 55 and over Participants in the program can obtain courtesy transportation to and from health related appointments St Mary's offers participants free quarterly health screenings, discounts on monthly lunch and learn programs, and other resources to assist participants in staying productive, healthy, and independent well into the future

6 Provide any other information important to describing how the organization's hospitals or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.)

St Mary's Hospital offers hope to our community in the tradition of the Hospital Sisters of St Francis As a healing ministry of the Catholic Church and an affiliate of the Hospital Sisters Health System (HSHS), St Mary's is committed to delivering high quality, compassionate, and cost-effective health care services to all The hospital was founded over 130 years ago to bring a healing presence and improve the health of our community, especially for people who are sick, poor, and disadvantaged St Mary's hospital remains committed to serving the health care needs of the community, regardless of ability to pay Because of the hospital's purpose and tradition, it is organized to promote the health of Decatur and surrounding areas The hospital is governed by a Board of Directors, the majority of which is comprised of persons who reside in the organization's primary service area The Board ensures that St Mary's is responding to community need as described under #2 above As a not-for-profit hospital, St Mary's reinvests surplus funds into the mission of the organization and health of the community rather than distributing them as profits to shareholders or individuals Funds not committed to ongoing operations are generally used to upgrade facilities, secure new technologies, improve patient care, train clinicians, and support initiatives designed to promote health for all For example, St Mary's is currently working with its parent organization, Hospital Sisters Health System, to continuously enhance quality and improve coordination of care both inside the hospital and with a growing number of physician partners Supported by investments in information technology, this "care integration" strategy is designed to better coordinate care, improve health outcomes, create new efficiencies, and help ensure that patients (especially those with chronic conditions) get well and stay well St Mary's devotes significant resources to access for patients who cannot afford care, along with other community benefits In fiscal year 2009, St Mary's provided over \$10.3 million in Community Benefit services, including charity care at cost, unpaid costs of Medicaid and other public programs, and a range of diverse programs designed to enhance access and improve community health Additionally, during this period, St Mary's provided \$5 million (at cost) in uncompensated care to patients that did not qualify for charity care or public assistance and over \$27.9 million in excess of Medicare payment for health care services Some of the notable examples of how St Mary's Hospital contributes to the wellness, prevention, and improving the health of the community include:

- a) The Prenatal Clinic: The prenatal clinic serves uninsured and underinsured mothers. It provides both prenatal and postnatal care. Each year, the clinic cares for approximately 250 women and babies, with an estimated 3,200 visits. The clinic is unique in that each woman has her own physician, ensuring comprehensive and consistent prenatal care. In addition, community resources are invited to participate in the clinic, giving patients full exposure to options available to them.
- b) Power to End Stroke: St Mary's partners with the American Heart Association's Power to End Stroke program. This program raises awareness in the African-American community about the risk factors and prevalence of stroke. In 2008, six awareness events were scheduled.
- c) Mentoring: Members of the leadership team at St Mary's provide mentoring and tutoring to students at a local middle school. This advocacy for the youngest members of our community was initiated due to struggles identified with middle school children who speak English as their second language and federal testing designed to measure performance with "no child left behind". Students demonstrate progress as measured by their state test scores.
- d) Adult Day Care: St Mary's operates an adult day care program for adults unable to totally care for themselves and who do not have home assistance during the day.
- e) Educational Support: Management team members of St Mary's provide weekly instruction each semester to School of Nursing students enrolled in Milliken University located in our community. Also, employees often serve as speakers at other schools, community events, etc. Staff members provide training to the local paramedics, first responder groups, and fire departments.
- Additionally, area organizations receive CPR training through the hospital's EMS Department.
- f) Athletic Care Program: St Mary's Hospital provides athletic training services to the surrounding community athletes. This includes recreational athletes participating in community events, such as the Rodney T. Miller Lakeside Triathlon and the Shoreline Classic 5k/15k race. The hospital provides athletic training services to nineteen area junior and senior high schools for injury management and prevention of selected athletic programs. Athletic trainers employed by the hospital serve as experts on physical exercise for the community and provide informational presentations several times a year. They also provide instruction for new athletes to begin training in a safe and successful manner with the Decatur Tri-Gators, a local USAT triathlon club.
- g) Lake Shore Connection: This is a program focused on individuals age 55 and over. Participants in the program can obtain courtesy transportation to and from health related appointments, free quarterly health screenings, discounts on monthly lunch and learn programs, and other resources to assist participants in staying productive, healthy, and independent well into the future.
- h) Ambassadors for Christ Ministries/Stop the Violence Outreach Health Fairs: These outreach health fairs bring much needed education, testing and care to the high risk inner-city community population. The goal is that awareness, prevention and care for those who are at risk will provide the necessary treatment and ultimately save lives. Ambassadors for Christ Ministries is collaborating with organizations, including St Mary's, to provide a team of health care providers, social service agencies and private individuals to address health issues such as HIV, AIDS, breast cancer, prostate cancer, high blood pressure, diabetes, heart disease, and high cholesterol.
- i) Items Donated: St Mary's routinely donates food to local food pantries. Other donations to nonprofit causes include equipment and medical supplies.
- j) Community Health Fairs: St Mary's maintains partnerships with many organizations in the community to promote health and wellness. The hospital participates in numerous community health fairs. Listed below are the community health screenings held during the fiscal year ended June 30, 2009:

Illinois State Fair - Decatur Days August 8, 2008, Antioch MB Kids Back to School Fair August 16, 2008, Hydrogear Employee Health Fair August 21, 2008, Women's Day August 23, 2008, H.E.L.P. Back to School Jam August 23, 2008, Comm. Ed. Prostate Screenings - Urology Assoc. September 3, 2008, Comm. Ed. Prostate Screenings - Urology Assoc. September 10, 2008, Antioch MB Community Health Fair September 13, 2008, Prostate Clinic September 16, 2008, Comm. Ed. Prostate Screenings - Urology Assoc. September 16, 2008, Macon Co. Employees Lunch & Learn September 17, 2008, Comm. Ed. Prostate Screenings - Urology Assoc. September 24, 2008, Tate & Lyle Retiree Health Fair / Luncheon October 2, 2008, Macon Co. Employees Lunch & Learn October 15, 2008, Prostate Clinic October 21, 2008, Healthy Families Night October 24, 2008, GSI Assumption - Health Fair November 7, 2008, "Harley's Heros" - Veteran's Day Event November 8, 2008, Millikin University Health Fair November 13, 2008, The Reserve - Health Fair November 13, 2008, Macon Co. Employees Lunch & Learn November 19, 2008, Macon Co. Employees Lunch & Learn December 17, 2008, Macon Co. 8th Grade Career Fair January 12, 2009, Macon Co. Employees Lunch & Learn January 21, 2009, Lake Shore Connection - Health Fair February 4, 2009, Macon Co. Employees Lunch & Learn February 18, 2009, Health & Fitness Expo March 7, 2009, Lake Shore Connection - Lunch & Learn April 15, 2009, Decatur Comm. Obesity Prevention Fair April 18, 2009, Seniorama May 1, 2009, Pana Community Health Fair May 9, 2009, Agri-Fab Employee Health Fair May 13, 2009, YMCA Nat'l Senior Health & Fitness Fair May 27, 2009, Outreach / Stop the Violence Festival June 24, 2009, Employees, volunteers, Board members and medical staff participate in charitable activities in the community that reflect the hospital's commitment to the underserved. They contribute both financial support and their time to worthy non-profit health-related organizations in the community, including the American Heart Association, American Cancer Society, American Red Cross and the Diabetes Association. They participate with organizations such as United Way to assist in worthwhile community needs. Time and expertise

7 If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served

8 If applicable, identify all states with which the organization, or a related organization, files a community benefit report

Schedule J

(Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest
Compensated Employees

▶ **Attach to Form 990. To be completed by organizations
that answered "Yes" to Form 990, Part IV, line 23.**

OMB No 1545-0047

2008

Open to Public
Inspection

Name of the organization ST MARY'S HOSPITAL SISTERS OF THE THIRD ORDER OF ST FRANCIS	Employer identification number 37-0661244
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Part I

Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items

☐ First class or charter travel	☐ Housing allowance or residence for personal use
☒ Travel for companions	☐ Payments for business use of personal residence
☐ Tax idemnification and gross-up payments	☐ Health or social club dues or initiation fees
☐ Discretionary spending account	☐ Personal services (e g , maid, chauffeur, chef)

b If line 1a is checked, did the organization follow a written policy regarding payment or reimbursement or provision of all the expenses described above? If "No," complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply

☒ Compensation committee	☒ Written employment contract
☒ Independent compensation consultant	☒ Compensation survey or study
☒ Form 990 of other organizations	☒ Approval by the board or compensation committee

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a

a Receive a severance payment or change of control payment?

b Participate in, or receive payment from, a supplemental nonqualified retirement plan?

c Participate in, or receive payment from, an equity-based compensation arrangement?
If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III

501(c)(3) and 501(c)(4) organizations only must complete lines 5-8.

