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DLN: 93493137034290

OMB No 1545-0047

Form **990** 

Department of the Treasury Internal Revenue Service

**Return of Organization Exempt From Income Tax** Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung

2008

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

benefit trust or private foundation)

Open to Public Inspection

A Fo	r the 2	2008 ca	lendar yea	r, or tax year beginning 07-01-2008	8 and ending 06-30-200	)9				
<b>B</b> Ch	eck ıf ap	plicable	Please	<b>C</b> Name of organization Memorial Health Care System			D Employer ider	itification number		
- Add	dress ch	ange	use IRS label or	Doing Business As			62-0532345 E Telephone nui			
Na	me char	nge	print or type. See	boiling business As			•			
Init	tıal retur	'n	Specific Instruc-	Number and street (or P O box if mail	is not delivered to street addre	ess) Room/suite	(423) 495-7 G Gross receipts			
Tei	mınatıo	n	tions.	2525 de Sales Avenue			d dross recapts	<b>9</b> 443,272,007		
Am	ended r	eturn		City or town, state or country, and ZIP	+ 4		1			
- Apı	plication	pending		Chattanooga, TN 37404						
		Ī	F Nam	ne and address of Principal Officer		H(a) Is the	s a group return 1	for		
			Jim Hob 2525 D	oson DE SALES AVENUE		affılıa		┌Yes ┌No		
				nooga, TN 37377		H(b) Are al	l affiliates included	d?		
<b>T</b> a	x-exem	pt status	<b>▽</b> 501(c)	(3) ◀ (insert no )	<b>527</b>	1 ' '		See instructions )		
w	eb site	e: ► WW	WMEMOR	IALORG		H(c) Grou	p Exemption Nun	nber <b>►</b> 0928		
<b>К</b> Тур	e of org	anızatıon	Corporati	ion trust association other 🕨		<b>L</b> Year of Fo	rmation 1952 M S	State of legal domicile TN		
Pa	rt I	Sumr	narv							
				e organization's mission or most si	ignificant activities					
2	1			g ministry of the Church by bringing		vitality Fidelit	y to the Gospel ı	ırges us to emphasıze		
Ě		human c	lignity and	social justice as we create healthi	er communities					
Ē.	2	Checkt	his hox I	ıf the organızatıon dıscontınued ıts	operations or disposed	of more than 2	5% of its assets			
Governance			,	nembers of the governing body (Pa				21		
			_	dent voting members of the govern				18		
Acumines &				nployees (Part V, line 2a)		-,		4,072		
	6	Total nu	mber of vo	lunteers (estimate if necessary)			6 _	581		
4	7a	Total gr	oss unrelat	ted business revenue from Part VI	II, line 12, column (C)		7a	9,243,761		
	ь	Net unre	elated busi	ness taxable income from Form 99		7b	-1,740,403			
						Pric	or Year	Current Year		
<b>a.</b>	8			i grants (Part VIII, line 1h)			2,229,881	1,019,783		
an III	9	Progra	m service i	revenue (Part VIII, line 2g)		415,078,580	441,102,652			
Rayenue	10			ne (Part VIII, column (A), lines 3,		6,659,777	-2,753,207			
_	11			art VIII, column (A), lines 5, 6d, 8		10,919	5,884,840			
	12	2 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)					423,979,157	445,254,068		
	13	Grants	and sımıla	ır amounts paıd (Part IX, column (A		682,169	681,604			
	14	Benefit	s paid to o	r for members (Part IX, column (A	), line 4)		0	0		
ø	15		s, other co	mpensation, employee benefits (P	art IX, column (A), lines		162,202,800	180,035,420		
Expenses	16a	10)	cional fund	raising fees (Part IX, column (A), l		0	180,033,420			
æ ⊕	ь			penses, Part IX, column (D), line 25 0	ille IIe)					
Ð	17	•		Part IX, column (A), line 25 <u> </u>	/ d_11f=24f)		228,982,092	239,491,167		
	18			add lines 13-17 (must equal Part	•		391,867,061	420,208,191		
	19			enses Subtract line 18 from line 1			32,112,096	25,045,877		
<u>දී</u> ජ			·			Beginni	ng of Year	End of Year		
e de la composition della comp	20	Totala	ssets (Par	t X, line 16)			446,405,341	436,008,005		
A.B.	21	Total li	abilities (P	Part X, line 26)			90,581,156	69,709,822		
Net Assets of Fund Balances	22			d balances Subtract line 21 from l	ine 20		355,824,185	366,298,183		
	t II	Sign	ature Blo	ock			<u> </u>	<u></u>		
		Under pe	enalties of pe	rjury, I declare that I have examined this						
Dia-		and belie	ef, it is true, o	correct, and complete Declaration of prepa	arer (other than officer) is bas	1		r has any knowledge		
Plea Sigr		Signa	iture of office	er		2010- Date	-05-15			
Her		'				5415				
			es Hobson CE or print nam							
		Drong == -1			Date	Check If	Preparer's PTIN (S	See Gen Inst )		
Paid		Preparer' signature				self-		Jist j		
	arer's	Firm's no	me (or yours	CATHOLIC HEALTH INITIATIVES		empolyed 🕨 🦲				
Use (		ıf self-em	ployed),				EIN Þ	EIN ▶		
		address,	and ZIP + 4	9780 MT PYRAMID COURT			Phone no ► (72	0) 874-1500		
\1 - ·	46 - TO:	<u>ا</u> 	- +l ·	ENGLEWOOD, CO 80112	/Can instance			<u> </u>		
чау:	ıne IRS	o aiscus	s this retui	rn with the preparer shown above?	(See instructions)			┌Yes ┌No		

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

4e	Total program service		362,296,73		Line 25, column (B).							
4d	Other program servic (Expenses \$		nedule O ) luding grants of	· \$	) (Revenue \$	)						
4c	(Code	) (Expenses \$		including grants of \$	) (Revenue \$	)						
4b	(Code	) (Expenses \$		including grants of \$	) (Revenue \$	)						
4a	(Code SEE SCHEDULE O	) (Expenses \$	362,296,733	including grants of \$	681,604 ) (Revenue \$	433,883,206 )						
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											
	services? If "Yes," describe thes	e changes on Sched	ule O			┌ Yes ┌ No						
3	Did the organization ce			changes in how it cor	nducts any program							
_	the prior Form 990 or 9	990-EZ?				┌ Yes ┌ No						
2	Did the organization un	ndertake anv signific	ant program se	rvices during the year	which were not listed on							
1	Briefly describe the organizat The organization's mission is us to emphasize human dign	to nurture the healing m	unistry of the Churc we move toward th	ch by bringing it new life, e ne creation of healthier com	nergy and viability in the 21st cent imunities	tury Fidelity to the Gospel urges						

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	Yes	
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		
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		Νο
13	Is the organization a school as described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13		Νο
14a	Did the organization maintain an office, employees, or agents outside of the U.S.?	14a		Νο
Ь	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		Νο
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		Νο
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? <i>If</i> "Yes," complete Schedule F, Part III	16		Νο
17	Did the organization report more than \$15,000 on Part IX, column (A), line 11e? <i>If "Yes," complete Schedule G, Part I</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		Νo
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	Yes	
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	Yes	
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		Νο
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
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		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
	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 $I$	24a 25a		N o
ь	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)

			1 63	110
8	During the tax year, did any person who is a current or former officer, director, trustee, or key employee			
а	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)? If "Yes," complete Schedule L, Part			
	IV	28a		Νo
b	Have a family member who had a direct or indirect business relationship with the organization? If "Yes," complete Schedule L, Part IV	28b		Νο
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? If "Yes," complete Schedule L, Part IV.	28c		Νo
9	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	29		Νo
0	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M	30		Νo
3 <b>1</b>	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	31		Νo
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		Νo
3	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations section 301 7701-2 and 301 7701-3? If "Yes," complete Schedule R, Part I	33	Yes	
4	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1	34	Yes	
5	Is any related organization a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	35	Yes	
6	501(c)(3) organizations Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	36		Νο
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? If "Yes," complete Schedule R,	37		Νo

			Yes	No
1a	Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable			
	or o.s. Information Returns, Enter -o- II not applicable			
b	Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable  1b  0			
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	Yes	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax  Statements filed for the calendar year ending with or within the year covered by this return			
b	If at least one is reported in 2a, did the organization file all required federal employment tax returns? <b>Note:</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return.	2b	Yes	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	3a	Yes	
Ь	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		Νο
Ь	If "Yes," enter the name of the foreign country			
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? $\cdot$ .	5a		Νo
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		Νo
c	If "Yes," to 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?	5c		
6a	Did the organization solicit any contributions that were not tax deductible?	6a		Νo
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).			
а	Did the organization provide goods or services in exchange for any quid pro quo contribution of \$75 or more?	7a		Νo
ь	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		
	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to			
	file Form 8282?	7c		Νo
d	If "Yes," indicate the number of Forms 8282 filed during the year			
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e		Νο
f		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		
9	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.			
а	Did the organization make any taxable distributions under section 4966?	9a		
Ь	Did the organization make a distribution to a donor, donor advisor, or related person?	9b		
10	Section $501(c)(7)$ organizations. Enter			
а	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			
11	Section 501(c)(12) organizations Enter			
	Gross income from members or shareholders			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them )			
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			

Section A. Governing Body and Management

Yes

10

11

Yes

Νo

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

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 ın Schedule O. See ınstructions.

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 . . . . . . 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 . . . . .

	For each "Yes" response to lines 2-7 below, and for a "No" response to lines 8 or 9b below, describe the circumstances, $pr\infty$ esses, or changes in Schedule O. See instructions.			
1a	Enter the number of voting members of the governing body 1a 21			
Ь	Enter the number of voting members that are independent 18			
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		No
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	
Ь	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7Ь	Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
а	the governing body?	8a	Yes	
Ь	each committee with authority to act on behalf of the governing body?	8Ь	Yes	
9a	Does the organization have local chapters, branches, or affiliates?	9a		Νo
b	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		

#### Section B. Policies

			Yes	No
12a	Does the organization have a written conflict of interest policy? If "No", go to line 13 $\cdot$ .	12a	Yes	
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes	
c	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			
а	The organization's CEO, Executive Director, or top management official?	15a	Yes	
b	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	Yes	
b	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		N o
		1 -00		1 110

#### Section C. Disclosure

- 17 List the States with which a copy of this Form 990 is required to be filed TN
- 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
- 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
- State the name, physical address, and telephone number of the person who possesses the books and records of the organization

CAROL NEWTON CFO VP 2525 DE SALES AVENUE Chattanooga, TN 37377 (423) 495-7878

# Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

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

1a Complete this table for all persons required to be listed. Use Schedule J-2 if additional space is needed

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

- \* List all of the organization's **current** officers, directors, trustees (whether individuals or organizations) and key employees regardless of amount of compensation, and current key employees. Enter -0- in columns (D), (E), and (F) if no compensation was paid
- \* List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations
- \* List all of the organization's **former** officers, key employees, or highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations
- \* List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations

List persons in the following order individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees, and former such persons

The check this box in the organization and i	·	(C) Position (check all that apply)							(E)	(F)
(A) Name and Title	(B) Average hours per week	Individual Trustee or Chrector	Institutional Trustee	Officei	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W- 2/1099MISC)	(E) Reportable compensation from related organizations (W- 2/1099- MISC)	Estimated amount of other compensation from the organization and related organizations
							_			

(A)   Average   출출   공   공   공   Reportable   complex	(E) portable pensation n related anizations 2/1099-	Estimated amount of other compensation from the organization and
Name and Title    Name and Title	MISC)	related organizations
<b>1b</b> Total	3,158,84	411,694

Total number of individuals (including those in 1a) who received more than \$100,000 in reportable compensation from the organization ►70

			Yes	No			
3	Did the organization list any <b>former</b> officer, director or trustee, key employee, or highest compensated employee						
	on line 1a? If "Yes," complete Schedule J for such individual	3		Νo			
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? If "Yes," complete Schedule I for such						
	ındıvıdual	4	Yes				
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? If "Yes," complete Schedule J for such person	5		Νο			

#### **Section B. Independent Contractors**

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

( <b>A</b> ) Name and business address	( <b>B</b> ) Description of services	(C) Compensation
Sodexo Inc Affiliates PO Box 536922 Atlanta, GA 30353	Dietary Services	2,576,423
Vega Corporation 3614 Charger Dr PO Box 11126 Chattanooga, TN 37409	Construction	2,420,048
Anesthesia Associates 725 Glenwood Drive Chattanooga, TN 37404	Anesthesia Coverage	2,414,709
Earl Swenson Associates 2100 West End Drive Suite 1200 Nashville, TN 37203	Architectural Servic	1,653,256
Angelica Corporation 9506 Ooltewah Industrial Blvd PO Bo Ooltewah, TN 37363	Laundry Services	1,567,385
Total number of independent contractors (including those in from the organization	•	38

## Statement of Revenue

				(A) Total Revenue	(B) Related or	(C) Unrelated	(D) Revenue
					Exempt Function Revenue	Business Revenue	Excluded from Tax under IRC 512, 513, or 514
	1a	Federated campaigns 1a			Revenue		512, 513, 01 514
Contributions, gifts, grants and other similar amounts	ь	Membership dues					
gra	С	<b>1b</b> Fundraising events					
ffs,		1c	1 010 202				
ਉੱਛੂ	d	Related organizations					
ons sin	e	Government grants (contributions) <b>1e</b> All other contributions, gifts, grants, and	501		ļ		
黃	f	sımılar amounts not ıncluded above					
H ti	g	<b>1f</b> Noncash contributions included in					
9 C		lines 1a-1f \$					
	h	Total (Add lines 1a-1f)		1,019,783			ı
o.			Business Code				
Program Serwce Revenue	2a	Patient Services	900,099	437,891,457	430,672,011	7,219,446	
둏	Ь	Rental Income	900,099	2,336,995	2,336,995		
16.6	C	Equity changes of unconsolidated orgs	900,099	664,614	664,614		
Ž.	d	Reimbursement of Expenses  Wellness Services	900,099	173,835	173,835		
Ē	e f		900,099	35,751	35,751		
2 2 2	'	All other program service revenue					ı
ΔŤ	g	Total. Add lines 2a-2f					
	3	Investment income (including divident	dends, interest				
		other similar amounts)		3,485,960		271,179	3,214,781
	4	Income from investment of tax-exempt bo	ond proceeds	0			
	5	Royalties		0			
		, (ı) Real	(II) Personal				
	6a	Gross Rents 32,906					
	ь	Less rental 18,019 expenses					
	c	Rental income 14,887 or (loss)					
	d	Net rental income or (loss)		14,887			14,887
		(ı) Securities	(II) O ther				
	7a	Gross amount -6,352,995 from sales of	113,828				
		assets other than inventory					
	ь	Less cost or					
		other basis and sales expenses					ı
	С.	Gain or (loss) -6,352,995	113,828	-6,239,167			6 220 167
	d	Net gain or (loss)	. ▶	-6,239,167			-6,239,167
	8a	Gross income from fundraising					
4.		events (not including \$					
Jue		of contributions reported on line					
<b>υ</b> ≳		1c) See Part IV, line 18 Attach Schedule G if total exceeds					
čč		\$15,000 a					
Other Revenue	ь	Less direct expensesb		0			
ŏ	С	Net income or (loss) from fundraisi	ing events	<u> </u>			
	9a	Gross income from gaming activities See part IV, line 19					
		Complete Schedule G ıf total					
		exceeds \$15,000					
	ь	Less direct expensesb					
	С	Net income or (loss) from gaming a	activities	0			
	10a	Gross sales of inventory, less	-		+		
		returns and allowances .					
	ь	a less cost of goods sold b					
	С	Less cost of goods sold <b>b</b> Net income or (loss) from sales of	ınventory	0			
	-	Miscellaneous Revenue	Business Code				
	11a	Services Sold	900,099	1,627,308		318,645	1,308,663
	b	Pharmacy Services	446,110	1,286,994		1,286,994	
	С	Laboratory Services	621,500	1,057,495			1,057,495
	d	All other revenue		1,898,156		147,497	1,750,659
	e	Total. Add lines 11a-11d					
	12	Total Revenue. Add lines 1h, 2g, 3	\$ 5,869,953	445,254,068	433,883,206	9,243,761	1,107,318
		8c,				. ,	, ,
	j	9c, 10c, and 11e	. •				Form <b>990</b> (2008)