5 For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of

a The organization?

b Any related organization?
If "Yes," to line 5a or 5b, describe in Part III

6 For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of

a The organization?

b Any related organization?
If "Yes," to line 6a or 6b, describe in Part III

7 For persons listed in form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs section 53.4958-4(a)(3)? If "Yes," describe in Part III

Yes No

1b Yes

2 Yes

4a No

4b No

4c No

5a No

5b No

6a No

6b No

7 No

8 No

Part II **Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use Schedule J-1 if additional space needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations described in the instructions on row (ii) Do not list any individuals that are not listed on Form 990, Part VII

Note. The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
KEVIN KAST	(i)	0	0	0	0	0	0	0
	(ii)	309,069	70,000	49,938	125,042	12,418	566,467	0
ADAM CUMBO	(i)	167,884	0	0	13,334	12,588	193,806	0
	(ii)	0	0	0	0	0	0	0
THERESA J RUTHERFORD	(i)	159,528	0	0	19,761	5,582	184,871	0
	(ii)	0	0	0	0	0	0	0
ANN CARR	(i)	0	0	0	0	0	0	0
	(ii)	93,573	0	22,750	34,815	12,086	163,224	0
GORDON CHU MD	(i)	541,138	0	0	31,552	12,539	585,229	0
	(ii)	0	0	0	0	0	0	0
MARY HARTMAN	(i)	262,756	0	0	43,427	12,564	318,747	0
	(ii)	0	0	0	0	0	0	0
ROBERTA MCBRIDE	(i)	218,043	0	0	68,488	12,564	299,095	0
	(ii)	0	0	0	0	0	0	0
BETH MCCOY	(i)	210,124	0	0	25,090	12,564	247,778	0
	(ii)	0	0	0	0	0	0	0
NAEEMUDDIN JATOI	(i)	258,500	0	0	18,154	11,182	287,836	0
	(ii)	0	0	0	0	0	0	0
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

Software ID:

Software Version:

EIN: 37-0661244

Name: ST MARY'S HOSPITAL SISTERS
OF THE THIRD ORDER OF ST FRANCIS

Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
KEVIN KAST	(i)	0	0	0	0	0	0	0
	(ii)	309,069	70,000	49,938	125,042	12,418	566,467	0
ADAM CUMBO	(i)	167,884	0	0	13,334	12,588	193,806	0
	(ii)	0	0	0	0	0	0	0
THERESA J RUTHERFORD	(i)	159,528	0	0	19,761	5,582	184,871	0
	(ii)	0	0	0	0	0	0	0
ANN CARR	(i)	0	0	0	0	0	0	0
	(ii)	93,573	0	22,750	34,815	12,086	163,224	0
GORDON CHU MD	(i)	541,138	0	0	31,552	12,539	585,229	0
	(ii)	0	0	0	0	0	0	0
MARY HARTMAN	(i)	262,756	0	0	43,427	12,564	318,747	0
	(ii)	0	0	0	0	0	0	0
ROBERTA MCBRIDE	(i)	218,043	0	0	68,488	12,564	299,095	0
	(ii)	0	0	0	0	0	0	0
BETH MCCOY	(i)	210,124	0	0	25,090	12,564	247,778	0
	(ii)	0	0	0	0	0	0	0
NAEEMUDDIN JATOI	(i)	258,500	0	0	18,154	11,182	287,836	0
	(ii)	0	0	0	0	0	0	0

Schedule K
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

To be completed by organizations that answered "Yes" to Form 990, Part IV, line 24a.
Provide descriptions, explanations, and any additional information in Schedule O.

OMB No 1545-0047

2008

Open to Public
Inspection

Name of the organization
ST MARY'S HOSPITAL SISTERS
OF THE THIRD ORDER OF ST FRANCIS

Employer identification number
37-0661244

Part I Bond Issues (Required for 2008)

	(a) Issuer Name	(b) Issuer EIN	(c) CUSIP #	(d) Date Issued	(e) Issue Price	(f) Description of Purpose	(g) Defeased		(h) On Behalf of Issuer	
							Yes	No	Yes	No
A	ILLINOIS FINANCE AUTHORITY	86-1091967	45200P2X8	06-17-2008	65,550,000	See Schedule O		X		X
B	ILLINOIS FINANCE AUTHORITY	86-1091967	45200BX94	06-17-2008	227,835,000	See Schedule O		X		X
C	ILLINOIS FINANCE AUTHORITY	86-1091697	45200PZX8	12-18-2003	77,700,000	See Schedule O		X		X
D	ILLINOIS FINANCE AUTHORITY	86-1091697	45200BX37	03-06-2007	75,635,104	SEE SCHEDULE O		X		X

Part II Proceeds (Optional for 2008)

				A		B		C		D		E	
1	Total Proceeds of Issue												
2	Gross Proceeds in Reserve Funds												
3	Proceeds in Refunding or Defeasance Escrows												
4	Other Unspent Proceeds												
5	Issuance Costs from Proceeds												
6	Working Capital Expenditures from Proceeds												
7	Capital Expenditures from Proceeds												
8	Year of Substantial Completion												
9	Were the bonds issued as part of a current refunding issue?			Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
10	Were the bonds issued as part of an advance refunding issue?												
11	Has the final allocation of proceeds been made?												
12	Does the organization maintain adequate books and records to support the final allocation of proceeds?												

Part III Private Business Use (Optional for 2008)

				A		B		C		D		E	
				Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1	Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?												
2	Are there any lease arrangements with respect to the financed property which may result in private business use?												

Part III Private Business Use *(Continued)*

	A		B		C		D		E	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
3a Are there any management or service contracts with respect to the financed property which may result in private business use?										
3b Are there any research agreements with respect to the financed property which may result in private business use?										
3c Does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts or research agreements relating to the financed property?										
4 Enter the percentage of financed property used in a private business use by entities other than a 501(c)(3) organization or a state or local government										
5 Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another 501(c)(3) organization, or a state or local government										
6 Total of lines 4 and 5										
7 Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?										

Part IV Arbitrage *(Optional for 2008)*

	A		B		C		D		E	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1 Has a Form 8038-T been filed wth respect to the bond issue?										
2 Is the bond issue a variable rate issue?										
3a Has the organization or the government issuer identified a hedge with respect to the bond issue on its books and records?										
b Name of provider										
c Term of hedge										
4a Were gross proceeds invested in a GIC?										
b Name of provider										
c Term of GIC										
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?										
5 Were any gross proceeds invested beyond an available temporary period?										
6 Did the bond issue qualify for an exception to rebate?										

Schedule L
(Form 990 or 990-EZ)

Transactions with Interested Persons

OMB No 1545-0047

2008

Open to Public Inspection

▶ Attach to Form 990 or Form 990-EZ.
▶ To be completed by organizations that answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V lines 38b or 40b.

Name of the organization
ST MARY'S HOSPITAL SISTERS
OF THE THIRD ORDER OF ST FRANCIS

Employer identification number

37-0661244

Part I Excess Benefit Transactions (section 501(c)(3) and section 501 (c)(4) organizations only).

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b

1	(a) Name of disqualified person	(b) Description of transaction	(c) Corrected?	
			Yes	No

2

Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958

▶ \$

3

Enter the amount of tax, if any, on line 2, above, reimbursed by the organization

▶ \$

Part II Loans to and/or From Interested Persons

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 26, or Form 990-EZ, Part V, line 38a

(a) Name of interested person and purpose	(b) Loan to or from the organization?		(c)Original principal amount	(d)Balance due	(e) In default?		(f) Approved by board or committee?		(g)Written agreement?	
	To	From			Yes	No	Yes	No	Yes	No
Total										

Part III Grants or Assistance Benefitting Interested Persons

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b)Relationship between interested person and the organization	(c)Amount of grant or type of assistance

Part IV Business Transactions Involving Interested Persons

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
Bolen Robinson ELLIS	BOARD MEMBER is Owner	144,112	SEE SCHEDULE O		No
Surgical Specialist of Decatur	Board Member is President	432,220	SEE SCHEDULE O		No

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

► Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
ST MARY'S HOSPITAL SISTERS
OF THE THIRD ORDER OF ST FRANCIS

Employer identification number
37-0661244

Identifier	Return Reference	Explanation
STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS	FORM 990, PAGE 3 PART III	ST MARY'S HOSPITAL PROVIDES QUALITY MEDICAL HEALTHCARE REGARDLESS OF RACE, CREED, SEX NATIONAL ORIGIN, HANDICAP, AGE, OR ABILITY TO PAY ALTHOUGH REIMBURSEMENT FOR SERVICES RENDERED IS CRITICAL TO THE OPERATION AND STABILITY OF ST MARY'S HOSPITAL, IT IS RECONGNIZED THAT NOT ALL INDIVIDUALS POSSESS THE ABILITY TO PURCHASE NECESSARY MEDICAL SERVICES INHERENT TO OUR MISSION, WE PROVIDE CARE TO THE POOR, THE ELDERLY, AND THE NEEDY OF THE COMMUNITY THROUGH VARIOUS PROGRAMS AND SERVICES THESE ACTIVITIES INCLUDE COMMUNITY EDUCATION PROGRAMS, WELLNESS PROGRAMS, AND SPECIAL PROGRAMS FOR THE ELDERLY, HANDICAPPED, MEDICALLY UNDERSERVED, AND A VARIETY OF BROAD COMMUNITY SUPPORT ACTIVITIES DURING FICAL YEAR 2009, ST MARY'S HOSPITAL PROVIDED 39,735 ADULT AND PEDIATRIC DAYS OF CARE AND 123,998 OUTPATIENT VISITS DURING THE SAME TIME PERIOD ST MARY'S HOSPITAL PROVIDES BOTH BENEFITS TO THE POOR AND TO THE BROADER COMMUNITY BENEFITS TO THE POOR ARE PROVIDED ON THE FORM OF TRADITIONAL CHARITY CARE FOR THOSE WHO CANNOT AFFORD TO PAY, UNPAID COSTS FO PUBLIC PROGRAMS SUCH AS MEDICAID AND GENERAL RELIEF, NONBILLED SERVICES FOR THE POOR AND MANY IN-KIND DONATIONS THE TOTAL VALUES OF THESE UNREIMBURSED BENEFITS FOR THE POOR WERE \$9,304,404 IN FISCAL YEAR 2009 ST MARY'S HOSPITAL PROVIDES NUMEROUS BENEFITS TO THE BROADER COMMUNITY THIS IS CARRIED OUT THROUGH OUR PARTICIPATION IN THE MEDICARE PROGRAM, PROVIDING MANY PROGRAMS AND SERVICES FREE OR AT A REDUCED PRICE, AND PROVIDING SERVICES THAT BENEFIT THE COMMUNITY BUT HAVE A NEGATIVE MARGIN TOTALED \$14,340,961 DURING FISCAL YEAR 2009 ALL OTHER NONBILLED SERVICES PROVIDED TO THE COMMUNITY AND SERVICES PROVIDED AT LOW OR NEGATIVE MARGINS TOTALED \$1,014,544 FOR THE YEAR ENDED 6/30/2009 BELOW ARE SPECIFIC EXAMPLES OF SERVICES INCLUDED IN THE ABOVE FIGURES THROUGH THE OPERATION OF ITS PRENATAL CLINIC, THE HOSPITAL PROVIDES BOTH PRE AND POST NATAL CARE TO THE POOR THE HOSPITAL ROUTINELY DONATES FOOD TO LOCAL FOOD PANTRIES OBSOLETE EQUIPMENT IS ALSO OCCASIONALLY DONATED TO LOCAL AGENCIES PROVIDE TRAINING TO THE LOCAL PARAMEDICS, FIRST RESPONDER GROUPS, AND FIRE DEPARTMENTS IN ADDITIONA, AREA ORGANIZATIONS RECEIVE CPR TRAINING THROUGHT THE HOSPITAL'S EMS DEPARTMENT HOSPITAL PARTICIPATES IN THE SECONDARY TRANSITIONAL EXPERIENCE PROGRAM BY PROVIDING EMPLOYMENT OPPORTUNITIES TO HANDICAPPED STUDENTS PASTORAL CARE AND SOCIAL SERVICE DEPARTMENTS PROVIDE ASSISTANCE FOR PATIENT AND FAMILY NEEDS PROVIDED LIFELINE VOICE COMMUNICATORS TO ELDERLY PATIENTS WITH SPECIAL NEEDS EMPLOYEES SERVE AS SPEAKERS AT HEALTH FAIRS, SCHOOLS, AND A VARIETY OF AREA ORGANIZATIONS ASSIST THE UNTIED WAY CAMPAIGN BY HAVING STAFF MEMBERS ORGANIZE THE HSOPITAL'S ANNUAL FUND DRIVE PROVIDE A VARIETY OF HEALTH SCREENINGS TO THE PUBLIC IN DIFFERENT LOCATIONS THROUGHOUT THE COMMUNITY

Identifier	Return Reference	Explanation
Consolidated Audit Report	Form 990, Part IV, Question 12 and Part XI, Question 2b	The Organization's financial statements were audited on a consolidated basis and no separate company audit report is available

Identifier	Return Reference	Explanation
Form 8899 Filing	Part V, Question 7g	No Contributions of Qualified Intellectual property w ere made, therefore, no Form 8899 was filed

Identifier	Return Reference	Explanation
Form 1098-C Filing	Part V, Question 7h	No Contributions of cars, boats, airplanes, or other vehicles w ere made, therefore form 1098-C w as not filed

Identifier	Return Reference	Explanation
RIGHTS OF MEMBERS TO ELECT GOVERNING BODY	FORM 990, PART VI, LINES 6 & 7A	THE SENIOR GOVERNING BODY OF ST MARY'S HOSPITAL DECATUR (THE "CORPORATION") IS THE MEMBER OF THE CORPORATION, WHICH IS HOSPITAL SISTERS HEALTH SERVICES, INC ("HSSI"), AN ILLINOIS NOT FOR PROFIT CORPORATION EXEMPT FROM FEDERAL TAXATION UNDER SECTION 501(C) (3) OF THE INTERNAL REVENUE CODE PURSUANT TO SECTION 2 3 OF THE CORPORATION'S BYLAWS, HSSI HAS THE RIGHT TO APPOINT AND REMOVE THE CORPORATION'S BOARD OF DIRECTORS, CHAIRPERSON OF THE BOARD AND PRESIDENT

Identifier	Return Reference	Explanation
MEMBER RESERVED POWERS	FORM 990, PART VI, LINE 7B	Responsibility for the policy and operations of St Mary's Hospital Decatur (the "Corporation") is vested in its Board of Directors, except w ith respect to specific pow ers reserved in the Corporation's Bylaw s to the Corporation's Member, Hospital Sisters Health Services, Inc ("HSSI"), an Illinois not for profit corporation exempt from federal taxation under Section 501(c)(3) of the Internal Revenue Code The member of HSSI is Hospital Sisters Health System("HSHS"), an Illinois not for profit corporation exempt from federal taxation under Section 501(c)(3) of the Internal Revenue Code The members of HSHS are the individual sisters who from time to time are the duly elected Provincial Superior and Provincial Councilors, respectively of the American Province of the Hospital Sisters of St Francis ("American Province") The American Province is the United States organization of the Congregation of the Hospital Sisters of the Third Order Regular of St Francis, a religious institute of the Roman Catholic Church The governance and operations of the Corporation are subject to HSSI's right to exercise these reserved pow ers w ith respect to the Corporation and organizations of w hich the Corporation is either, directly or indirectly, a controlling member or a controlling shareholder ("Affiliates") HSSI's right to exercise certain of these reserved pow ers is, in turn, subject to the approval of HSHS and HSHS' members The reserved pow ers include all rights granted to HSSI by law and the right to (a) Adopt, approve amendments to, or amend any statement of philosophy, mission, mision integration or values or any name, logo, or mark of the Corporation or of any Affiliate, (b) Adopt, approve amendments to, or amend the Articles of Incorporation of the Corporation or of any Affiliate, (c) Adopt, approve amendments to, or amend the Bylaw s of the Corporation or of any Affiliate, (d) Appoint and remove the Board of Directors, any one or more of the Directors of the Corporation or of any Affiliate, and the Chairperson and President of the Corporation or of any Affiliate, (e) Approve the recommendation of the Board of Directors to appoint or remove the Board of Directors, any one or more Directors of the Corporation or of any Affiliate, or the Chairperson and President of the Corporation or of any Affiliate (f) With respect to the Corporation or any Affiliate, approve the purchase, sale, alienation, exchange, lease or encumbrance of any real property of the Corporation or of any Affiliate, w hich property has a value in excess of limits set from time to time by HSSI, (g) Approve the operating and capital budgets of the Corporation or of any Affiliate, and any deviations by the Corporation or of any Affiliate from such budgets in an amount or percentage specified by HSSI from time to time, (h) Approve the strategic plan and goals of the Corporation or of any Affiliate, (i) Approve the sale of substantially all of the assets of the Corporation or of any Affiliate, (j) Approve the merger or dissolution of the Corporation or of any Affiliate, (k) Adopt or amend the plan for ministry education and governance for the Corporation and its Affiliates, (l) Approve the Corporation's Mission Accountability Reports and those of any Affiliate, (m) Approve the financial policies and procedures of the Corporation or of any Affiliate and approve any deviations from such policies and procedures by the Corporation or any Affiliate, and (n) Adopt policies to implement the Reserved Pow ers of HSSI

Identifier	Return Reference	Explanation
FORM 990 REVIEW PROCESS	FORM 990, PART VI, LINE 10	The hospital employs KPMG to assist in the overall review and electronic submission of its Form 990 KPMG provides guidance in identifying critical errors in the return submission and feedback on quanttitave and qualitative responses Additionally, the hospital CFO performs a thorough review of the return and review s it w ith the hospital CEO and/or senior leaders before presenting it in its entirety to the hospital Board for questioning and review prior to the return's signing and submission to the IRS

Identifier	Return Reference	Explanation
ADDRESS OF OFFICERS WHO CANNOT BE REACHED AT THE HOSPITAL	FORM 990, PART VI, LINE 11	Adam Cumbo 528 Lucas Lane Forsyth, IL 62535 At the time the tax return was filed John White was deceased

Identifier	Return Reference	Explanation
CONFLICT OF INTEREST POLICY	FORM 990, PART VI, LINE 12C	A revised Corporate Compliance Program and Conflict of Interest Policy were approved by the board of directors in January, 2009 to establish the practice of managing conflicts of interest using a system-w ide protocol for disclosure statements In accordance w ith our Conflict of Interest Policy all Covered Persons have a duty to comply w ith the Conflict of Interest Policy for any contract, transaction, relationship or activity contemplated, entered into or conducted at St Mary's Hospital If, at any time after submitting an annual Conflict of Interest Statement, a Covered Person becomes aw are of an Interest that he or she w ould have to disclose, the Covered Person shall promptly disclose the Interest using the St Mary's Hospital Conflict of Interest Disclosure Statement Completed Conflict of Interest statements are submtted to the Committee of HSHS w hich is responsible for identifying, assessing, and managing Conflicts of Interest that arise in the course of conducting the affairs of HSHS

Identifier	Return Reference	Explanation
WHISTLEBLOWER POLICY	FORM 990, PART VI, LINE 13	Provisions within the Corporate Compliance Program and Conflict of Interest Policy provide protections for whistleblower type activities

Identifier	Return Reference	Explanation
RECORD RETENTION AND DESTRUCTION POLICY	FORM 990, PART VI, LINE 14	The hospital is currently following a separate record retention and destruction policy, however, a new system-wide Record Retention and Destruction Policy has been developed and an early 2010 adoption date is expected