## Part IX Statement of Functional Expenses

A	Section 501(c)(3) and 501(c)(4) org				) <b>.</b>
Do r	not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	<b>(B)</b> Program service expenses	(C) Management and general expenses	<b>(D)</b> Fundraising expenses
1	Grants and other assistance to governments and organizations in the U S See Part IV, line 21	515,213	515,213		
2	Grants and other assistance to individuals in the U.S. See Part IV, line 22	166,391	166,391		
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	1,402,406	1,402,406		
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	135,871,797	117,972,121		
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	7,071,154	6,148,467	922,687	
9	Other employee benefits	25,704,929	22,350,793	3,354,136	
10	Payroll taxes	9,985,134	8,682,213	1,302,921	
11	Fees for services (non-employees)				
а	Management	0			
b	Legal	598,998		598,998	
c	Accounting	25,000		25,000	
d	Lobbying	0			
е	Professional fundraising See Part IV, line 17	0			
f	Investment management fees	0			
g	Other	25,230,631	23,033,014	2,197,617	
12	Advertising and promotion	1,626,100		1,626,100	
13	Office expenses	123,144,113	122,260,763	883,350	
14	Information technology	11,675,840		11,675,840	
15	Royalties	0			
16	Occupancy	8,640,684	8,074,462	566,222	
17	Travel	729,722	6,325	723,397	
18	Payments of travel or entertainment expenses for any Federal, state or local public officials	0			
19	Conferences, conventions and meetings	89,523		89,523	
20	Interest	2,551,616	2,551,616		
21	Payments to affiliates	7,619,456		7,619,456	
22	Depreciation, depletion, and amortization	23,411,150	18,728,920	4,682,230	
23	Insurance	3,174,856	3,173,886	970	
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)				
а	REPAIRS AND MAINTENANCE	1,769,287	1,769,287		
b	Dues & subscriptions	684,881	_,. 55,257	684,881	
c	Bad debts	25,161,415	25,161,415	,	
d	Income/sales/property taxes	657,498		657,498	
e		303,907		303,907	
f	All other expenses	2,396,490	299,441	2,097,049	0
25	Total functional expenses. Add lines 1 through 24f	420,208,191	362,296,733	57,911,458	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		. , .	5,,33,,13	

Part X	Balance	Sheet

						(A) Beginning of year		(B) End of year
	1	Cash—non-interest-bearing				14,595	1	13,680
	2	Savings and temporary cash investments				16,121,975	2	32,899,629
	3	Pledges and grants receivable, net		8,499	3	9,000		
	4	Accounts receivable, net				91,185,705	4	113,863,861
	5	Receivables from current and former officers, directors, trustee other related parties Complete Part II of Schedule L			oyees or		5	
	6	Receivables from other disqualified persons (as defined under spersons described in section 4958(c)(3)(B) Complete Part II of					6	
	7	Notes and loans receivable, net				16,029,615	7	665,596
	8	Inventories for sale or use				12,787,359	8	12,685,604
20	9	Prepaid expenses and deferred charges				784,650	9	393,936
Assets	10a	Land, buildings, and equipment cost basis	10a	ı	358,271,462			
•	ь	Less accumulated depreciation Complete Part VI of Schedule D	10b		226,178,963	142,627,302	10c	132,092,499
	11	Investments—publicly traded securities		٠.	•		11	
	12	Investments—other securities See Part IV, line 11 Complete Part IV, li	Part VII	I of		117,722,643	12	98,967,561
	13	Investments—program-related See Part IV, line 11 $\it Complete$ of $\it Schedule D$ .	Part VI	II			13	
	14	Intangible assets					14	9,768,599
	15	Other assets See Part IV, line 11 Complete Part IX of Schedule D		49,122,998	15	34,648,040		
	16	Total assets. Add lines 1 through 15 (must equal line 34)				446,405,341	16	436,008,005
	17	Accounts payable and accrued expenses .				33,103,465	17	19,361,854
	18	Grants payable					18	
	19	Deferred revenue				553,649	19	552,663
	20	Tax-exempt bond liabilities	•				20	
<u>ā</u>	21	Escrow account liability Complete Part IV of Schedule D					21	
Liabilities	22	Payable to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified					1	
Ξ		persons Complete Part II of Schedule L			22			
	23	Secured mortgages and notes payable to unrelated third partie			23	3,098,128		
	24	Unsecured notes and loans payable				55,977,552	24	45,961,059
	25	Other liabilities Complete Part X of Schedule D		946,490	25	736,118		
	26	<b>Total liabilities.</b> Add lines 17 through 25				90,581,156	26	69,709,822
s es		Organizations that follow SFAS 117, check here ► ✓ and com through 29, and lines 33 and 34.	plete l	lines 2	27			
Balance	27	Unrestricted net assets				355,824,185	27	366,298,183
8	28	Temporarily restricted net assets			28			
됟	29	Permanently restricted net assets			29			
or Fund		Organizations that do not follow SFAS 117, check here ► a lines 30 through 34.	•					
	30	Capital stock or trust principal, or current funds			30			
Assets	31	Paid-in or capital surplus, or land, building or equipment fund		31				
	32	Retained earnings, endowment, accumulated income, or other f			32			
Net	33	Total net assets or fund balances				355,824,185	33	366,298,183
_	34	Total liabilities and net assets/fund balances				446,405,341	34	436,008,005
Pa	rt XI	Financial Statements and Reporting						

Dowl VI	Financial	Ctatamanta	and Reporting
7.11.5	l Financiai	Statements	and Reporting

			Yes	No
1	Accounting method used to prepare the Form 990			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a		Νo
b	Were the organization's financial statements audited by an independent accountant?			
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		Νo
b	If "Yes," did the organization undergo the required audit or audits?	3b		

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As Filed Data -

DLN: 93493137034290

Employer identification number

OMB No 1545-0047

# **SCHEDULE A**

(Form 990 or 990EZ)

Department of the Treasury Internal Revenue Service

Name of the organization

## **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.

Open to Public Inspection

Memo	rıal Hea	alth Care Syste	m									
									62-0532345			
	rt I			<b>harity Status</b> (to be co					Instruct	ions)		
The	organiz	zation is not	a private found	ation because it is (Please	check onl	ly <b>one</b> org	anızatıon )	)				
1	Г	A church, o	convention of ch	nurches, or association of ch	urches de	escribed in	Section 1	L70(b)(1)(	(A)(i).			
2	Γ	A school d	escribed in <b>Sec</b> l	t <b>ion 170(b)(1)(A)(ii).</b> (Attac	ch Schedu	ıle E )						
3	굣	A hospital	or a cooperativ	e hospital service organizati	on descril	bed in <b>Sec</b>	tion 170(Ł	o)(1)(A)(i	ii). (Attac	h Schedul	le H)	
4	Γ	A medical	research organi	zation operated in conjuncti	on with a l	hospital d	escribed ii	n Section	170(b)(1)	(A)(iii). E	nter the	
		hospital's i	name, city, and	state								
5	Γ	An organiza	atıon operated 1	for the benefit of a college or	universit	y owned o	r operated	by a gove	ernmental	unıt desc	rıbed ın	
		Section 170(b)(1)(A)(iv). (Complete Part II)										
6	Г			overnment or governmental	unıt descr	ıbed ın <b>Se</b>	ction 170	(b)(1)(A)	(v).			
7		Anorganiz	ation that norm	ally receives a substantial p	art of its s	support fro	m a gove	rnmental u	· · ınıt or fron	n the gene	eral public	
				o)(1)(A)(vi) (Complete Par			-			_	•	
8	$\Gamma$	A commun	ıty trust describ	ped in <b>Section 170(b)(1)(A)</b>	( <b>vi)</b> (Com	nplete Par	tII)					
9		An organiza	ation that norm	ally receives (1) more than	331/3% 0	fits supp	ort from co	ontribution	ns, membe	rship fees	, and gross	
		receipts fro	om activities re	lated to its exempt functions	s—subject	to certair	n exceptio	ns, and (2	) no more	than 331/	'3% of	
		ıts support	from gross inve	estment income and unrelate	ed busines	s taxable	ıncome (l	ess section	on 511 tax	c) from bu	sinesses	
		acquired by	y the organizati	on after June 30, 1975 See	Section 5	09(a)(2).	(Complete	e Part III	)			
10	Г	Anorganiz	atıon organızed	and operated exclusively to	test for p	ublic safe	ty See <b>Se</b>	ct ion 509	( <b>a)(4).</b> (Se	e instruc	tions )	
11		An organiza	atıon organized	and operated exclusively fo	r the bene	fit of, to p	erform the	functions	of, or to o	arry out t	he purposes of	
	·			orted organizations describe								
		_		type of supporting organiza								
	_	•	•				nally Integ		d	' ''	III - Other	
е	ı	•	- '	rtify that the organization is agers and other than one or			•			•	· ·	
		section 50		agers and other than one or	more publ	псту зарр	orteu orga	11124110113	aescribeu	ili sectioi	1 3 0 9 (a)(1) 01	
f				d a written determination fro	m the IRS	that it is	a Type I,	Type II o	r Type III	supportir	ng organization,	
		check this									Г	
g		Since Augu following pe		as the organization accepted	d any gift	or contrib	ution from	any of the	!			
				r indirectly controls, either a	alone or to	aether wi	th persons	describe	d in (ii)		Yes No	
			·	ng body of the the supported		_				11g		
			· =	erson described in (i) above	_					11g(		
				ty of a person described in (		bove?				11g(		
h		. ,		mation about the organizatio			supports				<u> </u>	
			J	<b>,</b>		,						
	(i) Na	ame of	(ii) EIN	(iii) Type of organization	(iv) I	s the	(v) Did y	ou notify	(vi) I	s the	(vii) A mount of	
	Supported Organization			(described on lines 1-9		ation in	the orga	ınızatıon	organız	ation in	support?	
						rganized						
				(See Instructions))		verning ment?	supp	ort?	In the	US?		
					Yes	No	Yes	No	Yes	No	-	
					162	140	165	140	165	140		

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.)

Pι	ıblic Support		, ,	,				
Cale	endar year (or fiscal year beginning in)	(a) 2004	<b>(b)</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 The value of services or facilities					<del> </del>		
3	furnished by a governmental unit to the							
	organization without charge							
4	Total. Add line 1-3					1		
5	The portion of total contribution by each							
5	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							
	otal Support		1		T			
	endar year (or fiscal year beginning in)	(a) 2004	<b>(b)</b> 2005	(c) 2006	(d) 2007	(e) :	2008	(f) Total
7	A mounts 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							
10	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 instructio	ns )		•	12		
13	First Five Years. If the Form 990 is for the	organization's f	irst second thu	d fourth or fifth	ntay vearas a F		3)	
	organization, check this box and <b>stop here</b>		mat, second, tim	u, rouren, or mer	rtax year as a s	/O1(C)(C	• •	<b>▶</b> □
								•
Co	omputation of Public Support Perc	entage						
14	Public Support Percentage for 2008 (line 6	5 column (f) dıvı	ded by line 11 c	olumn (f))		14		
15	Public Support Percentage for 2007 School	dule A , Part IV -	A, line 26f			15		
16a	33 1/3% Test - 2008. If the organization di	d not check the	box on line 13.	and line 14 is 3	3 1/3% or more.		this box	
	and <b>stop here.</b> The organization qualifies a				,			<b>▶</b> □
b	33 1/3% Test - 2007. If the organization d				15 is 33 1/3% d	r more,	check th	
	box and stop here. The organization qualifi	es as a publicly	supported orga	nızatıon				<b>▶</b> □
17a	10% Facts and Circumstances Test - 2008.							
	more, and if the organization meets the "fa		•					· —
	organization meets the "facts and circums							<b>►</b> □
Ь	10% Facts and Circumstances Test - 2007.							
	more, and if the organization meets the "fa		•					_
4.0	the organization meets the "facts and circu							n ▶
18	<b>Private Foundation.</b> If the organization did	not check the b	oux on line 13, 1	oa, 100, 1/a or	1/D, check this	oox an	u see	<b>▶</b> □
	ınstructions							F-1

Pa	Support Schedule for On (Complete only if you ched				(2)		
	ction A. Public Support		_	,			
Cale	ndar year (or fiscal year beginning in)	(a) 2004	<b>(b)</b> 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1	Gifts, grants, contributions, and						
	membership fees received (Do not						
2	include any "unusual grants ") Gross receipts from admissions,						
2	merchandise sold or services performed,						
	or facilities furnished in any activity that						
	is related to the organization's tax-						
	exempt purpose						
3	Gross receipts from activities that are						
	not an unrelated trade or business under						
	section 513						
4	Tax revenues levied for the						
	organization's benefit and either paid to						
	or expended on its behalf						
5	The value of services or facilities						
	furnished by a governmental unit to the						
_	organization without charge						
6	Total Add lines 1-5						
7a	A mounts included on lines 1, 2, and 3						
	received from disqualified persons Amounts included on lines 2 and 3						
D	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						
С	Total of lines 7a and 7b						
8	Public Support (Substract line 7c from						
_	line 6)						
То	tal Support						
Cale	ndar year (or fiscal year beginning in)	(a) 2004	<b>(b)</b> 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
9	A mounts from line 6						
10a	Gross income from interest, dividends,						
	payments received on securities loans,						
	rents, royalties and income from similar						
	sources						
b	Unrelated business taxable income (less						
	section 511 taxes) from businesses						
	acquired after 30 June, 1975		+				
С	Add lines 10a and 10b						
11	Net income from unrelated business						
	activities not included in line 10b, whether or not the business is regularly						
	carried on						
12	Other income Do not include gain or loss						
	from the sale of capital assets						
	(Explain in Part IV )						
13	Total Support (Add lines 9, 10c, 11 and						
	12)						
14	First Five Years If the Form 990 is for the	organızatıon's fı	rst, second, thir	d, fourth, or fifth	ntax year as a 5	01(c)(3) organı	zation,
	check this box and <b>stop here</b>						<b>▶</b> □
	manufaction of Dublic Compact Days						
15	mputation of Public Support Perc Public Support Percentage for 2008 (line		dod by line 12 o	olumn (fl)		T 4= T	
			•	.orumin (1))		15	
16	Public Support Percentage for 2007 Sche	dule A , Part IV -	A, line 27g			16	
		D					
Co	mputation of Investment Income Investment Income Percentage for 2008 (			ne 13 column /f	<u> </u>	17	
	-			-	"	17	
ΤQ	Investment Income Percentage from 2007	ocnequie A , Pa	TLIV-A, IINE 2/	H		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 **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