Identifier	Return Reference	Explanation
COMPENSATION PROCESS	FORM 990, PART VI, LINE 15	THE COMPENSATION COMMITTEE (COMMITTEE) IS COMPRISED OF INDEPENDENT MEMBERS OF THE BOARD OF DIRECTORS THE COMMITTEE DEVELOPS A COMPENSATION PHILOSOPHY FOR THE SYSTEM AND ALL AFFILIATES THE COMMITTEE SELECTS AND HIRES THE INDEPENDENT COMPENSATION CONSULTANT TO DEVELOP COMPARABILITY DATA AND ADVISE THE COMMITTEE DURING ITS DELIBERATIONS REGARDING ALL ELEMENTS OF TOTAL COMPENSATION FOR ALL DISQUALIFIED INDIVIDUALS INTEGRATED HEALTHCARE STRATEGIES (IHS), THE CONSULTANTS UTILIZED BY THE COMMITTEE, USE DATA FROM MULTIPLE TAX-EXEMPT PEER GROUP SOURCES TO DETERMINE SALARY RANGES, INCENTIVE OPPORTUNITY RANGES AND BENEFITS FOR THE DISQUALIFIED INDIVIDUALS IHS THEN ASSISTS THE COMMITTEE IN PREPARING CONTEMPORANEOUS DOCUMENTATION OF ALL ACTIONS EACH COMMITTEE MEETING IS CONDUCTED WITH THE INTENT TO CREATE A REBUTTABLE PRESUMPTION OF REASONABLENESS FOR ALL ELEMENTS OF EXECUTIVE TOTAL COMPENSATION FOR THE DISQUALIFIED INDIVIDUALS THE CHAIRMAN MAKES THIS DECLARATION AND ALSO INQUIRES IF THERE ARE ANY CONFLICTS OF INTEREST BY ANY ATTENDEES ANY CONFLICTS ARE DISCLOSED AND THE COMMITTEE THEN ACTS IN A MANNER TO AVOID ANY CONFLICTED INDIVIDUAL PARTICIPATING IN ANY MANNER WHERE A CONFLICT MIGHT EXIST AT THE END OF THE MEETING, THE COMMITTEE PREPARES CONTEMPORANEOUS MINUTES THAT RECORD ALL ACTIONS TAKEN DURING THE MEETING

Identifier	Return Reference	Explanation
DISCLOSURE DOCUMENTS AVAILABLE TO THE PUBLIC	FORM 990, PART VI, LINE 19	Board-approved financial statements are made available to the public upon request The governing documents and conflict of interest policy are not made available to the general public at this time

Identifier	Return Reference	Explanation
BECKY COLKER	FORM 990, PART VII, SECTION A	BECKY COLKER WAS HIRED IN 2009 AS CFO, BUT DID NOT RECEIVE ANY COMPENSATION DURING THE 2008 calendar YEAR

Identifier	Return Reference	Explanation
POOLED INVESTMENT ACCOUNT	FORM 990, PART X, LINE 11	ST MARY'S HOSPITAL'S CASH RESERVES ARE INVESTED IN A POOLED INVESTMENT ACCOUNT PARTICIPATION IN THE POOLED FUND IS LIMITED TO THE 501 (C) (3) HOSPITALS AND RELATED HEALTH SERVICES ORGANIZATIONS SPONSORED BY HOSPITAL SISTERS HEALTH SYSTEM THE POOLED ACCOUNT CONSISTS OF CASH, EQUITY, AND DEBT SECURITIES THAT ARE PUBLICLY TRADED INVESTMENTS FOR THE POOLED ACCOUNTS ARE ALL HELD FOR OTHER THAN TRADING PURPOSES IN ACCORDANCE WITH THE PROVISIONS OF SFAS NO 124 "ACCOUNTING FOR CERTAIN INVESTMENTS HELD BY NOT-FOR-PROFIT ORGANIZATIONS", INVESTMENTS IN EQUITY SECURITIES WITH READILY DETERMINABLE VALUES AND ALL INVESTMENTS IN DEBT SECURITIES ARE REPORTED AT FAIR VALUE ON THE BALANCE SHEET INCOME, REALIZED AND UNREALIZED GAINS AND LOSSES ARE POOLED AND ALLOCATED TO THE PARTICIPANTS INDIVIDUAL COMPONENTS OF ASSETS AND REVENUE ARE NOT IDENTIFIED TO THE PARTICIPANTS

Identifier	Return Reference	Explanation
DESCRIPTION OF PURPOSE OF TAX EXEMPT BONDS	SCHEDULE K, PART I	Hospital Sisters Services, Inc (HSSI) and its 13 Hospital affiliates are included in the HSSI- Obligated Group Under the terms of the Obligated Group Master Trust Indenture, each member of the Obligated Group is jointly and severally liable for all obligations issued thereunder The tax exempt bonds are issued to HSSI and then allocated to the 13 Hospitals for reporting on the balance sheet The bonds reported on Schedule K are only the bonds that have been allocated to the Hospital and reported on Part X line 20 The following detail describes the purpose of each tax exempt bond as used for the entire obligated group Illinois Finance Authority - CUSIP# 45200P2X8, 45200FLG2, 45200BX94 - The proceeds of the Prior Bonds and the Reissued Bonds were loaned to one or more of the Borrowers and were used to finance or refinance health care facilities of the Borrowers, including (i) various equipping projects and facility renovations, the renovation and equipping of a cardiac catheterization lab, the 28,000 square foot expansion of the intensive care unit and ancillary departments, the construction of a 110,000 square foot parking structure and the construction and renovation of the surgery department at St Elizabeth's, a 506 bed hospital located in Belleville, Illinois, (ii) various equipping projects, the construction of a 26,132 square foot outpatient facility, the acquisition of a portion of the existing facilities, the construction of a parking lot and emergency room, the renovation and expansion of the laboratory, surgery department, billing office and registration area and the renovation of the physical therapy department, diagnostic imaging department, medical and surgical unit, dining area and nursing department at St Joseph's Breese, an 85 bed hospital located in Breese, Illinois, (iii) various equipping projects, the purchase of an MRI unit, the replacement of an approximately 386 space surface parking lot, the expansion and renovation of the emergency department and the renovation of the infrastructure, intensive care unit, medical and surgical unit, rehabilitation department and ancillary departments, and the radiology department at St Mary's Decatur, a 371 bed hospital located in Decatur, Illinois, (iv) various equipping projects and facility renovations, the expansion, renovation and equipping of a cardiac services building, the renovation of the maternity department, patient floors, and surgery facility, the construction of a facility for outpatient surgery and for the emergency room at St Anthony's, a 146 bed hospital located in Effingham, Illinois, (v) various equipping projects, the expansion and renovation of the emergency department, and the renovation of the operating room and the medical and surgical unit at St Francis, a 174 bed hospital located in Litchfield, Illinois, (vi) various equipping projects, the renovation of the surgery department, nursing department, cardiac rehabilitation department, mammography department, roof, cafeteria, infrastructure of a patient bed tower, intensive care unit, critical care unit and medical and surgical unit and certain other facility renovations, the replacement of a parking ramp and the construction of a parking lot at St John's, a 733 bed hospital located in Springfield, Illinois and (vii) the renovation of the emergency and maternity departments at St Mary's Streator, a 251 bed hospital located in Streator, Illinois Illinois Finance Authority - CUSIP# 45200BX37 - pay or reimburse the Borrowers for the costs of acquiring, constructing, renovating, remodeling and equipping certain health facilities of the Borrowers, including necessary and attendant equipment, facilities, sitework and utilities thereto, at the addresses listed below, including without limitation (1) the 28,000 square foot expansion of the intensive care unit and ancillary departments at 211 South Third Street, Belleville, Illinois, the renovation of the surgery department and the rehabilitation and sports medicine department and the construction of a 110,000 square foot parking structure at 220 West Lincoln Street, Belleville, Illinois, all as part of St Elizabeth's, a 506 bed hospital located in Belleville, Illinois, (2) the construction of a 26,132 square foot outpatient facility at 14160 Jamestown Road, Breese, Illinois, and the renovation of ancillary departments at St Joseph's Breese, an 85 bed hospital located in Breese, Illinois, (3) the expansion and renovation of the emergency department and the renovation of the intensive care unit, medical and surgical unit, rehabilitation department and ancillary departments at St Mary's Decatur, a 371 bed hospital located in Decatur, Illinois, (4) various equipping projects and facility renovations and the renovation of the diagnostic imaging department and the medical and surgical unit at St Anthony's, a 146 bed hospital located in Effingham, Illinois, (5) the expansion and renovation of the emergency department and the renovation of the operating room and the medical and surgical unit at St Francis, a 182 bed hospital located in Litchfield, Illinois, (6) the purchase of capital equipment, the renovation of the infrastructure of a patient bed tower, the intensive care unit and the critical care unit and the medical and surgical unit and the replacement of a parking ramp at St John's, a 731 bed hospital located in Springfield, Illinois, (7) a 345 square foot expansion and renovation of the front lobby at 1515 Main Street, Highland, Illinois and the renovation of the ancillary departments, all at St Joseph's Highland, a 106 bed hospital located in Highland, Illinois and (8) various equipping projects and facility renovations at St Mary's Streator, a 251 bed hospital located in Streator, Illinois Illinois Finance Authority - CUSIP# 45200PZX8, 45200PZG5 - Pay or reimburse the Borrowers for the costs of acquiring, constructing, renovating, remodeling and equipping certain health care facilities of the Borrowers at the addresses listed below, including without limitation (1) the renovation and equipping of a cardiac catheterization lab and construction of a new surgery department at St Elizabeth's, a 498 bed hospital located in Belleville, Illinois, (2) the purchase of an MRI unit, the replacement of an approximately 386 space surface parking lot and the renovation of the radiology department at St Mary's, a 395 bed hospital located in Decatur, Illinois, (3) various equipping projects and facility renovations and the expansion, renovation and equipping of a cardiac services building at St Anthony's, a 146 bed hospital located in Effingham, Illinois, (4) various equipping projects and facility renovations at St Francis, a 184 bed hospital located in Litchfield, Illinois, (5) the purchase of capital equipment, the renovation of the surgery department and the construction of an approximately 90,000 square foot administrative services building on the hospital campus of St John's, a 756 bed hospital located in Springfield, Illinois, and (6) the renovation of the emergency and maternity departments at St Mary's Streator, a 248 bed hospital located in Streator, Illinois