Private Foundation If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions

Schedule A (Form 990 or 990-EZ) 2008

**▶**□

Part IV	<b>Supplemental Information.</b> 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 A (Form 990 or 990-EZ) 2008

Software ID: Software Version:

**EIN:** 62-0532345

Name: Memorial Health Care System

#### Form 990, Part VII - Section Aaa

Form 990, Part VII - Section Aaa										
		Posit t	(C tion ( hat a	chec		I			(E)	(F)
(A) Name and Title	(B) Average hours per week	Individual Trustee or Director	Institutional Trustee	Officei	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W- 2/1099MISC)	(E) Reportable compensation from related organizations (W- 2/1099- MISC)	Estimated amount of other compensation from the organization and related organizations
James Hobson , President/CEO	50 0	X		Х	Х				125,454	
Arlene Donowitz , Director	1 0	Х						29,235	456,447	22,771
Deborah Lee-Eddie , Director	1 0	Х							1,647,347	37,498
Michael Costello , Vice Chair	1 0	Х		Х						
Katherine Lindgren , Secretary	2 0	Х		Х						
Joan Frierson , Immediate Past Chair	2 0	Х		Х						
Charles Arant , Director	2 0	Х		Х						
Chatherine Arnold , Director	1 0	Х								
Leo Brown , Chair	3 0	Х								
Eric Conn , Director	1 0	Х								
Joseph Dana , Director	1 0	Х								
Dorothy Grisham , Director	1 0	Х								
Earline Hobbs , Director	1 0	Х								
BettyeLynn Smith , Director	1 0	Х								
Carolyn Thompson , Director	2 0	Х								
Warren Logan , Dırector	1 0	Х								
Christopher McKee , Director	1 0	Х								
Scott Ossewaarde , Director	1 0	Х								
Wayne Scott , Director	1 0	Х								
Carolyn Smeltzer , Dırector	1 0	Х								
Betty Vannuccı , Dırector	1 0	Х								
Beth O'Brien , Director	10	Х							728,399	30,114
Teal Haven , VP O perations/A dministration	50 0			Х	х			159,574		29,634
Carol Newton , Senior VP, CFO	50 0			Х	Х			281,313		32,749
Debra Moore , Interım President/CEO	50 0			Х	Х			294,725		41,135
Paula Register , Vice President	50 0				Х			155,957		26,329
Jacqueline Jackson , VP Surgical Services	50 0				Х			241,078		37,202
Diona Brown , VP Chief Nursing Officer	50 0					Х		188,065		28,429
Leigh Bertholf , VP CRO	50 0					Х			201,196	39,883
Sarah Fellowes , VP Chief Medical Officer	50 0					Х		331,856		32,458

#### Form 990, Part VII - Section Aaa

		l	(C tion ( hat a	ched					(E)	(F)
<b>(A)</b> Name and Title	(B) Average hours per week	Individual Trustee or Director	Institutional Trustee	Officei	Key employee	Highest compensated employee	Former	( <b>D)</b> Reportable compensation from the organization (W- 2/1099MISC)	Reportable compensation from related organizations (W- 2/1099- MISC)	Estimated amount of other compensation from the organization and related organizations
A Nasser Khalıfeh , Chıef Physicist	50 0					Х		229,221		16,804
Andrew McGill , VP Business Development	50 0					х		208,015		36,688

Form 990, Part VIII - Statement of Revenue - 2a - 2g Program Service Revenue -

	Business Code	(A) Total Revenue	(B) Related or Exempt Function Revenue	(C) Unrelated Business Revenue	(D) Revenue Excluded from Tax under IRC 512, 513, or 514
a Patient Services	900,099	437,891,457	430,672,011	7,219,446	
<b>b</b> Rental Income	900,099	2,336,995	2,336,995		
<b>c</b> Equity changes of unconsolidated orgs	900,099	664,614	664,614		
d Reimbursement of Expenses	900,099	173,835	173,835		
e Wellness Services	900,099	35,751	35,751		

# OMB No 1545-0047

## **SCHEDULE C**

(Form 990 or 990-EZ)

Department of the Treasury Internal Revenue Service

# **Political Campaign and Lobbying Activities**

For Organizations Exempt From Income Tax Under section 501(c) and section 527

To be completed by organizations described below. Attach to Form 990 or Form 990-EZ

Open to Public

					Inspection
		ed "Yes," to Form 990, Part IV		Part VI, line 46 (Political Ca	
		ions complete Parts I-A and B Do		De met eenmelete Deut I.D.	
	ction 50 f(c) (other than s ction 527 organizations (	section 501(c)(3)) organizations of complete Part I-A only	complete Parts I-A and C belo	bw Do not complete Part FB	
	•	ed "Yes," to Form 990, Part IV	, Line 4, or Form 990EZ, P	art VI, line 47 (Lobbying A	activities)
	<del>-</del>	ions that have filed Form 5768 (ele		, , ,	•
	. , , ,	ions that have NOT filed Form 576	,	1(h)) Complete Part II-B Do r	ot complete Part II-A
	<del>-</del>	ed "Yes," to Form 990, Part IV ) organizations complete Part III	, Line 5 (Proxy Tax)		
	me of the organization	) organizations complete Fart III		Employer ider	ntıfıcatıon number
	norial Health Care System				itinoation nambor
	To be seven	atad barall assaultations		62-0532345	
ar		eted by all organizations is. (See the instructions for		n 501(c) and section	
1	Provide a description of	of the organization's direct and in	dırect political campaign ac	tivities in Part IV	
2	Political expenditures				\$
3	V olunteer hours				
Dar	t I-B. To be compl	eted by all organizations	evernt under sectio	n F01(c)(3) (See the	ınstrustions
	for Schedule (		exempt under section		
1	Enter the amount of an	y excise tax incurred by the orga	nization under section 495	5	\$
2	Enter the amount of an	y excise tax incurred by organiza	ation managers under sectio	on 4955	\$
3	If the organization incl	irred in a section 4955 tax, did it	t file Form 4720 for this yea	r?	┌ Yes ┌ No
4a	Was a correction made	?			┌ Yes ┌ No
b	If "Yes," describe in Pa	art IV			
Par		eted by all organizations uctions for Schedule C for de	-	n 501(c), except sec	tion 501(c)(3).
1	Enter the amount direc	tly expended by the filing organiz	zation for section 527 exem	pt function activities	\$
2	Enter the amount of the	e filing organization's internal fun	ds contributed to other orga	anizations for section	
	527 exempt funtion ac	tivities			\$
3	Total of direct and indi 1120-POL, line 17b	rect exempt function expenditure	es Add lines 1 and 2 and en	ter here and on Form	
4	,	ion file <b>Form 1120-POL</b> for this ye	225		\$
		·		527 1.5 1	,
5	were made Enter the a political contributions	esses and Employer Identification in our the and indicate if the and received and promptly and direct olitical action committee (PAC)	nount was paid from the filin ly delivered to a separate p	g organization's own interna olitical organization, such a	l funds or were s a separate
	(a) Name	(b) Address	(c) EIN	(d) A mount paid from filing organization's internal funds If none, enter - 0 -	(e) A mount of political contributions received and promptly and directly delivered to a separate political organization. If none,
					enter - 0 -
					enter -0-
					enter -0 -

	(election under sec	organizations exempt under section 501( tion 501(h)). (See the instructions for Schedul		768			
	A Check						
	Limits on Lo	bbying Expenditures— s" means amounts paid or incurred.)	(a) Filing Organization's Totals	<b>(b)</b> A ffiliated Group Totals			
1a	Total lobbying expenditures to influe	nce public opinion (grass roots lobbying)					
b	Total lobbying expenditures to influe	nce a legislative body (direct lobbying)					
c	Total lobbying expenditures (add line	es 1a and 1b)					
d	Other exempt purpose expenditures						
е	Total exempt purpose expenditures	(add lines 1c and 1d)					
f	Lobbying nontaxable amount Enter to columns—  If the amount on line 1e, column (a) or (b) is:  Not over \$500,000  Over \$500,000 but not over \$1,000,000  Over \$1,000,000 but not over \$1,500,000  Over \$1,500,000 but not over \$17,000,000	The lobbying nontaxable amount is:  20% of the amount on line 1e  \$100,000 plus 15% of the excess over \$500,000  \$175,000 plus 10% of the excess over \$1,000,000  \$225,000 plus 5% of the excess over \$1,500,000					
	Over \$17,000,000	\$1,000,000					
g	Grassroots nontaxable amount (ente	r 25% of line 1f)					
h	Subtract line 1g from line 1a Enter -	0 - If line g is more than line a					
i	Subtract line 1f from line 1c Enter -	0- ıf lıne f ıs more than lıne c					
j 	If there is an amount other than zero section 4911 tax for this year?	on either line 1h or line 1i, did the organization file Form	m 4720 reporting	┌ Yes ┌ No			

# 4-Year Averaging Period Under Section 501(h) (Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 1a through 1f of the instructions.)

	Lobbying Expendi	tures During	4-Year Avera	ging Period		
	Calendar year (or fiscal year beginning in)	(a) 2005	<b>(b)</b> 2006	(c) 2007	( <b>d)</b> 2008	<b>(e)</b> Total
2a	Lobbying non-taxable amount					
ь	Lobbying ceiling amount (150% of line 2a, column(e))					
С	Total lobbying expenditures					
d	Grassroots non-taxable amount					
e	Grassroots ceiling amount (150% of line d, column (e))					
f	Grassroots lobbying expenditures					

Part II-B	To be completed by organizations exempt under section 501(c)(3) that have NOT filed Form
	<b>5768 (election under section 501(h)).</b> (See the instructions for Schedule C for details.)

		(a)		(b)	
		Yes	No	A mount	
L	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of				
а	Volunteers?		No		
b	Paid staff or management (include compensation in expenses reported on lines c through i)?	Yes			
c	Media advertisements?		Νo		
d	Mailings to members, legislators, or the public?	Yes		2,258	
e	Publications, or published or broadcast statements?		Νo		
f	Grants to other organizations for lobbying purposes?	Yes		19,197	
g	Direct contact with legislators, their staffs, government officials, or a legislative body?	Yes		7,150	
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means?		Νo		
i	Other activities If "Yes," describe in Part IV	Yes		25,179	
j	Total lines 1c through 1:			53,784	
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No		
Ь	If "Yes" enter the amount of any tax incurred under section 4912				
c	If "Yes" enter the amount of any tax incurred by organization managers under section 4912				
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?		No		
<b>.</b>	A TTL A To be completed by all aggregations average under costion FO1/a)/4) a		=047	\	

# Part III-A To be completed by all organizations exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6). (See the instructions for Schedule C for details.)

			Yes	No
1	Were substantially all (90% or more) dues received nondeductible by members?	1		
2	Did the organization make only in-house lobbying expenditures of \$2,000 or less?	2		
3	Did the organization agree to carryover lobbying and political expenditures from the prior year?	3		

# Part III-B To be completed by all organizations exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) if BOTH Part III-A, questions 1 and 2 are answered "No" OR if Part III-A, question 3 is answered "Yes." (See the instructions for Schedule C for details.)

2	Section 162(e) non-deductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).	
а	Current Year	2a \$
b	Carryover from last year	2b \$
c	Total	2c \$
3	Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3 \$
4	If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political	
	expenditure next year?	4 \$

#### Part IV Supplemental Information

Dues, assessments and similar amounts from members

Taxable amount of lobbying and political expenditures (line 2c total minus 3 and 4)

Complete this part to provide the descriptions required for Part I-A, line 1, Part I-B, line 4, Part I-C, line 5, and Part II-B, line 1, Also, complete this part for any additional information

Ident if ier	Return Reference	<b>Explanat ion</b>
990 Sch C Supplemental	Lobbying Activities Explanation	Line 1 (B)- Paid staff attended community forums, various community activities, legislative meetings, and conventions Line 1 (D)- Letters sent to various legistators regarding various healthcare related issues Line 1 (F)- THA % lobbying \$10,404 AHA % lobbying \$5,811 CHA % lobbying \$2,982 Line 1 (G)-THA legislative conference, Government Affairs Conference, Catholic Day on the Hill Line 1 (I)- The MHCS community advocate chairs and attends several meetings per month concerning different agencies, coalitions and associations and assists with the My Voice My Vote voter registration Others also attend Public Health Associations, THA meetings, etc Robin Derryberry \$15,408-political advocacy, public relations, healthy community, strategic planning

1 \$

5 \$

Part IV Supplemental I	nformation					
Ident if ier	Return Reference	Explanation				

Schedule C (Form 990 or 990EZ) 2008

OMB No 1545-0047

**SCHEDULE D** (Form 990)

Department of the Treasury Internal Revenue Service

# **Supplemental Financial Statements**

▶ 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.