Identifier	Return Reference	Explanation
AFFILIATED HEALTH SYSTEM	SCHEDULE H, PART VI, QUESTION 7	St Mary's Hospital Decatur is an affiliate of Hospital Sisters Health System (HSHS) Sponsored by the Hospital Sisters of St Francis, HSHS is composed of 13 hospitals and multiple physician groups in Wisconsin and Illinois The mission and services of St Mary's flow s from the larger purpose and broader reach of HSHS Because of this relationship, HSHS supports the local work of St Mary's by ensuring a focus on mission, reinforcing local efforts to improve community health, and facilitating the exchange of "best practices" among all HSHS hospitals and physician groups This response to question 7 focuses on the broader efforts of HSHS to promote community health Like St Mary's, HSHS is founded in a set of mission principles including a commitment to Catholic identity, Franciscan healing ministry, commitment to local and regional communities, and careful fiscal stewardship Since the incorporation of HSHS in 1978, these principles have made possible a bright light of hope in the midst of darkness for many people As St Francis of Assisi noted, "All the darkness in the world cannot extinguish the light of a single candle " In fact, 13 HSHS Local Systems in Illinois and Wisconsin created 13 bright candles providing more than \$124 million in Community Benefit (including Charity Care at cost and the unpaid cost of Medicaid and other public programs) in the Fiscal Year ending June 30, 2009 These program benefits were as unique and diverse as the rural, urban, and inner city communities they serve Additionally, during this period, HSHS ministries provided over \$91 million in uncompensated care to patients that did not qualify for charity or public assistance and over \$157 million in excess of Medicare and managed care payments for healthcare services Bringing Light Where There is Darkness A national recession and rising unemployment during this Fiscal Year have created unimaginable hardships for many families and individuals, impacting livelihoods and health In the last six months of 2008, the U S stock market experienced its worst year since 1931 As state budgets dipped into the red and philanthropies lost millions of dollars in their endowments, safety nets that protected the poor and vulnerable populations were weakened During the worst of the crisis, however, large portions of the Catholic health care sector, including HSHS, stepped up their Community Benefit to provide care for the sick and support to those in need A Community Benefit sampling of the 13 HSHS Local Systems is shared below A Healthy Start in Life Local Systems often carry out the Hospital Sisters' mssion far beyond their walls, even providing care to former patients in their homes St Anthony's Memorial Hospital in Effingham, Illinois, provides a unique home care program for new moms and their babies This free home visit, an extension of the maternity hospital stay, helps ease concerns of new mothers and ensure families are fully equipped to provide children with the best nurturing care Over the past year, St Anthony's nurses visited 1,390 mothers and their babies in their homes within a nine-county area Visiting nurses examine both mother and baby and assist with questions new parents may have about care With the help of a portable diagnostic instrument, a visiting nurse painlessly checks the baby for jaundice, eliminating the need for the more traditional bilirubin blood test at the hospital (If needed, treatments for jaundice can begin immediately at home) This healthy start program is part of St Anthony's continuum of care that begins with prenatal and childbirth classes

Identifier	Return Reference	Explanation
AFFILIATED HEALTH SYSTEM CONTINUED	SCHEDULE H, PART VI, QUESTION 7	Sometimes a vital outreach into the community is brought within the hospital's walls. St. John's Hospital in Springfield, Illinois, provides space for a Pregnancy Care Center facility. The Center provides early prenatal care for pregnant women, prepared childbirth classes, newborn care and parenting education, and physician referrals. Because services are free of charge, access is guaranteed for young women with limited financial means or challenging family dynamics. Not only does St. John's support the Care Center with office space, it provides funding and health professionals as needed. As a result of this collaboration, the Care Center served more than 400 new clients in 2009 from six different counties. Charity Care is when a hospital organization provides free or discounted care to patients who cannot pay (and are ineligible for public programs and meet certain financial criteria). Local Systems are each committed to serving the healthcare needs of every person in their communities, regardless of ability to pay. Because of this, HSHS hospitals are the healthcare safety net for the uninsured and vulnerable populations - the poor, the disabled, the young, and elderly. Today, a growing number of the middle class members are included in this group. Daniel was someone in need from the time he was 18 years old when he was diagnosed with Crohn's disease, a lifelong inflammation of the intestines. Because the disease can cause great discomfort, including episodes of abdominal pain, vomiting and weight loss, regular preventive care and frequent monitoring are vital in order to avoid internal scarring and life-threatening intestinal blockages. "It's a tough disease to manage but I've done it for 32 years," Daniel commented. "In order to stay healthy, I need a colonoscopy every year to keep ahead of problems. Unfortunately, over the years the costs for care have risen incredibly and the drugs I take to manage this condition are very expensive." In January 2009, Daniel was laid off from his job as a plumber. "I've not had health insurance now or in the past because I work for a small employer and they are unable to offer employee health insurance," he said. "I've tried to get insurance on my own, but no one will insure someone with Crohn's disease. It's tough, really tough." St. Mary's Hospital in Green Bay, Wisconsin, covers Daniel's procedures through its Charity Care program. Full of gratitude, Daniel noted, "St. Mary's provided life-saving colonoscopies for me for the past few years. My doctor says it's a necessity so that he can monitor what's going on and try to prevent having surgery. It's unbelievable what St. Mary's has done for me. I don't know what I'd do otherwise. They're a godsend." Tools for Healthy Living. Education is a powerful tool that can save lives, prevent disability and enhance safety. Knowledge also empowers, and many people appreciate the opportunity to take charge of their own health and wellness with the help of a professional navigator to show them the way. - St. Joseph's Hospital in Highland, Illinois, started an innovative project to help diabetics gain a better understanding of diabetes to live a healthier life. Using a new interactive device called Conversation Maps (developed by the American Diabetes Association), the hospital launched a four-part education series. Led by a registered nurse, pharmacist, and registered dietitian, the free courses encourage discussion and engage participants in interactive myth-busting activities that clarify facts about diabetes. By uncovering information on key topics related to their diabetes, participants develop personal action plans to make better decisions and change behaviors in dealing with their diabetes. - Located along the Sangamon River in Central Illinois, Decatur's inner city residents struggle with high rates of unemployment, poverty, drug use and violent crime. To help address the health needs of this vulnerable inner city population, St. Mary's Hospital hosted several health fairs at neighborhood festivals in vacant lots and parks to provide free health assessments, testing and education. Colleagues, including the hospital's stroke coordinator and nurse educator, collaborated with "Stop the Violence" Project festival staff, a series of summer events sponsored by the local Ambassadors for Christ Ministries. Thanks to awareness education and prevention, lives may have been saved and at least one stroke averted. One festival attendee was diagnosed with extremely high blood pressure that was unknown and untreated. After visiting his physician and being placed on medication, and losing a considerable amount of weight, his blood pressure remained under control. The contact with St. Mary's colleagues was so positive, in fact, that he later applied for a job opening and today is himself a hospital colleague. Care for the Poor. Free Clinics. In an economy where many companies are seeing a decline in customers, business is booming at Wisconsin's free clinics. Patient rolls skyrocket as more low income and uninsured people seek care as a result of the downturn and job layoffs. St. Francis described his mission as a journey. "Start by doing what's necessary, then do what's possible, and suddenly you are doing the impossible." The impossible is a daily miracle in several free clinics in Wisconsin, thanks to four Local Systems. - In Green Bay, Wisconsin, more than 6,000 patients each year pass through the doors of the NEW Community Clinic, a 38-year-old free clinic with major support provided by St. Vincent's Hospital. In order to keep its doors open five days each week, St. Vincent's covers costs for nurses. In addition, St. Vincent's and St. Mary's Hospitals both provide laboratory services to free clinic patients at no cost and discounted radiology services. More than 70% of patients say the clinic's care prevented a trip to the Emergency Department. - St. Joseph's Hospital in Chippewa Falls, Wisconsin, donates laboratory services to its local free clinic, the Open Door Clinic. Support of the Chippewa Valley Free Clinic (A Vital Resource for uninsured and underinsured patients) with Sacred Heart volunteers on the Board, nursing and social work staff, assistance with grant writing, and \$25,000 in laboratory and radiology services, free clinic patient volumes broke records each month this year due to the economic downturn and growing unemployment. Thanks to the hospitals and other local support, the free clinic's exams, medication and lab tests are provided at no cost to patients. "Sometimes, as in the case of diabetes, a maintenance drug or treatment is critical to help prevent an even more debilitating condition like kidney failure or losing one's eyesight," said Free Clinic volunteer and Sacred Heart Hospital social worker Maria. "For someone that is recently unemployed and supporting a family, or working part-time jobs just to make ends meet, a medical need without health insurance is a major roadblock on the path back to self-sufficiency." A Global Reach of Compassion. The 13 Local Systems that comprise Hospital Sisters Health System support health care around the globe by donating equipment and supplies to Hospital Sisters Mission Outreach, a nationally recognized not-for-profit organization focusing on the recovery and responsible redistribution of healthcare equipment and supplies to developing countries. The equipment ranging from commercial laundry machines to hospital beds and IV poles and syringes and diagnostic equipment is refurbished, cleaned and shipped internationally to needy medical clinics and hospitals worldwide. This "global community benefit" effort resulted in more than 90 tons of medical equipment donated to Mission Outreach. Of these donations, more than 75 tons have been distributed to disadvantaged hospitals and clinics to save and improve lives. Destination countries include Afghanistan, Bangladesh, Belize, Cambodia, Ecuador, , Ghana, Guatemala, Haiti, Honduras, Jamaica, Kenya, Mali, Mexico, the Philippines, Somalia, Tanzania and Uganda. The US Navy Project Hand Clasp assisted with transatlantic freighting for some materials. Not only does donated equipment help struggling hospitals, Local Systems see an added program benefit of practicing responsible environmental stewardship by reducing waste streams to landfills. St. Francis, the patron saint of ecology, would be proud of a ministry that both improves the health and well-being of the poor around the globe and is also "green."

Identifier	Return Reference	Explanation
AFFILIATED HEALTH SYSTEM CONTINUED	SCHEDULE H, PART VI, QUESTION 7	An Instrument of Peace The prayer of St Francis begins, "Lord, make me an instrument of thy peace, w here there is hatred, let me sow love, where there is injury, pardon" For 36 years, St Nicholas Hospital in Sheboygan, Wisconsin, has daily lived that prayer through its generous support of a domestic abuse shelter that w as first established in its basement By providing emergency housing for w omen and children impacted by violence, the hospital helped meet a chronic community need Today know n as Safe Harbor Shelter from the Storm, the organization is a round-the-clock 16-bed facility that occupies tw o homes purchased by the hospital (rent- and utility-free) Safe Harbor provides residential living, counseling, an office for support services and a children's indoor play space It is the county's only domestic violence shelter and provides services at no cost to victims of domestic violence or sexual assault Because of the hospital's in-kind support and supply of volunteers, Safe Harbor concentrates its resources on serving domestic abuse victims and families Feeding the Hungry The Franciscan charism of feeding the hungry is part of the ministry of St Francis Hospital, in Litchfield, Illinois Thanks to \$13,000 in financial support from colleagues' payroll deductions, food drives, and \$38,000 in support from the Friends of St Francis Hospital, the St Clare Food Pantry annually serves more than 250 local families To mark the Pantry's first Christmas, hospital staff baked cookies and donated candy to supply gift bags for children of food pantry patrons Supporting Family Farms and Local Economies At Sacred Heart Hospital in Eau Claire, Wisconsin, the entrance doors have the w ords of Mother Teresa of Calcutta "There is Hope Here " Recently, the hospital has given new hope to many struggling family farms In the 1990s, Wisconsin lost almost 40 percent of its farms Ironically, in the very heart of America's Dairyland, local farms, processors, and their products remain largely shut out of institutional markets even though those institutional buyers may be located only a few dozen miles away Large institutions such as hospitals, nursing homes, universities and school systems have long-established supply chains that ensure the safety, availability, variety and quantity of food products, but they seldom source local products In July 2008 Sacred Heart Hospital, in Eau Claire, Wisconsin, launched an effort to support local farms and the local economy by pledging 10 percent of its \$2 million food budget to sourcing local products In addition to opening up a new market, the hospital helped create the Producers & Buyers Co-op to link local farms w ith institutions to source food and ensure food safety In the first year, Sacred Heart Hospital spent more than \$200,000 on food from more than a dozen rural communities, including 11,000 lbs of beef, 2,400 lbs of pork and 12,000 lbs of chicken (all grow n, processed and transported locally) The hospital's commitment provides farmers a guaranteed market to sell products at a fair price and sources local food to benefit patients, cafeteria visitors and colleagues, and Meals on Wheels patrons The project has already created new jobs in rural communities and allow ed farmers and processors to expand their businesses "Following the Hospital Sisters Mission and our Franciscan tradition, Sacred Heart Hospital is proud to invest in its community by purchasing local food to support local agriculture," commented Steve, HSHS Divisional President and CEO (Western Wisconsin) "Local food is good medicine for everyone It is nutritious, fresh and flavorful for our patients It also benefits our local economy by preserving and expanding family farm operations, providing jobs in production and processing, and keeping money in our community " Mentoring Disadvantaged Students Schools that serve inner city students struggle w ith overcoming barriers to graduation Disadvantaged students often live in single parent homes, face poverty, a lack of opportunities in higher education and jobs, and other life challenges - St Elizabeth's Hospital in Belleville, Illinois, confronted these life limiting obstacles by initiating a local after-school tutoring and mentoring program Tw enty-nine manager and administrator volunteers spent an hour each month assisting students w ith math homework and reading skills (a total of more than 260 hours) Students and mentors developed long-term relationships and by the end of the school year the students w ere invited for a tour of St Elizabeth's and received a certificate of recognition for their achievements - St Elizabeth's also participates in the Assisted Learning Vocational Program w ith the Belleville Tow nship High School, a program that provides on-the-job training, job coaches and work experience for special education students The initiative helps students learn life skills to be self-sufficient and self-supporting In many cases, employers hire participants after they graduate This past year, St Elizabeth's Hospital hired David, a former student in the program David w as born prematurely and w as later w as diagnosed w ith autism This disability does not prevent him from being a star employee in the hospital's laundry department, operating giant ironing machines to fold and iron sheets, gow ns, tow els and other linens In his 32-hour-a-w eek job, David also helps w ith quality control, sorting out torn or stained linens He proudly commented for a new spaper interview , "When I saw a bath blanket w as stuck, I stopped (the machine) and a co-w orker got it out " His grandmother, Lorraine, added, "There's never a time w hen he doesn't want to go to work He's alw ays on time " Teaching Sexual Abstinence to Teens In Clinton County, Illinois, annual Department of Health statistical data recorded more than 10% of births to teens and increasing rates of sexually transmtted disease To help reverse these trends, colleagues at St Joseph's Hospital in Breese, Illinois, launched "Game Plan," a new sexual abstinence program offered to eighth grade students in Clinton County schools A total of 320 students participated in the free classroom program presented by hospital physicians, nursing and laboratory colleagues The program began w ith a parents' overview night (Parents are instrumental to the program's success, and parental permission is required prior to student enrollment) "Game Plan" builds know ledge about abstinence until marriage, helps students recognize the potential benefits to health and w ell-being, and equips students to decide for themselves that abstinence is the healthy choice Six one-hour sessions totaled 3,510 contact hours (an average of 585 hours per instructor) Providing Transportation to Those in Need Sometimes health and w ellness are neglected simply because of a lack of transportation to a medical appointment In Streator, Illinois, transportation options are limited because there is no public transit system or taxi service Many people, especially the elderly or disabled, have no transportation options St Mary's Hospital recognized this need and responded by launching a free medical transportation program to serve patients w ith disabilities and others w ith no other way of getting to and from medical appointments The program provides rides to seniors, children, expectant mothers and individuals w ith special needs Sara, a single mom, commented, "If it w eren't for St Mary's van, my son w ouldn't be able to go to his physical therapy, and I w ouldn't be able to make my doctor appointments It is the best help " Care for Body, Mind and Spirit HSHS hospitals provide pastoral care, organize support groups, comfort the bereaved, and provide free cardiac risk assessments Through these and other Community Benefit programs, the 13 Local Systems daily live out the Hospital Sisters' mssion by meeting the needs of the human person physical, emotional, and spiritual The Hospital Sisters have alw ays lived and taught that this Franciscan mission gives special consideration to the poor, sick and aged regardless of race or creed Today, w hether engaged in nursing, education, palliative care or advocacy, HSHS colleagues follow in the footsteps of St Francis and the Hospital Sisters, bringing hope w here there is despair, light w here there is darkness, and joy w here there is sadness

Identifier	Return Reference	Explanation
BUSINESS TRANSACTIONS INVOLVING INTERESTED PERSONS	FORM 990 SCHEDULE L, PART IV	BOARD MEMEBER, JON ROBINSON, IS A 50% PARTNER IN THE BOLEN, ROBINSON LAW FIRM THE FIRM PROVIDES LEGAL SERVICES TO THE ORGANIZATION AND ALL SERVICES WERE CONSIDERED TO BE ARMS-LENGTH TRANSACTIONS Board Member, John White, is the President of Surgical Specialist of Decatur The hospital pays Surgical Specialists of Decatur for Trauma Surgery Coverage and Income guarantees and all services were considered to be arm-length transactions

SCHEDULE R

(Form 990)

Related Organizations and Unrelated Partnerships

OMB No 1545-0047

2008

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 990. To be completed by organizations that answerd "Yes" to Form 990, Part IV, lines 33, 34, 35, 36, or 37.
▶ See separate instructions.