Open to Public

zi i i i i	The vertice of the		Inspection
	me of the organization norial Health Care System		Employer identification number
			62-0532345
Pa	organizations Maintaining Donor Acordanization answered "Yes" to Form 99	0, Part IV, line 6.	<u> </u>
		(a) Donor advised funds	(b) Funds and other accounts
	Total number at end of year		
	Aggregate Contributions to (during year)		
	Aggregate Grants from (during year)		
	Aggregate value at end of year		
	Did the organization inform all donors and donor advi funds are the organization's property, subject to the		oradvised <b>Yes No</b>
	Did the organization inform all grantees, donors, and used only for charitable purposes and not for the ben impermissible private benefit?		may be
T	rt II Conservation Easements. Complete	if the organization answered "Ves" to	<u> </u>
	Purpose(s) of conservation easements held by the or Preservation of land for public use (e.g., recreating Protection of natural habitat  Preservation of open space  Complete lines 2a-2d if the organization held a quali	rganization (check all that apply) ion or pleasure) Preservation of an Preservation of cei	historically importantly land area
	on the last day of the tax year	med conservation contribution in the form	Held at the End of the Yea
	Total number of conservation easements		2a
	Total acreage restricted by conservation easement	s	2b
	Number of conservation easements on a certified hi		2c
	Number of conservation easements included in (c) a	• •	2d
	Number of conservation easements modified, transfe	·	
	the taxable year -	rred, released, extiliguished, or terminate	d by the organization during
	the taxable year F		
	Number of states where property subject to conserva	ation easement is located ►	
	Does the organization have a written policy regarding enforcement of the conservation easements it holds?		ations, and Yes No
	Staff or volunteer hours devoted to monitoring, inspe	cting and enforcing easements during the	year <b>►</b>
	A mount of expenses incurred in monitoring, inspecti	ng, and enforcing easements during the ye	ar ► \$
	Does each conservation easement reported on line 2 $170(h)(4)(B)(i)$ and $170(h)(4)(B)(ii)$ ?	?(d) above satisfy the requirements of sec	tion Yes No
	In Part XIV, describe how the organization reports of balance sheet, and include, if applicable, the text of t the organization's accounting for conservation easen	the footnote to the organization's financial	•
ľ	Complete if the organization answered '		or Other Similar Assets.
	If the organization elected, as permitted under SFAS art, historical treasures, or other similar assets held provide, in Part XIV, the text of the footnote to its fin	for public exhibition, education or researc	ch in furtherance of public service,
	If the organization elected, as permitted under SFAS historical treasures, or other similar assets held for provide the following amounts relating to these items	public exhibition, education, or research ir	•
	(i) Revenues included in Form 990, Part VIII, line 1		<b>►</b> \$
	(ii) Assets included in Form 990, Part X		<b>►</b> \$
	If the organization received or held works of art, histofollowing amounts required to be reported under SFA		r financial gain, provide the
	Revenues included in Form 990, Part VIII, line 1		<b>▶</b> \$
,	Assets included in Form 990, Part X		<b>▶-</b> \$
			· T

<u>ar</u>	Organizations Maintaining Collections of Art,	His	tori	<u>cal Treas</u>	ures, or Othe	r Similar A	ssets (d	continued)
3	Using the organization's accession and other records, check any items (check all that apply)	of th	ie foll	owing that a	re a significant u	se of its collec	tıon	
а	Public exhibition	d	$\vdash$	Loan or ex	change programs			
b	Scholarly research e Other							
c	Preservation for future generations							
4	Provide a description of the organization's collections and explain Part XIV	n hov	v the y	further the	organization's ex	empt purpose	ın	
5	During the year, did the organization solicit or receive donations assets to be sold to raise funds rather than to be maintained as p					nılar	☐ Yes	┌ No
Pai	Trust, Escrow and Custodial Arrangements. ( Part IV, line 9, or reported an amount on Form 99)				anızatıon answ	ered "Yes" to	Form	990,
1a	Is the organization an agent, trustee, custodian or other intermed included on Form 990, Part X?	dıary	for c	ontributions	or other assets	not	☐ Yes	┌ No
b	If "Yes," explain why in Part XIV and complete the following table	e						
						A	nount	
С	Beginning balance				1c			
d	Additions during the year				1d			
e	Distributions during the year				1e			
f	Ending balance				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							
Pa	rt V Endowment Funds. Complete if the organization							
	(a)Current Year	(b)	Prior \	'ear <b>  (c)</b> T	wo Years Back (d)	Three Years Back	(e)Four	Years Back
la •	Beginning of year balance							
b	Contributions							
с	Investment earnings or losses							
d	Grants or scholarships							
е	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 a	S						
а	Board designated or quasi-endowment							
ь	Permanent endowment ►							
c	Term endowment ►							
3a	Are there endowment funds not in the possession of the organiza	tion 1	that a	re held and	administered for	the		
	organization by						Yes	No
	(i) unrelated organizations					3a	<del>``</del>	
	(ii) related organizations					<u>3a</u>		<del> </del>
	If "Yes" to 3a(II), are the related organizations listed as required					3	b	
! 	Describe in Part XIV the intended uses of the organization's end				Down V. Line 10			
<b>7</b> 61	t VI Investments—Land, Buildings, and Equipmer	1t. 5			,		1	
	Description of investment			Cost or other (investment)	(b)Cost or other basis (other)	(c) Depreciation	( <b>d)</b> B	ook value
la	and				12,119,700			12,119,700
b	Buildings				144,800,936	82,962,64	7	61,838,289
с	easehold improvements				19,312,526	9,020,06	1	10,292,465
d	Equipment				174,371,780	134,196,25	5	40,175,525
e	Other				7,666,520			7,666,520
_								

2ant vii Investments—Other Securities. See	Form 990, Part X, line 12		
(a) Description of security or cateory (including name of security)	( <b>b)</b> Book value	<b>(c)</b> Method o Cost or end-of-ye	
Financial derivatives and other financial products		Cost of the of ye	ar market value
Closely-held equity interests			
	00.067.561		
Other CHI Oper Investment Program	98,967,561		<u>F</u> _
Total. (Column (b) should equal Form 990, Part X, col (B) line 12 )	98,967,561		
Part VIII Investments—Program Related. Se	e Form 990, Part X, line :	13.	
(a) Description of investment type	(b) Book value	(c) Method o	
		Cost or end-of-ye	ar market value
Total. (Column (b) should equal Form 990, Part X, col (B) line 13 )			
Part IX Other Assets. See Form 990, Part X, III	20.15		
(a) Descrip			(b) Book value
Execuflex Deferred Income	7.11011		114,213
CASH SURRENDER VALUE-LIFE INS			101 151
			121,451
INVESTMENTS IN UNCONSOL ORGS			34,412,376
Total. (Column (b) should equal Form 990, Part X, col.(B) line 1	5.)		34,648,040
Part X Other Liabilities. See Form 990, Part >	(, line 25.		
(a) Description of Liability	(b) A mount		
Federal Income Taxes			
Unclaimed Property	72,342		
Environmental Remediation Liability	663,776		
	111,		
Total. (Column (b) should equal Form 990, Part X, col (B) line 25)	736,118		

Pai	Reconciliation of Change in Net Assets from Form 990 to Financial Statemen	nts	
1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	445,254,068
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	420,208,191
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	25,045,877
4	Net unrealized gains (losses) on investments	4	-15,248,550
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	-56,627
8	Other (Describe in Part XIV)	8	733,298
9	Total adjustments (net) Add lines 4 - 8	9	-14,571,879
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	10,473,998
Par	t XIII Reconciliation of Revenue per Audited Financial Statements With Revenue	er Retu	rn
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		
а	Net unrealized gains on investments		
ь	Donated services and use of facilities	1	
c	Recoveries of prior year grants		
d	Other (Describe in Part XIV) 2d		
e	Add lines <b>2a</b> through <b>2d</b>	2e	
3	Subtract line <b>2e</b> from line <b>1</b>	3	
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1		
а	Investment expenses not included on Form 990, Part VIII, line 7b . 4a		
b	Other (Describe in Part XIV) 4b		
c	Add lines <b>4a</b> and <b>4b</b>	4c	
5	Total Revenue Add lines <b>3</b> and <b>4c.</b> (This should equal Form 990, Part I, line 12 )	5	
Part	Reconciliation of Expenses per Audited Financial Statements With Expenses	s per Re	turn
1	Total expenses and losses per audited financial statements	1	
2	A mounts included on line 1 but not on Form 990, Part IX, line 25		
а	Donated services and use of facilities	_	
b	Prior year adjustments	_	
c	Losses reported on Form 990, Part IX, line 25	<b>.</b>	
d	Other (Describe in Part XIV)	<b>.</b>	
e	Add lines <b>2a</b> through <b>2d</b>	2e	
3	Subtract line <b>2e</b> from line <b>1</b>	3	
4	A mounts included on Form 990, Part IX, line 25, but not on line 1:		
а	Investment expenses not included on Form 990, Part VIII, line 7b 4a	_	
b	Other (Describe in Part XIV)	_	
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	
Pai	t XIV Supplemental Information		
C 0.11	anilate this part to provide the descriptions required for Dart II lines 2. E. and O. Dart III lines 15 and 4. D	art VIV 1	1 h

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

Ident if ier	Return Reference	Explanation
Sch D, Part XI, Line 8	Other Changes in Net Assets	Capital Resource Pool Contribution (\$483,996) CHI Connect Depreciation \$1,217,294
Form 990, Sch D, Part X	FIN 48 Footnote RE Uncertain Tax Positions	CHI follows Financial Accounting Standards Board (FASB) interpretation No 48, accounting for uncertainty in income taxes - an interpretation of FASB statement No 109 (FIN 48), which prescribes criteria for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return FIN 48 also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition Management annually reviews its tax positions and has determined that there are no material uncertain tax positions that require recognition in the consolidated financial statements

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DLN: 93493137034290

OMB No 1545-0047

Open to Public **Inspection** 

### **SCHEDULE H** (Form 990)

Department of the Treasury Internal Revenue Service

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

Hospitals

Name of the organization Memorial Health Care System

**Employer identification number** 

						-0532345			
P	Charity Care and	l Certain O	ther Com	munity Benefits a	t Cost (Optional fo	r 2008)			
								Yes	No
1a	-						1a	<u> </u>	
b	If "Yes," is it a written policy						1b	-	
2	If the organization has multip care policy to the various hos		ındıcate whi	ch of the following best	describes application	of the charity			
	Applied uniformly to all ho	ospitals		Applied uniforml	y to most hospitals				
	Generally tailored to indiv	/ıdual hospıta	ls						
3	Answer the following based o organization's patients	n the charity	care eligibili	ty criteria that applies	to the largest number	of the			
а	Does the organization use Fe income individuals? If "Yes,"						3a		
	Γ <sub>100%</sub> Γ <sub>150%</sub>	Г	200%	C O ther	%		<u> </u>		
b	Does the organization use FP	'G to determin	ne eliaibility	for providing <i>discounte</i>	d care to low income i	ndıvıduals? If			
	"Yes," indicate which of the f						Зь		
	Γ <sub>200%</sub> Γ <sub>250%</sub>	Г		- 350%	.,, Г.,,	04			
	I 200% I 250%	1 300	)% <b>!</b>	350% <b>I</b> 400	)% I Other_	%			
c	If the organization does not u determining eligibility for free test or other threshold, regar	or discounte	d care Inclu	ude in the description v	whether the organization				
4	Does the organization's polic	y provide free	ordiscount	ed care to the "medica	illy indigent"?		4		
5a	Does the organization budget	t amounts for	free or disco	unted care provided ui	nder its charity care p	olicy?	5a		
b	If "Yes," dıd the organızatıon	's charity car	e expenses	exceed the budgeted a	mount?		5b		
c	If "Yes" to line 5b, as a resul care to a patient who was elig	-			•		5c		
6a	Does the organization prepar	e an annual c	ommunity be	enefit report?			6a		
6b	If "Yes," does the organization	on make it ava	ailable to the	public?			6b		
	Complete the following table worksheets with the Schedule	_	ksheets prov	vided in the Schedule H	l instructions Do not	submit these			
7	Charity Care and Certain C	ther Commu	nıty 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 to expense	enefit	(f) Perc total ex	
а	Charity care at cost (from worksheets 1 and 2)								
b	Unreimbursed Medicaid (from worksheet 3, column a)								
С	Unreimbursed costs—other means-tested government programs (from worksheet 3, column b)								
d	<b>Total</b> Charity Care and Means-Tested Programs .								
e	Other Benefits								
f	Health professions education (from worksheet 5)								
g	Subsidized health services (from worksheet 6)								
h	Research (from worksheet 7)								
i	Cash and in-kind contributions to community groups (from worksheet 8)								
	Total Other Benefits								
ĸ	Total (line 7d and 7j)	]		I		i			

	rt II Community Building activities) (Optional		(b) Persons served (optional)	(c) Total communit	<del>-</del>	Direct offse revenue		(e) Net commur building expens	nity	(f) Percer total expe	nt of
1	Physical improvements and housing										
2	Economic development										
3	Community support										
4	· · · · · · · · · · · · · · · · · · ·										
5	Leadership development and training for community members										
- <del>6</del>	Coalition building  Community health improvement										
	advocacy										
8	Workforce development										
9	Other Total							+			
	rt IIII Bad Debt, Medicar	e. & Colle	ction Prac	l tices (Ontional :	or 2008)						
		<u> </u>		( ) p	<u>,</u>						
Sect	ion A. Bad Debt Expense									Yes	No
1	Does the organization report by Statement No. 15?			dance with Heathca	re Financia	ıl Manaç	emer	nt Association	1		
2	Enter the amount of the organ			e (at cost)		2	•				
3	Enter the estimated amount o	_			•	3					
_	attributable to patients eligible								1		
4	Provide in Part VI the text of t In addition, describe the costi for including other bad debt ar	ng methodolo	ogy used in d	etermining the amo				•			
Sect	ion B. Medicare					1					
5	Enter total revenue received f					. 5			1		
6	Enter Medicare allowable cost					. 6			-		
7 8	Enter line 5 less line 6—surp Describe in Part VI the extent the costing methodology or so following methods was used	to which any	shortfall rep	orted on line 7 sho	uld be trea				-		
	Cost accounting system	Γc	ost to charge	e ratio	C O ther						
Sect	ion C. Collection Practices										
9a	Does the organization have a	written debt o	collection pol	ıcy?					9a		
9b Pa	If "Yes," does the organization patients who are known to quart IV Management Com	lify for charit	y care or fina	ncial assistance? I	Describe in	Part V I			9b		_
	(a) Name of entity	(	<b>b)</b> Description activity of		profit <sup>c</sup>	anizatio % or sto ership %	ck	(d) Officers, directors trustees, or key employees' profit % or stock ownership%	profit	Physiciar : % or sto iership %	oc k
1											
2							$\top$				
							+				
4											
5							+				
							_				
6											
7											
8											
9											
10											
11							$\dashv$				
12		+					+				
13							+				
14							+				
		İ									

Part V Facility Information (Required for 2008)									
Name and address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)
Memorial Hospital 2525 de Sales Avenue	Х	х					х		
Chattanooga,TN 37404  Memorial North Park Hospital 2051 Hamill Road Hixson,TN 37343	Х	Х					х		
Memorial Mission Surgery Center 2525 de Sales Avenue Chattanooga, TN 37404	×								30% Owned ASC
Home Health 6227 Lee Highway Chattanooga, TN 37421									Home Health
• .									
				<u> </u>					

P	art VI S	Supplemental Information (Optional for 2008)
Со	mplete this	part to provide the following information
1	Provide th	e description required for Part I, line 3c, Part I, line 7 , Part III, line 4 , Part III, line 8 , and Part III, line 9b
_		
_		
_		
_		
_		
_		
2	Needs Ass	essment. Describe how the organization assesses the health care needs of the communities it serves
_		
_		
3		<b>lucation of Eligibility for Assistance.</b> Describe how the organization informs and educates patients and persons who may be atient care about their eligibility for assistance under federal, state, or local government programs or under the organization's re policy
_		
4		y Information. Describe the community the organization serves, taking into account the geographic area and demographic its it serves
_		
5		y Building Activities. Describe how the organization's community building activities, as reported in Part II, promote the health munities the organization serves
6		y other information important to describing how the organization's hospitals or other health care facilities further its exempt y promoting the health of the community (e g , open medical staff, community board, use of surplus funds, etc )
_		
_		
7		nization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in the health of the communites served
_		
8	Ifapplicab	le, identify all states with which the organization, or a related organization, files a community benefit report

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DLN: 93493137034290 OMB No 1545-0047

2008

Department of the Treasury Internal Revenue Service

Schedule I

(Form 990)

Complete if the organization answered "Yes," on Form 990, Part IV, lines 21 or 22. Attach to Form 990.