Name of the organization ST MARY'S HOSPITAL SISTERS OF THE THIRD ORDER OF ST FRANCIS	Employer identification number 37-0661244
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Part I

Identification of Disregarded Entities

(A) Name, address, and EIN of disregarded entity	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Total income	(E) End-of-year assets	(F) Direct controlling entity

Part II

Identification of Related Tax-Exempt Organizations

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Exempt Code section	(E) Public charity status (if section 501(c)(3))	(F) Direct controlling entity
See Additional Data Table					

Part III Identification of Related Organizations Taxable as a Partnership

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Direct controlling entity	(E) Predominant income(related, investment, unrelated)	(F) Share of total income	(G) Share of end-of- year assets	(H) Disproporionate allocations?		(I) Code V—UBI amount on Box 20 of K-1	(J) General or managing partner?	
							Yes	No		Yes	No
See Additional Data Table											

Part IV Identification of Related Organizations Taxable as a Corporation or Trust

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Direct controlling entity	(E) Type of entity (C corp, S corp, or trust)	(F) Share of total income	(G) Share of end-of-year assets	(H) Percentage ownership
See Additional Data Table							

Part V

Transactions with Related Organizations

Note. Complete line 1 if any entity is listed in Parts II, III or IV

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

a Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity

b Gift, grant, or capital contribution to other organization(s)

c Gift, grant, or capital contribution from other organization(s)

d Loans or loan guarantees to or for other organization(s)

e Loans or loan guarantees by other organization(s)

f Sale of assets to other organization(s)

g Purchase of assets from other organization(s)

h Exchange of assets

i Lease of facilities, equipment, or other assets to other organization(s)

j Lease of facilities, equipment, or other assets from other organization(s)

k Performance of services or membership or fundraising solicitations for other organization(s)

l Performance of services or membership or fundraising solicitations by other organization(s)

m Sharing of facilities, equipment, mailing lists, or other assets

n Sharing of paid employees

o Reimbursement paid to other organization for expenses

p Reimbursement paid by other organization for expenses

q Other transfer of cash or property to other organization(s)

r Other transfer of cash or property from other organization(s)

Yes

No

1a

1b

1c

1d

1e

1f

1g

1h

1i

1j

1k

1l

1m

1n

1o

1p

1q

1r

No

No

No

No

No

No

No

No

Yes

No

Yes

No

No

No

Yes

No

Yes

Yes

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

(A) Name of other organization(s)	(B) Transaction type(a-r)	(C) Amount Involved
(1)Prairie Cardiovascular	q	126,819
(2)		
(3)		
(4)		
(5)		
(6)		

Schedule R (Form 990) 2008

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

[illegible]

Software ID:

Software Version:

EIN: 37-0661244

Name: ST MARY'S HOSPITAL SISTERS
OF THE THIRD ORDER OF ST FRANCIS

Form 990, Schedule R, Part II - Identification of Related Tax-Exempt Organizations

(A) Name, address, and EIN of related organization	(B) Primary Activity	(C) Legal Domicile (State or Foreign Country)	(D) Exempt Code section	(E) Public charity status (if 501(c)(3))	(F) Direct Controlling Entity
HOSPITAL SISTERS HEALTH SYSTEM 4936 LAVERNA ROAD SPRINGFIELD, IL62707 37-1058692	HEALTHCARE	IL	501(C)(3)	11A	NA
HOSPITAL SISTERS SERVICES INC 4936 LAVERNA ROAD SPRINGFIELD, IL62707 37-1163402	HEALTHCARE	IL	501(C)(3)	11A	NA
HOSPITAL SISTERS OF ST FRANCIS FDTN 4936 LAVERNA ROAD SPRINGFIELD, IL62707 37-1186514	HEALTHCARE	IL	501(C)(3)	11A	NA
HSBS SELF INSURANCE TRUST FUND 4936 LAVERNA ROAD SPRINGFIELD, IL62707 37-1120626	INSURANCE	IL	501(C)(3)	11A	NA
HSBS HEALTH CARE PLAN TRUST FUND 4936 LAVERNA ROAD SPRINGFIELD, IL62707 37-1137724	HEALTHCARE	IL	501(C)(9)		NA
HOSPITAL SISTERS HEALTHCARE WEST INC 2661 COUNTY HIGHWAY 1 CHIPPEWA FALLS, WI54729 51-0157933	HEALTHCARE	WI	501(C)(3)	3	NA
SACRED HEART HOSPITAL 900 WEST CLAIREMONT AVENUE EAU CLAIRE, WI54701 39-0807060	HEALTHCARE	WI	501(C)(3)	3	NA
ST ANTHONY'S HOSPITAL 503 N MAPLE STREET EFFINGHAM, IL624012099 37-0661233	HEALTHCARE	IL	501(C)(3)	3	NA
ST ELIZABETH'S HOSPITAL 211 SOUTH THIRD STREET BELLEVILLE, IL622201998 37-0663567	HEALTHCARE	IL	501(C)(3)	3	NA
ST NICHOLAS HOSPITAL 3100 SUPERIOR AVENUE SHEBOYGAN, WI530811948 39-0808480	HEALTHCARE	WI	501(C)(3)	3	NA
ST JOHN'S HOSPITAL 500 EAST CARPENTER STREET SPRINGFIELD, IL62769 37-0661238	HEALTHCARE	IL	501(C)(3)	3	NA
ST JOSEPH'S HOSPITAL 9515 HOLY CROSS LANE BREESE, IL622300099 37-1208459	HEALTHCARE	IL	501(C)(3)	3	NA
ST JOSEPH'S HOSPITAL 2661 COUNTY HIGHWAY 1 CHIPPEWA FALLS, WI54729 39-0810545	HEALTHCARE	WI	501(C)(3)	3	NA
ST FRANCIS HOSPITAL 1215 FRANCISCAN DRIVE LITCHFIELD, IL62056 37-0661236	HEALTHCARE	IL	501(C)(3)	3	NA
ST MARY'S HOSPITAL 111 SPRING STREET STREATOR, IL613643332 36-2169181	HEALTHCARE	IL	501(C)(3)	3	NA
ST MARY'S MEDICAL CENTER 1726 SHAWANO AVENUE GREEN BAY, WI54303 39-0818682	HEALTHCARE	WI	501(C)(3)	3	NA
ST VINCENT HOSPITAL 835 S VAN BUREN GREEN BAY, WI543013256 39-0817529	HEALTHCARE	WI	501(C)(3)	3	NA
ST JOSEPH'S HOSPITAL 1515 MAIN STREET HIGHLAND, IL622491646 37-0663568	HEALTHCARE	IL	501(C)(3)	3	NA
HSBS MEDICAL GROUP INC 4936 LAVERNA ROAD SPRINGFIELD, IL62707 26-3956318	HEALTHCARE	IL	501(C)(3)	11A	NA
HSBS WISCONSIN MEDICAL GROUP INC 8040 EXCELSIOR DRIVE STE 200 MADISON, WI53717 26-4515959	HEALTHCARE	WI	501(C)(3)	11A	NA
Orange Cross Ambulance Inc 919 Ashland Ave Sheboygan, WI53081 39-1860942	Healthcare	WI	501(c)(3)	9	St Nicholas
Wisconsin Upper Peninsula Onc Mngmt Svcs 835 S Van Buren Green Bay, WI543013256 39-1677100	Healthcare	WI	501(c)(3)	3	St Vincents
Unity Limited Partnership 2366 Oak Ridge Circle De Pere, WI54115 39-1750729	Healthcare	WI	501(c)(3)	9	HSSI

Form 990, Schedule R, Part III - Identification of Related Organizations Taxable as a Partnership

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal Domicile (State or Foreign Country)	(D) Direct Controlling Entity	(E) Predominant income(related, investment, unrelated)	(F) Share of total income (\$)	(G) Share of end-of-year assets (\$)	(H) Disproportionate allocations?		(I) Code V-UBI amount on Box 20 of Schedule K- 1 (Form 1065) (\$)	(J) General or Managing Partner?	
							Yes	No		Yes	No
Memorial and St Elizabeth's Healthcare 4000 North Illinois Street Swansea, IL62226 37-1312961	HealthCare	IL	St Elizabeth's	Related				No			No
Health Ventures Of So Illinois LLC 2810 Frank Scott PKWY W STE 700 Belleville, IL62223 37-1334060	HealthCare	IL	St Elizabeth's	Related				No			No
Prairie Heart Insutute - Carbondale LLC 800 East Carpenter Street Springfield, IL62769 37-1321197	HealthCare	IL	St John's	Related				No			No
Northeast Wisconsin Radiation Therapy Se 1821 S Webster Avenue Suite 300 Green Bay, WI543079047 26-3749065	HealthCare	WI	St Vincent's	Related				No			No
Pain Center of Wisconsin 4131 W Loomis Road Suite 300 Greenfield, WI53221 26-3155343	HealthCare	WI	St Vincent's	Related				No			No
Surgery Center of Sheboygan LLC 3141 Saemann Ave Sheboygan, WI53081 26-0822209	HealthCare	WI	St Nicholas	Related				No			No
Prevea Ventures LLC 2710 EXECUTIVE DR Green Bay, WI54304 20-3775127	HealthCare	WI	HSSI	Related				No			No
Clinical Integration Network LLC 4936 Laverna Rd Springfield, IL62707 26-1417684	HealthCare	IL	Kiara Inc	Related				No			No

Form 990, Schedule R, Part IV - Identification of Related Organizations Taxable as a Corporation or Trust

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal Domicile (State or Foreign Country)	(D) Direct Controlling Entity	(E) Type of entity (C corp, S corp, or trust)	(F) Share of total income (\$)	(G) Share of end-of-year assets (\$)	(H) Percentage ownership
Kiara Inc 4936 Laverna Rd Springfield, IL62707 37-1163401	HealthCare	IL	SHSH	C Corp			
LaSante Wisconsin Inc 4936 Laverna Rd Springfield, IL62707 39-1572196	HealthCare	IL	Kiara Inc	C Corp			
LaSante Inc 4936 Laverna Rd Springfield, IL62707 37-1163400	HealthCare	IL	Kiara Inc	C Corp			
Prairie Cardiovascular 619 East Mason Suite 4P57 Springfield, IL62701 37-1071858	HealthCare	IL	Kiara Inc	C Corp			
Prevea Health Services 2710 EXECUTIVE DR Green Bay, WI54304 39-1839351	HealthCare	WI	HSSI	C Corp			
Prevea Clinic Inc 2710 EXECUTIVE DR Green Bay, WI54304 39-1839349	HealthCare	WI	HSSI	C Corp			
Prevea Health Network 2710 EXECUTIVE DR Green Bay, WI54304 39-2000537	HealthCare	WI	HSSI	C Corp			
Prevea Regional Services 2710 EXECUTIVE DR Green Bay, WI54304 39-1909993	HealthCare	WI	HSSI	C Corp			