**Grants and Other Assistance to Organizations,** 

Governments and Individuals in the U.S.

Open to Public **Inspection** 

Name of the organization						Employer identif	ication number
Memorial Health Care System						62-0532345	
Part I General Inform	nation on Gra	nts and Assistanc	е			•	
2 Describe in Part IV the or	d to award the gra ganızatıon's proc	nts or assistance? .   . edures for monitoring th	e use of grant funds in t	he United States			
Part II Grants and Oth Form 990, Part I Part IV and Sche needed	V, line 21 for a edule I-1 if addi	ny recipient that rec tional space is	and Organizations erved more than \$5,0	in the United Sta	tes. Complete if the or if no one recipient rece	ganization answere tived more than \$5,	d "Yes" on 000. Use
1(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) A mount of cash grant	(e) A mount of non- cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
See Additional Data Table							
2 Enter total number of sect							13
organizations							<b>•</b> 1

Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 22. Use Schedule I-1 (Form 990) if additional space is needed.

(a)Type of grant or assistance	( <b>b)</b> Number of recipients	(c)A mount of cash grant	(d)A mount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f)Description of non-cash assistance
Access to mammograms, treatment	800		192,467	Other	Mammograms, etc
Taxı cabs for patients	12		240	FMV	Transportation
United Way celebration for givers to united way	500		2,011	Book	Food
We Care weekend retreat for cancer survivors	75		20,334	Book	Lodging,food,activ

Part IV Supplemental Information. Complete this part to provide the information required in Part I, line 2, and any other additional information.

See Additional Data Table

Ident if ier	Return Reference	Explanation
Schedule I Part I Q 2	of grants	Grant requests are coordinated through the Memorial Health Care System Foundation. The beneficiary of the grant is responsible for using the funds in accordance with the grant requirements. All grant spending is reviewed by Fiscal Services and the Foundation before grant spending is reimbursed through the Foundation. Periodic reporting is coordinated between the beneficiary, Fiscal Services, and the Foundation.

Software ID: Software Version:

**EIN:** 62-0532345

Name: Memorial Health Care System

Form 990, Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) A mount of cash grant	(e) A mount of non- cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
Catholic Charities of East Tennessee859 McCallie Avenue Chattanooga,TN 37403	62-1377551	501c3	36,000				COMMUNITY BENEFIT
A merican Heart Association 7272 Greenville Avenue Dallas,TX 75231	62-0532345	501c3	30,500				COMMUNITY BENEFIT
Access One EAP Partnership1800 McCallie Avenue Chattanooga,TN 37404	62-0911679	501c3	10,000				COMMUNITY BENEFIT
A merican Diabetes Association1701 N Beauregard Street Alexandria, VA 22311	13-1623888	501c3	6,000				COMMUNITY BENEFIT
Chattanooga Area Chamber of Commerce811 Broad Street Suite 100 Chattanooga,TN 37402	62-0154480	501c6	25,800				COMMUNITY BENEFIT
United Way630 Market Street Chattanooga,TN 37405	62-0565962	501c3	23,865				COMMUNITY BENEFIT
North River YMCA 301 W 5th Street Chattanooga, TN 37402	62-0475699	501c3	7,280				COMMUNITY BENEFIT
Homeless Health Care CenterPO Box 1746 Chattanooga,TN 37401	62-6000259	501c3	40,000				COMMUNITY BENEFIT
Community Foundation of Greater Chattanooga1270 Market Street Chattanooga,TN 37402	62-6045999	501c3	68,328				COMMUNITY BENEFIT
Diocese of KnoxvillePO Box 11127 Knoxville,TN 37939		501c3	30,000				COMMUNITY BENEFIT

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States								
(a) Name and address of organization or government	<b>(b)</b> EIN	(c) IRC Code section if applicable	<b>(d)</b> A mount of cash grant	(e) A mount of non- cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance	
A merican Cancer Society 850 Fort Wood St Chattanooga, TN 37403	23-7040934	501c3	9,000				COMMUNITY BENEFIT	
University of Tennessee 201 Andy Holt Tower Knoxille,TN 37796	62-6001636	501c3	23,200				COMMUNITY BENEFIT	
Susan G Komen for the CurePO BOX 11208 Chattanooga,TN 37401	75-2875175	501c3	10,000				COMMUNITY BENEFIT	
University of Chattanooga Foundation Office of Development Chattanooga,TN 37403	62-0476521	501c3	35,000				COMMUNITY BENEFIT	

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OMB No 1545-0047

Schedule J (Form 990)

**Compensation Information** 

2008

Open to Public Inspection

Department of the Treasury Internal Revenue Service 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.

Name of the organization
Memorial Health Care System

62-0532345

Part I Questions Regarding Compensation

				Yes	Νo	
1a	Check the appropiate box(es) if the organization provided any of the formula of t					
	▼ First class or charter travel   ▼ Housing	allowance or residence for personal use				
	☐ Travel for companions ☐ Payment	s for business use of personal residence				
	▼ Tax idemnification and gross-up payments	r 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 establi organization's CEO/Executive Director Check all that apply	sh the compensation of the				
	Compensation committee Written e	mployment contract				
	☐ Independent compensation consultant ☐ Compens	sation survey or study				
	Form 990 of other organizations Approva	by the board or compensation committee				
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a					
а	Receive a severance payment or change of control payment?				Νo	
b	<b>b</b> Participate in, or receive payment from, a supplemental nonqualified retirement plan?					
c	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 applical	ole 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 oi compensation contingent on the revenues of	ganization pay or accrue any				
а	The organization?		5a		Νo	
b	Any related organization?				Νo	
	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 or compensation contingent on the net earnings of	ganization pay or accrue any				
а	The organization?		6a		Νo	
b	Any related organization?		6b		Νo	
	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 accured pu subject to the initial contract exception described in Regs section 53 in Part III	rsuant to a contract that was 3 4958-4(a)(3)? If "Yes," describe	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)(1)-(111) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a

(A) Name		(B) Breakdown of			(E) Total of columns	<b>(F)</b> Compensation		
		(i) Base compensation	(ii) Bonus & ıncentive compensation	(iii) Other compensation	compensation	benefits	(B)(ı)-(D)	reported in prior Form 990 or Form 990-EZ
Diona Brown	(1) (11)	184,032		4,033		28,429	216,494	95,18
Leigh Bertholf	(1) (11)	146,457	16,128	38,611		39,883	241,079	8,59 73,20
Sarah Fellowes	(I) (II)	331,072		784		32,458	364,314	172,91
Paula Register	(1) (11)	155,636		321		26,329	182,286	
A Nasser Khalifeh	(1) (11)	210,752	18,013	456		16,804	246,025	131,90
Andrew McGill	(ı) (ıı)	207,470		545		36,688	244,703	107,26
Jacqueline Jackson	(ı) (ıı)	235,576	4,919	583		37,202	278,280	125,67
Teal Haven	(ı) (ıı)	159,372		202		29,634	189,208	86,04
Carol Newton	(ı) (ıı)	280,778		535		32,749	314,062	141,72
Debra Moore	(ı) (ıı)	294,045		680		41,135	335,860	156,01
Arlene Donowitz	(1) (11)	310,262	143,944	29,235 2,241		22,771	29,235 479,218	206,19
Deborah Lee-Eddie	(1) (11)	390,452	129,962	1,126,933	5,512	31,986	1,684,845	1,238,63
Beth O'Brien	(1) (11)	515,186	64,150	149,063		30,114	758,513	319,02
	(ii) (i)							
	(ii)							

#### Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8 Also complete this part for any additional information

Ident if ier	Ret urn Ref erence	Explanat ion
Sch J Part I Q 4A	Payment	During the 2008 Calendar Year, CHI (A related 501 (c)(3) organization) participated in post termination payment arrangements and maintained supplemental non qualified deferred compensation arrangements for its employees. Post termination payments are addressed in executive employment agreements for CHI employees at the level of Vice President and above including the MBO CEOs. These employment agreements require that in order for the executive to receive post termination payments, these individuals must execute a general release and settlement agreement. Post termination payment agreements are periodically reviewed for overall reasonableness in light of the executives overall compensation package. Sch J Part I Q 4B Non-Qualified Deferred Compensation DURING THE 2008 CALENDAR YEAR, CHI MAINTAINED A SUPPLEMENTAL NON-QUALIFIED DEFERRED COMPENSATION PLAN FOR VICE PRESIDENTS AND ABOVE, including MBO CEOs. THE FOLLOWING REPORTABLE INDIVIDUALS WERE ELIGIBLE TO PARTICIPATE AND RECEIVED THE FOLLOWING PAYMENTS. Deborah Lee-Eddie \$963,169 Beth O'Brien \$19,230 Jim Hobson \$3,514 THE PAYMENTS FROM THE SUPPLEMENTAL NON-QUALIFIED DEFERRED COMPENSATION PLAN WERE INCLUDED IN THE INDIVIDUALS' REPORTABLE COMPENSATION FOR SCHEDULE J. NO CONTRIBUTIONS WERE MADE TO THE CHI NON-QUALIFIED PLAN FOR THE 2008 CALENDAR YEAR.
	Executive	Compensation for the CEO is established and paid for by Catholic Health Initiatives (CHI), a related organization CHI Used the following to establish the CEO's compensation 1) Compensation committee, 2) Independent compensation consultant, 3) Compensation survey or study, 4) approval by the board or compensation committee, 5) Approval by the board or compensation committee
	1 a	For each benefit provided in line 1a, the Organization must disclose relevant information, which may include the type of benefit, the listed person who received the benefit (or class of individuals for who the benefit was provided), and whether or not the benefit was included in the individual's compensation. Charter air travel was contracted to transport a group of Memorial Health Care Systems Leadership Team Members to two site visits of medical facilities for due diligence as part of the Mission Forward Master Facility Plan. This occurred within two days at geographically distant locations. This decision was made because it was more cost and schedule efficient than individually booking commercial air travel for each participant. This was a one time occurrence that was approved in advance by the CEO and the CHI Legal Department. Memorial Health Care System's (MHCS) CEO is compensated by Catholic Health Initiatives (CHI), MHCS's Parent Company. The CEO was provided with Employer-paid temporary housing in conjunction with the recruitment and relocation of the individual to Memorial Health Care System in Chattanooga. These benefits are paid and grossed-up pursuant to a written policy. CHI's Human Resources. Department offers this benefit only in circumstances where a suitable candidate cannot be recruited locally.
Sch J Part I Q 7	Incentive Compensation	MHCS issued bonuses based on individual performance and specified events

(F) Compensation reported in prior Form

(B)(ı)-(D)

Software ID: **Software Version:** 

**EIN:** 62-0532345

Name: Memorial Health Care System

(A) Name (B) Breakdown of W-2 and/or 1099-MISC compensation (C) Deferred (D) Nontaxable (E) Total of columns compensation benefits (ii) Bonus &

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

		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation	compensation	Deficits	(6)(1)-(0)	990 or Form 990-EZ
Diona Brown	(I) (II)	184,032		4,033		28,429	216,494	95,181
Leigh Bertholf	(ı) (ıı)	146,457	16,128	38,611		39,883	241,079	8,594 73,206
Sarah Fellowes	(I) (II)	331,072		784		32,458	364,314	172,917
Paula Register	(I) (II)	155,636		321		26,329	182,286	
A Nasser Khalifeh	(I) (II)	210,752	18,013	456		16,804	246,025	131,903
Andrew McGill	(I) (II)	207,470		545		36,688	244,703	107,269
Jacqueline Jackson	(I) (II)	235,576	4,919	583		37,202	278,280	125,670
Teal Haven	(I) (II)	159,372		202		29,634	189,208	86,042
Carol Newton	(I) (II)	280,778		535		32,749	314,062	141,726
Debra Moore	(I) (II)	294,045		680		41,135	335,860	156,015
Arlene Donowitz	(1) (11)	310,262	143,944	29,235 2,241		22,771	29,235 479,218	206,190
Deborah Lee-Eddie	(ı) (ıı)	390,452	129,962	1,126,933	5,512	31,986	1,684,845	1,238,635
Beth O'Brien	(I) (II)	515,186	64,150	149,063		30,114	758,513	319,026

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## **SCHEDULE 0**

Department of the Treasury Internal Revenue Service

(Form 990)

## **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.

2008

OMB No 1545-0047

Open to Public Inspection

Name of the organization Memorial Health Care System Employer identification number

62-0532345

		122 22222
ldentifier	Return Reference	Explanation
990 Part VIQ 12c	Procedures for monitoring and enforcing the COI policy	The Conflict of Interest Policy of Memorial Health Care System, Inc. (MHCS) covers all directors and officers who hold the title of vice president and above. The policy applies to all affiliates of the Corporation and is intended to supplement, but not replace, any applicable laws governing conflicts of interest applicable to nonprofit corporations. If a director or officer has a potential or actual conflict with the Corporation and/or any of its Affiliates, such director or officer is deemed to also have a potential or actual conflict with respect to the Corporation and all of its Affiliates. Each director must promptly and fully report to the Board Chair situations that may create a conflict of interest when he or she becomes aware of such situations. Disclosure must be made to the Corporation's President and CEO who will report such disclosure to the Board Chair. A written record of the disclosure will be made. The CEO shall annually send to all directors and officers a copy of the Conflict of Interest Policy and Disclosure Statement. At the beginning of the Board meeting and all committee meetings, members are asked to declare any conflicts of interest that need to be disclosed. The Board of Directors shall carefully scrutinize, and must in good faith approve or disapprove, any transaction in which the Corporation and/or any of its Affiliates is a party, and in which one or more of the Corporation's directors or officers has either a material financial interest or is a director or officer of the other party. By a majority vote of the disinterested directors, the Board shall take whatever action is deemed appropriate under the circumstances with respect to the director or officer in order to best protect the interests of the Corporation, including possible disciplinary or corrective action

ldentifier	Return Reference	Explanation
990 Part VI Q 10	Process the organization uses to review Form 990	MHCS Form 990 is prepared and reviewed by the internal tax department of its parent organization, Catholic Health Initiatives. The return is then reviewed by MHCS fiscal services department and its Chief Financial Officer. The return is made available to each member of the Board of Directors prior to filing with opportunities provided for them to ask questions or make comments. Subsequent to internal review, the tax department files the return with the appropriate federal and state agencies, making any non-substantive changes necessary to effect e-filing. Any such changes are not re-submitted to the board.

ldentifier	Return Reference	Explanation
990 Part VI Q 19	Availability of Governing Documents, COI Policy, Financial Statements	The Organizing Documents and Conflict of Interest Policy are not available to the public THE ORGANIZATION'S FINANCIAL STATEMENTS ARE INCLUDED IN CATHOLIC HEALTH INITIATIVES' CONSOLIDATED AUDITED FINANCIAL STATEMENTS THAT ARE AVAILABLE AT WWW CATHOLICHEALTHINIT ORG OR AT WWW DACBOND ORG The Financial Statements are also available through filed Joint Annual Reports filed with the state of Tennessee

ldentifier	Return Reference	Explanation
990 Part VI Line 6	Members or Stockholders	ACCORDING TO THE BY LAWS OF MEMORIAL HEALTH CARE SYSTEM, INC , THE ENTITY'S SOLE MEMBER IS CATHOLIC HEALTH INITIATIVES, A COLORADO NONPROFIT CORPORATION

Identifier	Return Reference	Explanation
990 Part VI Line 7	Electing Directors	ACCORDING TO THE ORGANIZATIONS BY LAWS, DIRECTORS OF THE CORPORATION SHALL BE APPOINTED BY THE CORPORATE MEMBER NO LATER THAN JUNE 30th OF EACH YEAR THE NAMES AND QUALIFICATIONS OF EACH INDIVIDUAL ACCEPTED BY THE BOARD OF DIRECTORS SHALL BE SUBMITTED TO THE CORPORATE MEMBER, WHO SHALL APPOINT OR REFUSE EACH NOMINEE IN ACCORDANCE WITH THE CORPORATE MEMBERS BY LAWS AND WITH ENDORSEMENT OF THE SENIOR VICE PRESIDENT OF OPERATIONS THE CORPORATE MEMBER MAY AT ANY TIME REMOVE, WITH OR WITHOUT CAUSE, ANY MEMBER OF THE BOARD OF DIRECTORS

ldentifier	Return Reference	Explanation
990 Part VI Line 7b	Governing Pow ers	Memorial Health Care System, Inc s (MHCS) corporate member is Catholic Health Initiatives (CHI) Pursuant to Section 5.4 of MHCSs bylaws, the Corporate Member shall have the specific rights set forth in the governance matrix. Pursuant to the governance matrix the following rights are reserved to the CHI Board directly or through powers delegated to the CHI Chief Executive Officer. Substantial change in the mission or philosophy of MHCS Amendment of the corporate documents of MHCS Approve members of the MHCS board Removal of a member of the governing body of MHCS Approval of issuance of debt by MHCS Approval of participation of MHCS in a joint venture Approval of formation of a new corporation by MHCS Approval of a merger involving MHCS Approval of the sale of all or substantially all of the assets of MHCS. To require the transfer of assets by MHCS to CHI to accomplish CHIs goals and objectives, and to satisfy CHI debts. Adoption of long range and strategic plans for MHCS. In addition, pursuant to Section 5.5.2 of the organizations bylaws, CHI may, in exercise of its approval powers, grant or withhold approval in whole or in part, or may, in its complete discretion, after consultation with the Board and the President and Chief Executive Officer of the organization, recommend such other or different actions as it deems appropriate

Identifier	Return Reference	Explanation
990 Part VI Line 15	Process for Determining Compensation	Compensation ranges for executives employed by Memorial Health Care System (MHCS) was determined by Catholic Health Initiatives (CHI). The review was performed to ensure that executive salaries were within comparable market ranges for that position. The results of the review were presented to the Human Resources Committee of the Board of Directors for approval. This review and approval occurs annually for all executive positions. THE ORGANIZATIONS CEO IS COMPENSATED BY CHI. THE HAY GROUP HAS SERVED AS THE INDEPENDENT COMPENSATION CONSULTANT TO CHI. AND ITS BOARD OF STEWARDSHIP TRUSTEES (BOST). HAY REVIEWED ALL MBO CEO COMPENSATION LEVELS WITH THE HR COMMITTEE OF THE CHI. BOST IN SEPTEMBER, 2009 AND PROVIDED A REPORT TO THE FULL CHI. BOARD AT THEIR DECEMBER MEETING, CONFIRMING THE REASONABLENESS OF MBO CEO TOTAL COMPENSATION AND CHIS COMPENSATION PHILOSOPHY.

ldentifier	Return Reference	Explanation
990 Part VII	Estimate of Hours Devoted to Related Organizations	COMPENSATION REPORTED ON FORM 990, PART VII WAS PAID TO THESE INDIVIDUALS BY RELATED ORGANIZATIONS IN EXCHANGE FOR THE FULFILLMENT OF THEIR DUTIES AS FULL-TIME, 60 HOUR-PER-WEEK EMPLOYEES

ldentifier	Return Reference	Explanation
990 Part XI Q2C	FINANCIAL STATEMENTS AUDITED	THE FORM 990 INSTRUCTIONS REQUIRE THAT AN ORGANIZATION WHOSE FINANCIAL STATEMENTS ARE INCLUDED IN A CONSOLIDATED AUDITED FINANCIAL STATEMENT RESPOND NO TO QUESTION 2 THE NO RESPONSE IS MISLEADING THE ORGANIZATION'S FINANCIAL STATEMENTS WERE AUDITED BY AN INDEPENDENT ACCOUNTANT AND ARE INCLUDED IN THE CONSOLIDATED AUDIT OF ITS PARENT ORGANIZATION, CATHOLIC HEALTH INITIATIVES (CHI) CHI'S AUDIT AND FINANCE COMMITTEES ASSUME RESPONSIBILITY FOR THE OVERSIGHT OF THE AUDIT OF ITS FINANCIAL STATEMENTS AND THE SELECTION OF AN INDEPENDENT ACCOUNTANT

ldentifier	Return Reference	Explanation
990 Part VI Q 1a	Executive Committee Composition and Authority	Pursuant to Section 8 6 of the Bylaw's of Memorial Health Care System, the Executive Committee is composed of the board chair, the board vice chair, the Immediate past chairperson of the board, the President and CEO, the Secretary, with one or two other directors. Each individual appointed to the Executive Committee shall serve for a term of one year or until his or her successor is duly appointed by the Board of Directors. Pursuant to Section 8.1 of the Corporation's bylaw's, committees, such as the executive committee, that are granted the authority to act on behalf of the board of directors may include only directors of the corporation. Further, pursuant to Section 8.6 of the Corporation's bylaw's, the executive committee has and may exercise such powers as may be delegated to it by the board of directors. The Executive Committee also possesses the power to transact routine business of the corporation in the interim period between regularly scheduled meetings of the board of directors.

Identifier	Return Reference	Explanation
990 Part VI Line 16b	Joint Venture Policy	Memorial Health Care System has not formally adopted a written policy or written procedure regarding joint ventures. However CHIs system-wide joint venture model operating agreement incorporates controls over the venture sufficient to ensure that (1) the exempt organization at all times retains control over the venture sufficient to ensure that the partnership furthers the exempt purpose of the organization, (2) in any partnership in which the exempt organization is a partner, achievement of exempt purposes is prioritized over maximization of profits for the partners, (3) the partnership does not engage in any activities that would jeopardize the exempt organization's exemption, (4) returns of capital, allocations, and distributions must be made in proportion to the partners' respective ownership interests, and (5) all contracts entered into by the partnership with the exempt organization must be at arm's-length, with prices set at fair market value. Any joint venture agreements that do not conform to the model agreement are generally reviewed by counsel.

ldentifier	Return Reference	Explanation
Statement of Program Service Accomplishments		Explanation  I Introduction Memorial Health Care System Ind ("MHCS") is primarily made up of two hospitals, Memorial Hospital almonal Memorial North Park Hospital almonal Hospital almonal dead on January 2, 1552 in response to concerns about the severe shortage of hospital beds in the community. Memorial North Park Hospital pone of MHCS when twe ap jurchased February 1, 1389 MHCS is part of Catholic Health Inatives ("CHI"), a national health care system established to foster a more effective mistry of faith-based health care in the United States. The mission of MHCS and CHIs to nutrie healting mission of the Cospel, with emphasis on human dignity and society size in the ceretion of health care on the Cospel, with emphasis on human dignity and society size in the ceretion of healther communities MHCs is a star exempt 501 (x)3 entity that operates a 24-hour emergency room 385 days per year at both Memorial and Memorial North Park Hospitals Both emergency room 385 days per year at both Memorial and Memorial North Park Hospitals Both emergency room and per size of the Cospel, with emphasis on human dignity and explanded to gromotion be continued to the cost of providuals regardless of ability to psy Community services have always been a significant part of MHCS. Each year, services and programs offered to the community are evaluated and explanded to gromotion both increased access to healther are manufactured to the person significant and physical who here give a continued to the poor as well as the broader community. Benefits for the poor include the cost of providing services to individuals who are unable to afford health care due to madequate resources and/or those that are unnsured or underinsured Benefits of the poor onclude traditional charty care, unpack costs of providing services to other populations who may not qualify as poor but may need specials services to both the poor as well as the broader community. Benefits for the poor access and/or those that are unnsured or underinsured services to approximate

ldentifier	Return Reference	Explanation
Statement of Program Service Accomplishments		Emergency Sitting Services MHCS provides emergency sitting services at no cost to families of patients with are unable to afford to have someone stay with the patient. This service is available when it has been determined that the patient does not need to be left alone for safety reasons. In FY2090 costs associated with providing this service were \$165,198 (Medassat Medassat is a contract company that provides MHCS with a representative to evaluate unnisured patients to see if they are eligible for Medicare of Medicard. The FY2009 expenses related with this service were \$30,867. Project Access Project Access he is a referral network that offers access to medical care for four uncome residents of Hamitton County who do not have insurance. Patients enrolled in this programm table below 150% of the poverty level and cannot be eligible for health insurance or other medical benefits such as Medicare or Tennicare Project Access helps patients get aspecialty health care that primary clinics may not be able to provide individuals that qualify are eligible for for health insurance or other medical benefits such as Medicare or Tennicare Project Access helps patients get aspecialty health care that primary clinics may not be able to provide individuals that qualify are eligible for provider in this network. Costs associated with this programm are reported in the Prescription Drug Program. Free Laboratory Tests and the Cost of Charity Care. IV. Community Outreach for the Broader Community Flath Community Nurse Programm Marc Sponeous and Statistics and the Cost of Charity Care. IV. Community Outreach for the Broader Community Flath Community Statistics. Programm are provided monthly workshops on topics such as crisis intervention, family systems, loss and grief, multibody/spirit connection and more. This training gives these nurses the tools to guide parishiners when the such as a second person with the safety and provided and the second person with sealing process. The cost of this programm is provided and to should approv

DLN: 93493137034290

2008

OMB No 1545-0047

Open to Public Inspection

**Employer identification number** 

## **Related Organizations and Unrelated Partnerships**

Department of the Treasury Internal Revenue Service

Name of the organization

(Form 990)

**SCHEDULE R** 

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.

Memorial Health Care System				62-0532345	
Part I Identification of Disregarded Entities					
(A) Name, address, and EIN of disregarded entity	( <b>B)</b> Primary activity	(C) Legal domicile (state or foreign country)	( <b>D)</b> Total income	<b>(E)</b> ind-of-year assets	<b>(F)</b> Direct controlling entity
See Additional Data Table					
Part II Identification of Related Tax-Exempt Organize	ations			_	
(A) Name, address, and EIN of related organization	<b>(B)</b> Primary activity	(C) Legal domicile (state or foreign country)	(D) Exempt Code section	( <b>E)</b> Public charity statu (if section 501(c)(3	(F) Direct controlling entity
See Additional Data Table					

<b>(A)</b> Name, address, and EIN of related organization	Prim	<b>(B)</b> Pary activity	(C) Legal domicile (state or foreign country)	<b>(D)</b> Direct controlling entity	Pred Incom Inve	(E) ominant e(related, estment, related)	Share	<b>(F)</b> e of total income	<b>(G)</b> Share of end-of- year assets	(H Disprop allocat	I) ortionate tions?	(I) Code V—UBI amount on Box 20 of K-1	Gene mana part	aging
										Yes	No		Yes	No
See Additional Data Table														
see Hantonal Bata Table														
Part IV Identification of Ro	elated	Organizations	Taxable as	a Corporation	ı or Tr	ust								
( <b>A)</b> Name, address, and EIN of related organiz		(B) Primary activity		(C) Legal domicile (state or foreign country)		( <b>D</b> ) Direct contro entity	olling	(E) Type of entity (C corp, S corp or trust)	(F) Share of total income	end	( <b>G)</b> hare of i-of-yea assets	( <b>H)</b> Percentage r 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	

Note. Complete line 1 if any entity is listed in Parts II, III or IV			Yes	No
During the tax year, did the orgranization 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	1a	а	Yes	
<b>b</b> Gift, grant, or capital contribution to other organization(s)	11:	ь	Yes	
c Gift, grant, or capital contribution from other organization(s)	10	С		No
d Loans or loan guarantees to or for other organization(s)	10	d		No
e Loans or loan guarantees by other organization(s)	16	e		No
f Sale of assets to other organization(s)	1f	f		No
g Purchase of assets from other organization(s)	19	g		No
h Exchange of assets	11	h		No
i Lease of facilities, equipment, or other assets to other organization(s)	11	i	Yes	
j Lease of facilities, equipment, or other assets from other organization(s)		j		No
k Performance of services or membership or fundraising solicitations for other organization(s)	11	k		No
Performance of services or membership or fundraising solicitations by other organization(s)	11	J	Yes	
m Sharing of facilities, equipment, mailing lists, or other assets	1r	m		No
n Sharing of paid employees	1r	n	Yes	
o Reimbursement paid to other organization for expenses	10	0	Yes	
p Reimbursement paid by other organization for expenses	1,	р	Yes	
<b>q</b> Other transfer of cash or property to other organization(s)	10	q	Yes	
r Other transfer of cash or property from other organization(s)	11	r	Yes	

(A) Name of other organization(s)	<b>(B)</b> Transaction type(a-r)	(C) Amount Involved
(1)		
See Additional Data Table		
(2)		
(3)		
(4)		
(5)		
(6)		

#### Part VI Unrelated Organizations Taxable as a Partnership

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

									_		
<b>(A)</b> Name, address, and EIN of entity	<b>(B)</b> Primary activity	<b>(C)</b> Legal domicile (state or foreign country)	(D) Are all partners section 501(c)(3) organizations?		<b>(E)</b> Share of end-of-year assets			( <b>G)</b> Code V—UBI amount on Box 20 of K-1	(H) General or managing partner?		
			Yes	No		Yes	No		Yes	No	
			•			•	•	Sabadula	D / Form	000) 2000	