Form **4797**

Sales of Business Property

(Also Involuntary Conversions and Recapture Amounts Under Sections 179 and 280F(b)(2))

OMB No 1545-0184

2008

Attachment Sequence No **27**

Department of the Treasury

Internal Revenue Service (99)

▶ **Attach to your tax return.**

▶ **See separate instructions.**

Name(s) shown on return
ST MARY'S HOSPITAL SISTERS
OF THE THIRD ORDER OF ST FRANCIS

Identifying number
37-0661244

1 Enter the gross proceeds from sales or exchanges reported to you for 2008 on Form(s) 1099-B or 1099-S (or substitute statement) that you are including on line 2, 10, or 20 (see instructions)

1

Part I

Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty or Theft—Most Property Held More Than 1 Year (see instructions)

(a) Description of property	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Gross sales price	(e) Depreciation allowed or allowable since acquisition	(f) Cost or other basis, plus improvements and expense of sale	(g) Gain or (loss) Subtract (f) from the sum of (d) and (e)
2						
3 Gain, if any, from Form 4684, line 45						3
4 Section 1231 gain from installment sales from Form 6252, line 26 or 37						4
5 Section 1231 gain or (loss) from like-kind exchanges from Form 8824						5
6 Gain, if any, from line 32, from other than casualty or theft						6
7 Combine lines 2 through 6 Enter the gain or (loss) here and on the appropriate line as follows						7
Partnerships (except electing large partnerships) and S corporations. Report the gain or (loss) following the instructions for Form 1065, Schedule K, line 10, or Form 1120S, Schedule K, line 9 Skip lines 8, 9, 11, and 12 below						
Individuals, partners, S corporation shareholders, and all others. If line 7 is zero or a loss, enter the amount from line 7 on line 11 below and skip lines 8 and 9 If line 7 is a gain and you did not have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain from line 7 as a long-term capital gain on the Schedule D filed with your return and skip lines 8, 9, 11, and 12 below						
8 Nonrecaptured net section 1231 losses from prior years (see instructions)						8
9 Subtract line 8 from line 7 If zero or less, enter -0- If line 9 is zero, enter the gain from line 7 on line 12 below If line 9 is more than zero, enter the amount from line 8 on line 12 below and enter the gain from line 9 as a long-term capital gain on the Schedule D filed with your return (see instructions)						9

Part II

Ordinary Gains and Losses (see instructions)

10 Ordinary gains and losses not included on lines 11 through 16 (include property held 1 year or less)

See Additional Data Table

11 Loss, if any, from line 7	11	()
12 Gain, if any, from line 7, or amount from line 8, if applicable	12	
13 Gain, if any, from line 31	13	
14 Net gain or (loss) from Form 4684, lines 37 and 44a	14	
15 Ordinary gain from installment sales from Form 6252, line 25 or 36	15	
16 Ordinary gain or (loss) from like-kind exchanges from Form 8824	16	
17 Combine lines 10 through 16	17	-3,574
18 For all except individual returns, enter the amount from line 17 on the appropriate line of your return and skip lines a and b below For individual returns, complete lines a and b below		
a If the loss on line 11 includes a loss from Form 4684, line 41, column (b)(ii), enter that part of the loss here Enter the part of the loss from income-producing property on Schedule A (Form 1040), line 28, and the part of the loss from property used as an employee on Schedule A (Form 1040), line 23 Identify as from “Form 4797, line 18a ” See instructions	18a	
b Redetermine the gain or (loss) on line 17 excluding the loss, if any, on line 18a Enter here and on Form 1040, line 14	18b	

Part III

Gain From Disposition of Property Under Sections 1245, 1250, 1252, 1254, and 1255
(see instructions)

19	(a) Description of section 1245, 1250, 1252, 1254, or 1255 property	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)
A			
B			
C			
D			

These columns relate to the properties on lines 19A through 19D		Property A	Property B	Property C	Property D
20	Gross sales price (Note: See line 1 before completing)	20			
21	Cost or other basis plus expense of sale	21			
22	Depreciation (or depletion) allowed or allowable	22			
23	Adjusted basis Subtract line 22 from line 21	23			
24	Total gain Subtract line 23 from line 20	24			
25	If section 1245 property:				
a	Depreciation allowed or allowable from line 22	25a			
b	Enter the smaller of line 24 or 25a	25b			
26	If section 1250 property: If straight line depreciation was used, enter -0- on line 26g, except for a corporation subject to section 291				
a	Additional depreciation after 1975 (see instructions)	26a			
b	Applicable percentage multiplied by the smaller of line 24 or line 26a (see instructions)	26b			
c	Subtract line 26a from line 24 If residential rental property or line 24 is not more than line 26a, skip lines 26d and 26e	26c			
d	Additional depreciation after 1969 and before 1976	26d			
e	Enter the smaller of line 26c or 26d	26e			
f	Sections 291 amount (corporations only)	26f			
g	Add lines 26b, 26e, and 26f	26g			
27	If section 1252 property: Skip this section if you did not dispose of farmland or if this form is being completed for a partnership (other than an electing large partnership)				
a	Soil, water, and land clearing expenses	27a			
b	Line 27a multiplied by applicable percentage (see instructions)	27b			
c	Enter the smaller of line 24 or 27b	27c			
28	If section 1254 property:				
a	Intangible drilling and development costs, expenditures for development of mines and other natural deposits, and mining exploration costs (see instructions)	28a			
b	Enter the smaller of line 24 or 28a	28b			
29	If section 1255 property:				
a	Applicable percentage of payments excluded from income under section 126 (see instructions)	29a			
b	Enter the smaller of line 24 or 29a (see instructions)	29b			

Summary of Part III Gains. Complete property columns A through D through line 29b before going to line 30.			
30	Total gains for all properties Add property columns A through D, line 24	30	
31	Add property columns A through D, lines 25b, 26g, 27c, 28b, and 29b Enter here and on line 13 .	31	
32	Subtract line 31 from line 30 Enter the portion from casualty or theft on Form 4684, line 39 Enter the portion from other than casualty or theft on Form 4797, line 6	32	

Part IV

Recapture Amounts Under Sections 179 and 280F(b)(2) When Business Use Drops to 50% or Less
(see instructions)

		(a) Section 179	(b) Section 280F(b)(2)
33	Section 179 expense deduction or depreciation allowable in prior years	33	
34	Recomputed depreciation (see instructions)	34	
35	Recapture amount Subtract line 34 from line 33 See the instructions for where to report	35	

Additional Data

Software ID:
Software Version:
EIN: 37-0661244
Name: ST MARY'S HOSPITAL SISTERS
OF THE THIRD ORDER OF ST FRANCIS

Form 4797, Part II, Line 10 - Ordinary gains and losses not included on lines 11 through 16 (include property held 1 year or less):

GE AMX-4 MOBILE X-RA	09-01-2003	05-31-2009	5,000	38,180	38,180	
UNDER COUNTER FREEZE	02-01-2003	05-31-2009		863	1,418	555
MIS INCUBATOR	12-01-2000	05-31-2009		1,181	1,433	252
CENTRASPIN PKG (2)	12-01-2004	05-31-2009		4,616	7,604	2,988
VISION BIPAP MACHINE	08-01-2004	05-31-2009		4,217	9,200	4,983
THERMOFLATOR	01-01-2002	05-31-2009	204	8,687	8,687	

TY 2008 Affiliate Listing

Name: ST MARY'S HOSPITAL SISTERS
OF THE THIRD ORDER OF ST FRANCIS
EIN: 37-0661244

Additional Data

Software ID:
Software Version:
EIN: 37-0661244
Name: ST MARY'S HOSPITAL SISTERS
OF THE THIRD ORDER OF ST FRANCIS

Form 990, Part VII - Section Aaa

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W- 2/1099MISC)	(E) Reportable compensation from related organizations (W- 2/1099- MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual Trustee or Director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
KEVIN KAST , CHIEF EXECUTIVE Officer	40 0	X		X				0	429,007	137,047
SR H M PLUMMER , BOARD MEMBER	1 0	X						0	0	0
JOHN SKEFFINGTON , SECRETARY	1 0	X		X				0	0	0
KEVIN BREHENY , CHAIRPERSON	1 0	X		X				0	0	0
JOHN J WHITE , BOARD MEMBER	1 0	X						0	0	0
JON ROBINSON , VICE- CHAIRPERSON	1 0	X		X				0	0	0
MARK CHEVIRON , BOARD MEMBER	1 0	X						0	0	0
SR MARYBETH CULNAN , BOARD MEMBER	1 0	X						0	0	0
PAT DAWSON , BOARD MEMBER	1 0	X						0	0	0
REV JOE MOLLOY , BOARD MEMBER	1 0	X						0	0	0
BOB WIESEMANN , BOARD MEMBER	1 0	X						0	0	0
ADAM CUMBO , CFO	40 0			X				167,884	0	25,922
THERESA J RUTHERFORD , COO	40 0			X				159,528	0	25,343
ANN CARR , TREASURER	1 0			X				0	116,323	46,672
GORDON CHU MD , NEUROSURGEON	40 0					X		541,138	0	44,091
MARY HARTMAN , CRNA	55 0					X		262,756	0	55,991
ROBERTA MCBRIDE , CRNA	48 0					X		218,043	0	81,052
BETH MCCOY , CRNA	47 0					X		210,124	0	37,654
NAEEMUDDIN JATOI , DOCTOR	40 0					X		258,500	0	29,336