**Additional Data** 

Memorial Health Partners 6028 Shallowford Road

Chattanooga, TN 37421

Chattanooga, TN 37404

Pathway Hospice LLC

Ontario, OR 97914 93-1310235 LincCare 8055 O Street

Lincoln, NE 68510 47-0697010

1111 6th Avenue

1111 6th Avenue

1111 6th Avenue

42-1521367

83-0397103

20-1703871

42-0680448

Des Moines, IA 50314

Des Moines, IA 50314

Mercy North ASC LLC

Des Moines, IA 50314

Mercy Pet Scanner LLC 1111 6th Avenue

Des Moines, IA 50314

St Joseph Community Health Services

St Joseph Community Health Foundation

300 Central SW Suite 300

300 Central SW Suite 300

St Joseph Healthcare System

St Elizabeth Health Services Inc

St Elizabeth Health Care Foundation

Flaget Memorial Hospital Foundation Inc

Flaget Healthcare DBA Flaget Memorial

4305 New Shepherdsville Road

4305 New Shepherdsville Road

500 Copper NW Suite 102

Albuquerque, NM87102

3325 Pocahontas Road

3325 Pocahontas Road

Baker City, OR97814

Bardstown, KY40004 56-2351341

Bardstown, KY40004 61-1345363

Lakewood Health Center

600 Main Avenue South

Breckenridge, MN56520

2400 St Francis Drive

2400 St Francis Drive

2400 St Francis Drive

Breckenridge, MN56520

Carrington Health Center

Saint Clare's Community Care

Saint Clare's Foundation Inc

Good Samaritan College of Nursing & Heal

800 North 4th Street

Carrington, ND58421

Breckenridge, MN56520

St Francis Medical Center

Breckenridge, MN56520

Healthcare and Wellness Foundation

Baudette, MN56623 41-0758434 Appletree Court

601 Oak Street

41-1850500

76-0761782 St Francis Home

41-0729978

41-0695598

45-0227311

66 Ford Road

66 Ford Road

Denville, NJ07834 22-2876836

Denville, NJ07834 22-2502997

375 Dixmyth Ave

31-1778403 Total Healthcare

PO Box 7021

84-0927232

62-0532345

62-1839548

03-0417049

23-7419853

31-1206047

66 Ford Road

Cincinnati, OH45220

Colorado Springs, CO80933

2525 De Sales Avenue

Chattanooga, TN37404

2525 De Sales Avenue

Chattanooga, TN37404

6028 Shallowford Road

Chattanooga, TN37421

Cincinnati, OH45206

Cincinnati, OH45206

Cincinnati, OH45206 31-0537486

Saint Clare's Hospital

Denville, NJ07834 22-3319886

19 Pocono Road

Denville, NJ07834 22-2536017

Cincinnati, OH45206

31-1074519

84-0902211

84-1183335

Denver, CO80202 47-0617373

Denver, CO80202 20-8473567

Memorial Health Care System Inc

Memorial Health Care System Foundation

Memorial Health Partners Foundation Inc

The Community Limited Care Dialysis Cent

Good Samaritan Foundation of Cincinnati

The Good Samaritan Hospital of Cincinnat

619 Oak Street Accounting-3 West

619 Oak Street Accounting-3 West

619 Oak Street Accounting-3 West

St Francis Life Care Corporation

Universal Health Corporation

961 East Colorado Avenue

Colorado Springs, CO80903

SET of Colorado Springs Inc

Colorado Springs, CO80903

Catholic Health Initiatives

1999 Broadway Suite 4000

1999 Broadway Suite 4000

Catholic Health Care Federation

825 E Pikes Peak Avenue Bldg 29

619 Oak Street Accounting-3 West

Catholic Health Initiatives Colorado Fou

Baker City, OR97814

Albuquerque, NM87102

Albuquerque, NM87102

71-0897107

85-0253087

85-0201285

93-0412495

94-3164869

Perinatal Center of Iowa LLC

Memorial Hospital Auxiliary 2525 de Sales Avenue

1050 SW 3rd Ave Suite 1600

Mercy Therapeutic Radiology Associates L

(A)

Name, address, and EIN of related organization

62-1784262

62-1839548

Software ID:
Software Version:
EIN:
Name:

Form 990, Schedule R, Part I - Identification of Disregarded Entities

Name, address, and EIN of disregarded entity

62-0532345

Primary Activity

Hospice Care

Support MHCSF

Hospice Care

Hospice Care

Physician

Physician

A mbulatory

Physician

(B)

Primary Activity

Community

Foundation

Healthcare

Hospital

Foundation

Fundraising

Hospital

LTerm Care

Senior Homes

Foundation

LTerm Care

Healthcare

Healthcare

Healthcare

Fundraising

Education

Healthcare

Hospital

Foundation

Healthcare

Dialysis

Foundation

Hospital

Hospital

Elderly Care

Physicians

Foundation

LTerm Care

Healthcare

Jurdic Person

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

Memorial Health Care System

(C) Legal Domicile

(State

or Foreign

Country)

TN

 $\mathsf{T}\mathsf{N}$ 

O R

ΝE

IΑ

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IΑ

IΑ

(C)

Legal Domicile

(State

or Foreign Country)

NM

NΜ

ΝM

O R

ΟR

ΚY

ΚY

MN

ΜN

MN

MN

ΜN

ND

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ΝJ

ΚY

CO

TN

TN

TN

ОН

ОН

ОН

ΝJ

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СО

CO

СО

СО

(D)

Total income

(\$)

162,658

67,355

7,138,989

-343,811

-10,993

(D)

**Exempt Code** 

section

501(c)(3)

501(c)(2)

501(c)(3)

501(c)(3)

501(c)(3)

501(c)(3)

501(c)(3)

501(c)(3)

501(c)(3)

501(c)(3)

501(c)(3)

(E)

End-of-year assets

(\$)

Return to Form

(F)

Direct Controlling

Entity

мнсѕ

CHI

St EHS

CHI-IA Corp

CHI-IA Corp

CHI-IA Corp

CHI-IA Corp

CHI

SJCHS

CHI

CHI

SEHS

CHI

CHI

SFH

SFMC

CHI

CHI

CHI

SCHS

SCHS

GHS

CHI

MHCS

MHCS

GSH

GSH

CHI

SCHS

GSH

CHI Colorado

CHI Colorado

СНІ

СНІ

TRI-HEALTH

CHI Colorado

(F)

Direct Controlling

Entity

142,597

1,266,816

26,159,105

1,342,382

1,712,012

(E)

Public charity

status

(If 501(c)(3))

11a

11a

3

11a

3

3

9

11a

9

3

3

11b

3

3

11a

3

3

9

11a

11a

MHCSFound

orm 990, Schedule R, Part II - Identification of Related Tax-Exempt Organizations									
(A) Name, address, and EIN of related organization	<b>(B)</b> Primary Activity	(C) Legal Domicile (State or Foreign Country)	(D) Exempt Code section	(E) Public charity status (if 501(c)(3))	<b>(F)</b> Direct Controlling Entity				
Global Health Initiatives  1999 Broadway Suite 4000 Denver, C080202 20-1536108  Health SET	Ministries	со	501(c)(3)	11a	СНІ				
4200 West Conejos Place 436 Denver, C080204 84-1102943 Bishop Drumm Retirement Center	Low Inc Care	со	501(c)(3)	7	CHI Colorado				
1111 6th Avenue Des Moines, IA50314 42-0725196	LTerm Care	IA	501(c)(3)	9	CHI-IA Corp				
Mercy Medical Center - Des Moines AKA  1111 6th Avenue Des Moines, IA 50314 42-0680448	Hospital	IA	501(c)(3)	3	CHI-IA Corp				
House of Mercy  1111 6th Avenue  Des Moines, IA 50314  42-1323808  Mercy Auxiliary of Central Iowa	Shelter	IA	501(c)(3)	7	CHI-IA Corp				
1111 6th Avenue Des Moines, IA50314 42-6076069 Mercy Clinics Inc	A uxiliary	IA	501(c)(3)	11a	CHI-IA Corp				
1111 6th Avenue Des Moines, IA 50314 42-1193699	Physician	IA	501(c)(3)	9	CHI-IA Corp				
Mercy College of Health Sciences  1111 6th Avenue  Des Moines, IA 50 31 4  42-1511682	Education	IA	501(c)(3)	2	CHI-IA Corp				
Mercy Foundation of Des Moines IA  1111 6th Avenue Des Moines, IA 50314 23-7358794  Mercy Medical Center - Centerville FKA	Foundation	IA	501(c)(3)	7	CHI-IA Corp				
1 St Josephs Drive Centerville, IA 52 54 4 42 - 06 8 0 3 0 8  Mercy Professional Practice Associates	Hospital	IA	501(c)(3)	3	CHI-IA Corp				
1111 6th Avenue Des Moines, IA50314 42-1470935	Physician	IA	501(c)(3)	9	CHI-IA Corp				
Mercy Hospital of Devils Lake  1031 East Seventh Street  Devils Lake, ND58301  45-0227012	Healthcare	ND	501(c)(3)	3	СНІ				
St Joseph's Lifecare Foundation  30 West 7th Street Dickinson, ND58601 36-3418207	Foundation	ND	501(c)(3)	11a	SJHHC				
St Joseph's Hospital and Health Center  30 West 7th Street Dickinson, ND58601 45-0226429	Healthcare	ND	501(c)(3)	3	СНІ				
Mercy Regional Medical Center of Durango  1010 Three Springs Blvd  Durango, C081301  84-0405515	Hospital	СО	501(c)(3)	3	СНІ				
CHI Kentucky Inc 3900 Olympic Blvd Suite 400 Erlanger, KY41018 20-2741651	Healthcare	КҮ	501(c)(3)	11a	СНІ				
Villa Nazareth Inc 801 Page Drive Fargo, ND58103 45-0226714	LT Care	ND	501(c)(3)	9	СНІ				
St Catherine Hospital  401 East Spruce Street Garden City, KS67846 48-0543721	Hospital	KS	501(c)(3)	3	СНІ				
St Catherine Hospital Development Found  401 East Spruce Street  Garden City, KS67846  20-0598702	Foundation	KS	501(c)(3)	11a	sсн				
Saint Francis Medical Center Foundation  PO Box 9804 Grand Island, NE68802 47-0630267	Foundation	NE	501(c)(3)	7	SFMC				
Saint Francis Medical Center  PO Box 9804 Grand Island, NE68802 47-0376601	HealthCare	NE	501(c)(3)	3	CHI Nebraska				
Central Kansas Medical Center  3515 Broadway Great Bend, KS67530 48-0543724	Hospital	KS	501(c)(3)	3	СНІ				
Central Kansas Medical Center Foundation  3515 Broadway Great Bend, KS67530  48-6120330  Ct least Memorial Heavital	Fundraising	KS	501(c)(3)	11c	N/A				
St Joseph Memorial Hospital  923 Carroll Ave Larned, KS67550 48-1253246  MNMCH Inc	Hospital	KS	501(c)(3)	3	CKMC				
	Hospital	KS	501(c)(3)	3	SJRMC				
2727 McClelland Blvd Joplin, MO 64804 43-1305163	Property Mgmt	МО	501(c)(3)	11a	SJRMC				
St John's Medical Group  2727 McClelland Blvd  Joplin, MO 64804  43-1882377	Phys Practice	МО	501(c)(3)	9	SJRMC				
St John's Mercy Regional Foundation  2727 McClelland Blvd  Joplin, MO 64804  43-1308084	Foundation	мо	501(c)(3)	7	SJRMC				
St John's Regional Medical Center  2727 McClelland Blvd Joplin, MO 64804 44-0545809	Hospital	мо	501(c)(3)	3	СНІ				
Good Samaritan Health Systems Inc  PO Box 1990  Kearney, NE68848  47-0659441	Community	NE	501(c)(3)	11a	CHI Nebraska				

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))	<b>(F)</b> Direct Controlling Entity	
Kearney, NE68848 47-0379755	H ealth Care	NE	501(c)(3)	3	CHI Nebraska	
Kearney, NE68848 47-0659443	Foundation	NE	501(c)(3)	7	GSН	
Bachmann Realty Corporation  2135 Noll Drive Suite C  Lancaster, PA17603  23-3019013	Real estate	DE	501(c)(3)	11a	SJHM	
Lancaster, PA 17603 23-2342997	Health	PA	501(c)(3)	11a	SJHM	
Lancaster, PA 17603 23-2605579	Fundraising	РА	501(c)(3)	11a	SJHM	
St Joseph Health Services Inc  2135 Noll Drive Suite C  Lancaster, PA17603  20-1425375	Dental care	PA	501(c)(3)	11a	SJHM	
Lexington, KY40509 61-1400619	LTACH	КҮ	501(c)(3)	3	SJHS	
Saint Joseph Berea Hospital Foundation  305 Estill Street Berea, KY40403 26-0152877	Foundation	КҮ	501(c)(3)	7	SJHS	
Lexington, KY40509 61-1334601	Hospital	КҮ	501(c)(3)	3	СНІ	
Lexington, KY40504 61-1159649	Foundation	КҮ	501(c)(3)	11a	SJHS	
Lexington, KY40504 31-1539059	Phy Practices	KY	501(c)(3)	3	SJHS	
Sparta, NJ07871 22-1768334	Home Health	ΝJ	501(c)(3)	9	schs	
Lincoln, NE68510 47-0625523	Foundation	NE	501(c)(3)	7	SERMC	
Lincoln, NE68510 36-3233120	Healthcare	NE	501(c)(3)	3	SERMC	
Lincoln, NE68510 36-3233121	Healthcare	NE	501(c)(3)	11a	СНІ	
Lincoln, NE68510 47-0379836	Healthcare	NE	501(c)(3)	3	CHI Nebraska	
Lincoln, NE68510 47-0780857	Healthcare	NE	501(c)(3)	11a	CHI Nebraska	
Lisbon Area Health Services  905 Main Street Lisbon, ND58054 82-0558836	H e a l th c a r e	ND	501(c)(3)	3	СНІ	
Little Falls, MN 56345 41-1351177	Lterm Care	MN	501(c)(3)	9	СНІ	
Little Falls, MN56345 41-0721642	Healthcare	MN	501(c)(3)	3	СНІ	
Morrilton, AR72110 71-0245507	Healthcare	AR	501(c)(3)	3	SVIMC	
Little Rock, AR72205 71-0236917	Healthcare	AR	501(c)(3)	3	СНІ	
Little Rock, AR72205 71-0830696	Healthcare	AR	501(c)(3)	9	SVIMC	
Dayton, OH45416 31-0935118	Healthcare	ОН	501(c)(3)	9	SHP	
Marymount Medical Center Foundation 310 East Ninth Street London, KY40741 26-0438748	Foundation	KY	501(c)(3)	11a	SJHS	
Samaritan Behavioral Health  601 S Edwin C Moses Blvd  Dayton, OH45408  02-0633634	Hospital	он	501(c)(3)	3	SHP	
Nampa, ID83686 82-0200896	Hospital	ID	501(c)(3)	3	СНІ	
Nampa, ID83686 26-1737256	Foundation	ID	501(c)(3)	11a	Mercy Med Ct	
Mercy Physician Group Inc 1512 12th Avenue Road Nampa, ID83686 20-8192593	Phys Group	ID	501(c)(3)	9	Mercy Med Ct	
St Mary's Hospital  1314 3rd Avenue Nebraska City, NE68410 47-0443636	Hospital	N E	501(c)(3)	3	CHI Nebraska	

Form 990, Schedule R, Part II - Identification of Related T	ax-Exempt Organiza		]	]	
(A) Name, address, and EIN of related organization	<b>(B)</b> Primary Activity	(C) Legal Domicile (State or Foreign Country)	(D) Exempt Code section	(E) Public charity status (if 501(c)(3))	<b>(F)</b> Direct Controlling Entity
Nebraska City, NE68410 47-0707604	Foundation	NE	501(c)(3)	7	sмн
Oakes, ND58474 45-0231675	Hospital	ND	501(c)(3)	3	СНІ
Oakes, ND58474 71-0966606	Foundation	N D	501(c)(3)	11a	осн
Holy Rosary Medical Center DBA The Domi 351 SW 9th Street Ontario, OR97914 93-0433692	Hospital	OR	501(c)(3)	3	СНІ
Ontario, OR97914 20-2683560	Foundation	OR	501(c)(3)	11a	HRMC
St Joseph's Area Health Services  600 Pleasant Avenue Park Rapids, MN56470 41-0695603	Hospital	MN	501(c)(3)	3	СНІ
St Anthony Hospital  1601 SE Court Avenue Pendleton, OR97801 93-0391614	Hospital	OR	501(c)(3)	3	СНІ
St Anthony Hospital Foundation  1601 SE Court Avenue Pendleton, OR97801 93-0992727	Foundation	O R	501(c)(3)	11a	SA Hospital
Gettysburg Medical Center  606 East Garfield Avenue Gettysburg, SD57442 46-0234354	Hospital	SD	501(c)(3)	3	SMHC
St Mary's Healthcare Center  801 East Sioux Avenue Pierre, SD57501 46-0230199	Healthcare	SD	501(c)(3)	3	СНІ
Mt St Joseph Inc  3060 SE Stark Street Portland, 0R97214 93-0386870	Nursing Care	O R	501(c)(3)	9	СНІ
Pueblo Stepup  1925 East Orman Avenue Suite G52  Pueblo, C081004  84-1234295	Community	СО	501(c)(3)	7	СНІ
Bornemann Healthcare Corporation  2500 Bernville Road PO Box 316  Reading, PA19603  23-2187242	Healthcare	PA	501(c)(3)	11a	СНІ
St Joseph Medical Center Foundation  2500 Bernville Road PO Box 316  Reading, PA19603  23-2649362	Foundation	PA	501(c)(3)	11a	SJRHN
St Joseph Medical Group  2500 Bernville Road PO Box 316  Reading, PA19603  20-8544021	Healthcare	PA	501(c)(3)	9	внс
St Joseph Regional Health Network  2500 Bernville Road PO Box 316  Reading, PA19603  23-1352211	Healthcare	PA	501(c)(3)	3	СНІ
Roseburg, OR97470 93-0821381	Senior Living	OR	501(c)(3)	9	ммс
Mercy Foundation Inc 2700 Stewart Parkway Roseburg, OR97470 93-6088946	Foundation	OR	501(c)(3)	7	ммс
Roseburg, OR97470 93-0386868	Hospital	OR	501(c)(3)	3	СНІ
Franciscan Villa of South Milwaukee Inc 3601 South Chicago Avenue South Milwaukee, WI53172 39-1093829	Healthcare	WI	501(c)(3)	9	СНІ
Enumclaw, WA 98022 91-0715805	Hospital	WA	501(c)(3)	3	FHS
Tacoma, WA 98405 91-1145592	Fundraising	WA	501(c)(3)	9	FHS
Tacoma, WA 98405 91-0564491	Healthcare	WA	501(c)(3)	3	СНІ
Tacoma, WA 98405 91-1939739	Healthcare	WA	501(c)(3)	9	FHS
Towson, MD21204 52-1681044	Fundraising	MD	501(c)(3)	7	SJMC
St Joseph Medical Center Inc 7601 Osler Drive Towson, MD21204 52-0591461	Hospital	MD	501(c)(3)	3	СНІ
Towson, MD21204 52-1311775	Physicians	MD	501(c)(3)	11a	СНІ
Samaritan Health Foundation  2222 Philadelphia Drive  Dayton, OH45406  23-7296923	Foundation	он	501(c)(3)	7	SHP
Mercy Hospital of Valley City  570 Chautauqua Boulevard  Valley City, ND58072  45-0226553	Hospital	ND	501(c)(3)	3	СНІ
Mercy Medical Center  1301 15th Avenue West Williston, ND58801 45-0231183	Healthcare	ND	501(c)(3)	3	СНІ

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

<b>(A)</b> Name, address, and EIN of related organization	<b>(B)</b> Primary Activity	(C) Legal Domicile (State or Foreign Country)	( <b>D)</b> Exempt Code section	(E) Public charity status (if 501(c)(3))	<b>(F)</b> Direct Controlling Entity
Mercy Medical Foundation					ммс
1301 15th Avenue West Williston, ND58801 _45-0381803	Foundation	ND	501(c)(3)	11a	
Samarıtan Health Partners					
2222 Philadelphia Drive Dayton, OH45406 31-1107411	H ealthcare	он	501(c)(3)	11a	СНІ
St Vincent Foundation					
Two St Vincent Circle Little Rock, AR72205 51-0169537	Fundraising	AR	501(c)(3)	11a	SVIMC
Auxiliary of Holy Rosary Hospital Inc					
351 SW 9th Street Ontario, OR97914 94-3059469	Hospital	O R	501(c)(3)	9	HRMC
The Mercy Hospital of Devils Lake Fdn					
1031 East Seventh Street Devils Lake, ND58301 35-2367360	Foundation	ND	501(c)(3)	11a	MHDL
Alegent Health - Bergan Mercy Health Sys					
7500 Mercy Road Omaha, NE68124 47-0484764	Hospital	NE	501(c)(3)	3	СНІ
Alegent Health - Mercy Hospital Corning					
PO Box 368 Corning, IA 50841 42-0782518	Hospital	IA	501(c)(3)	3	AHBMHS
Mercy Health Care Foundation					
PO Box 368 Corning, IA 50841 42-1461064	Foundation	NE	501(c)(3)	11a	АНМН
Mercy Hospital Foundation Council Bluff					
800 Mercy Drive Council Bluffs, IA51503 42-1178204	Foundation	IA	501(c)(3)	11a	N/A

For

(A) Name, address, and EIN of related organization	<b>(B)</b> Primary activity	(C) Legal Domicile (State or Foreign Country)	Controlling Entity	(E) Predominant income(related, investment, unrelated)	(F) Share of total income (\$)	Share of as
Superior Medical Imaging LLC						

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OP Diagnostics

Physical Therapy

Ambulatory Surg

Real Estate

Medical Imaging

Cancer Center

Real Estate

Ortho Hospital

Surgery Center

Laundry

Diagnostic

Day Surgery

Ambul Surg Ctr

Investments

5000 North 26th Street

Central Nebraska Rehab

Mercy West Endoscopy LLC

1601 NW 114th St Suite 244

Audubon Land Company LLC

5390 N Academy Blvd Suite

Colorado Springs, CO80918

Breckenridge Medical Clinic

Breckenridge, CO80424

1390 Kelly Johnson Blvd

St Anthony Regional Mtn

St Francis Land Company

5390 N Academy Blvd Suite

Colorado Springs, CO80918

11650 West 2nd Place

Mercy Outpatient Surgery

1512 12th Avenue Road Nampa, ID83686 84-1380439

Tacoma, WA 98405 87-0808610

PO Box 9804

72-1546196

Center

310

LLC

Program LP

47-0727942

Peninsula Radiation Oncology

Healthcare Support Services

Grand Island, NE688029804

Bluegrass Regional Imaging

1218 South Broadway Suite

Ambulatory Surgery Cntr Rsbg

North River Surgery Center

CHI Operating Investment

9780 Mt Pyramid Court 3rd

Englewood, CO80112

2209 Wildwood Avenue Sherwood, AR72120 71-0799771

Lexington, KY40504 61-1386736

2750 W Harvard Roseburg, OR97471 93-1293442

314 Martin Luther King Jr Way Healthcare Srvc

Lakewood, CO80255 37-1577105

4231 W 16th Avenue Denver, CO80112 37-1568013

Colorado Springs, CO80920

555 South Park Avenue Plaza Medical Clinic

3004 W Faidley Ave Grand Island, NE68802

Lincoln, NE68521 26-2884555

Services

81-0653461

Clive, IA50325 90-0129077

84-1513085

65-1295958 Penrad Imaging

84-1072619

Cancer Center

26-3134100 OrthoColorado LLC

Center LLC

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2,091,929

4,183,006

2,016,353

9,259,533

9,836,292

546,966

15,439,923

2,821,680

1,129,360

2,387,702

3,912,695

4,317,057

2,092,370

1,650,592

4,069,968

15,827,712

1,690,849

314,771

-242,741

-66,738

-484,585

282,899

73,817

260,714

190,224

-42,795

58,022

(\$)

**(J)** General or Managing Partner?

Yes No

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Yes

Yes

-88,608

Yes

rm 990, Schedule R, Part III - Identification of Related Organizations Taxable as a Partnership										
<b>(A)</b> Name, address, and EIN of related organization	<b>(B)</b> Primary activity	(C) Legal Domicile (State or Foreign	(D) Direct Controlling Entity	(E) Predominant income(related, investment, unrelated)	<b>(F)</b> Share of total income (\$)		<b>(H)</b> Disproprtionate allocations?	(I) Code V-UBI amount on Box 20 of Schedule K-1 (Form 1065) (\$)		

<b>(A)</b> Name, address, and EIN of	<b>(B)</b> Primary activity	(C) Legal Domicile (State	( <b>D)</b> Direct Controlling	(E) Predominant	<b>(F)</b> Share of total income	Snare of end-of-year	(H) Disproprtionate allocations?	(I) Code V-UBI amo on
related organization	Filliary activity	(State or	Controlling Entity	ıncome(related, ınvestment,	(\$)	assets (\$)		Box 20 of Sched

Related

Investment

SJ HospitalLex Related

Mercy Medical

SVIMC

CHI

Form 990, Schedule R, Part IV - Identification of Related Organizations Taxable as a Corporation or Trust (A) (G) (D) (H) (B) (C) Name, address, and EIN of related Primary activity Legal Domicile Direct Controlling Type of entity Share of total income Share of Percentage organization (C corp, S corp, end-of-year (State or Entity (\$) ownership Foreign or trust) assets Country) (\$) Mercy Health Services Corporation 2727 McClelland Blvd St John's RMC DME МΟ C Corp -17,953 2,093,683 100 % Joplin, MO 64804 43-1457881 Mountain Management Services Inc MHCS 6028D Shallowford Road TNC Corp 383,380 11,783,040 100 % mgmt svc org Chattanooga, TN37422 62-1570739 MedQ uest 1301 15th Avenue West MHof Williston ND C Corp Sale of DME 38,645 921,119 100 % Williston, ND58801 45-0392137 St Anthony Development Company 1415 Southgate St Anthony H Athletic Club OR C Corp 17,998 3,142,823 100 % Pendleton, OR97801 93-1216943 Healthcare Management Inc NΑ 555 South 70th Street Billing Services ΝE C Corp Lincoln, NE68510 47-0662703 GOOD SAMARITAN OUTREACH SERVICES MEDICAL GSHS PO BOX 1990 ΝE 100 % C Corp KEARNEY, NE68848 CLINIC 47-0659440 HEALTH SYSTEMS ENTERPRISES INC PO BOX 1990 MANAGEMENT GSHS NΕ C Corp 17,676 1,769,891 100 % KEARNEY, NE68848 47-0664558 Mercy Park Apartments Ltd 1111 6th Avenue CHI-IA Corp IΑ C Corp 23,229 1,878,898 100 % Housing Des Moines, IA 50314 42-1202422 Des Moines Medical Center Inc 1111 6th Avenue CHI-IA Corp ΙΑ C Corp -56,189 1,093,386 91 13 % Real Estate Des Moines, IA50314 42-0837382 Comcare Services CHIC 4231 W 16th Avenue C Corp Inactive CO 100 % Denver, CO80204 84-0904813 Mednow Inc 1512 12th Avenue Road Outpat Mercy Med Ctr ΙD C Corp 4,534,408 5,348,476 100 % Nampa, ID83686 Pharmacy 82-0389927 Saint Clare's Primary Care Inc 66 Ford Road sccc Billing Services ΝJ C Corp -483,820 2,590,487 100 % Denville, NJ07834 22-2441202 Healthcare Mgmt Services Org Inc FHS 1149 Market St Health Org WA C Corp 100 % Tacoma, WA98402 91-1865474 Physician Health System Network 1149 Market St FHS Health Org WA C Corp 100 % Tacoma, WA98402 91-1746721 Saint Clare's Health Care Solutions Inc schcs 66 Ford Road ΝJ C Corp -81,617 100 % Nursing Denville, NJ07834 20-4969477 Mercy Services Corp 2700 Stewart Parkway Mercy Medical Retail Sales OR C Corp -276,939 1,649,984 100 % Roseburg, OR97470 93-0824308 Caduceus Medical Associates Inc 6028 Shallowford Road Suite D MHCS 1,008 Healthcare TNC Corp 100 % Chattanooga, TN37422 62-1570736 CENTRAL KANSAS HEALTH SERVICES ASSOCIATI MEDICAL CKMCC Corp 3515 Broadway KS 100 100 % -309,321 EQUIPMENT Great Bend, KS67530 48-1042853 St Vincent Community Health Services In Two St Vincent Circle SVIMC ΑR C Corp 1,018,000 10,399,000 100 % Healthcare Little Rock, AR72205 71-0710785 Alternative Insurance Management Service 3900 Olympic Boulevard Suite 400 Management CO N/A C Corp 4,445,439 100 % Erlanger, KY41018 Servic 84-1112049 Nazareth Assurance Company 76 St Paul Street Suite 500 CHI Insurance VΤ C Corp 262 5,695 100 % Burlington, VT05401 03-0304831 Franciscan Services Inc 9780 Mt Pyramid Ct CHI C Corp 7,815,631 Healthcare СО -252,887 100 % Englewood, CO80112 23-2487967 SJH Services Corporation 9780 Mt Pyramid Ct FSI 106,864 Healthcare CO C Corp 3,481,247 100 % Englewood, CO80112 23-2307408 St Joseph Development Company Inc 1717 South J Street FSI 1,153,946 Rental WA C Corp 11,984,725 100 % Tacoma, WA98405 91-1480569 Towson Management Inc FSI 7601 Osler Drive Management ΜD C Corp 74,937 474,456 100 % Towson, MD21204 Servic 52-1710750

# Form 990, Schedule R, Part V - Transactions with Related Organizations (A) Name of other organization

Catholic Health Initiatives

Catholic Health Initiatives

(15)

(16)

(1)	MHS Interest payment to MHCS	a	51,252
(2)	MHPF rent payment to MHCS	a	684,691
(3)	MTN misc payments to MHCS	a	98,135
(4)	MHPF contributed capital to Caduceus	b	1,537,460
(5)	Foundation net assets released fr restriction	r	1,019,282
(6)	MHPF rental of lab space equip staff	ı	1,034,849
(7)	Foundation fundraising	ı	246,329
(8)	MHPF reimbursement of exp pd by Mtn Mgmt	0	14,400,000
(9)	MHPF payments to Memorial for exp pd by mhcs	р	9,073,058
(10)	Mtn payments to Memorial for exp pd by mhcs	р	23,203,171
(11)	Employees split between Mtn Mgmt & MH	n	142,093
(12)	Exp paid on the MHCS Foundations behalf	b	496,743
(13)	Mtn interest payment to Memorial	a	270,240
(14)	Catholic Health Initiatives	ı	57,796,271

**(B)** Transaction

type(a-r)

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(C)

A mount Involved

(\$)

8,933,107

9,154,271