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Form 990

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

OMB No 1545-0047

2008

Open to Public Inspection

A For the 2008 calendar year, or tax year beginning 07-01-2008 and ending 06-30-2009

B Check if applicable

☐ Address change

☐ Name change

☐ Initial return

☐ Termination

☐ Amended return

☐ Application pending

Please use IRS label or print or type. See Specific Instructions.

C Name of organization

Mercy Medical Center Inc

Doing Business As

Number and street (or P O box if mail is not delivered to street address)

2700 Stewart Parkway

Room/suite

City or town, state or country, and ZIP + 4

Roseburg, OR 97471

D Employer identification number

93-0386868

E Telephone number

(541) 677-2457

G Gross receipts

\$ 158,545,606

F Name and address of Principal Officer

Kelly Morgan

2700 Stewart Parkway

Roseburg, OR 97471

H(a) Is this a group return for affiliates?

☐ Yes ☒ No

H(b) Are all affiliates included?

☐ Yes ☐ No

(If "No," attach a list See instructions)

H(c) Group Exemption Number

0928

I Tax-exempt status

☒ 501(c) (3) ☐ (insert no) ☐ 4947(a)(1) or ☐ 527

J Web site:

www.mercyrose.org

K Type of organization

☒ Corporation ☐ trust ☐ association ☐ other

L Year of Formation

1909

M State of legal domicile

OR

Part I

Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities The mission of Mercy Medical Center is to provide excellent, compassionate care for the people of our community, regardless of ability to pay		
	2	Check this box ☐ if the organization discontinued its operations or disposed of more than 25% of its assets		
	3	Number of voting members of the governing body (Part VI, line 1a)	3	13
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	10
	5	Total number of employees (Part V, line 2a)	5	1,268
	6	Total number of volunteers (estimate if necessary)	6	357
	7a	Total gross unrelated business revenue from Part VIII, line 12, column (C)	7a	1,203,333
	b	Net unrelated business taxable income from Form 990-T, line 34	7b	96,358
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9	Program service revenue (Part VIII, line 2g)	977,044	766,224
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	154,132,714	157,147,357
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	904,546	-1,614,225
	12	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	9,377	2,223,574
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	156,023,681	158,522,930
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	540,660	531,854
	14	Benefits paid to or for members (Part IX, column (A), line 4)		0
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	61,771,450	69,158,735
	16a	Professional fundraising fees (Part IX, column (A), line 11e)		0
	b	(Total fundraising expenses, Part IX, column (D), line 25 ⁰)		
	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	83,895,541	84,334,967
	18	Total expenses—add lines 13–17 (must equal Part IX, line 25, column (A))	146,207,651	154,025,556
	19	Revenue less expenses Subtract line 18 from line 12	9,816,030	4,497,374
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	Beginning of Year	End of Year
	21	Total liabilities (Part X, line 26)	137,463,051	130,649,486
	22	Net assets or fund balances Subtract line 21 from line 20	70,875,123	62,302,622
	22	Net assets or fund balances Subtract line 21 from line 20	66,587,928	68,346,864

Part II

Signature Block

Please Sign Here

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

Signature of officer

2010-05-15

Date

John Kasberger CFO

Type or print name and title

Paid Preparer's Use Only

Preparer's signature

Date

Check if self-employed ☐

Preparer's PTIN (See Gen Inst)

Firm's name (or yours if self-employed), address, and ZIP + 4

CATHOLIC HEALTH INITIATIVES

9780 MT PYRAMID COURT

ENGLEWOOD, CO 80112

EIN

Phone no (720) 874-1500

May the IRS discuss this return with the preparer shown above? (See instructions)

☐ Yes ☐ No

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Cat No 11282Y

Form 990 (2008)

Part III

Statement of Program Service Accomplishments (See the instructions.)

1

Briefly describe the organization’s mission

The Mission of Mercy Medical Center is to nurture the healing ministry of the Church by bringing it new life, energy, and viability in the 21st century Fidelity to the Gospel urges us to emphasize human dignity and social justice as we move toward the creation of healthier communities

2

Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?

Yes

No

If “Yes,” describe these new services on Schedule O

3

Did the organization cease conducting or make significant changes in how it conducts any program services?

Yes

No

If “Yes,” describe these changes on Schedule O

4

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

4a

(Code) (Expenses \$ 140,229,030 including grants of \$ 562,603) (Revenue \$ 155,944,323)

SEE SCHEDULE O

4b

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

4c

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

4d

Other program services (Describe in Schedule O)

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

4e

Total program service expenses \$ 140,229,030 Must equal Part IX, Line 25, column (B).

Part IV

Checklist of Required Schedules

		Yes	No	
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A 	1	Yes	
2	Is the organization required to complete Schedule B, Schedule of Contributors? 	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I 	3		No
4	Section 501(c)(3) organizations Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II 	4	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		No
13	Is the organization a school as described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13		No
14a	Did the organization maintain an office, employees, or agents outside of the U S?	14a		No
b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the U S? If "Yes," complete Schedule F, Part I	14b		No
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Part II	15		No
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Part III	16		No
17	Did the organization report more than \$15,000 on Part IX, column (A), line 11e? If "Yes," complete Schedule G, Part I	17		No
18	Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18		No
19	Did the organization report more than \$15,000 on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19		No
20	Did the organization operate one or more hospitals? If "Yes," complete Schedule H 	20	Yes	
21	Did the organization report more than \$5,000 on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II 	21	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		No
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		
25a	Section 501(c)(3) and 501(c)(4) organizations Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I 	25a		No
b	Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? If "Yes," complete Schedule L, Part I 	25b		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II 	26	Yes	
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? If "Yes," complete Schedule L, Part III 	27		No

Part IV

Checklist of Required Schedules (Continued)

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

Part V

Statements Regarding Other IRS Filings and Tax Compliance

			Yes	No
1a	Enter the number reported in Box 3 of Form 1096, <i>Annual Summary and Transmittal of U.S. Information Returns</i> . Enter -0- if not applicable	1a0		
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	Yes	
2a	Enter the number of employees reported on Form W-3, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return	2a1,268		
b	If at least one is reported in 2a, did the organization file all required federal employment tax returns? . . . Note: <i>If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return.</i>	2b		
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	3a	Yes	
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	3b	Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a		No
b	If "Yes," enter the name of the foreign country _____ See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts .			
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . . .	5a		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		No
c	If "Yes," to 5a or 5b, did the organization file Form 8886-T, <i>Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction</i> ?	5c		
6a	Did the organization solicit any contributions that were not tax deductible?	6a		No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b		
7	Organizations that may receive deductible contributions under section 170(c).			
a	Did the organization provide goods or services in exchange for any quid pro quo contribution of \$75 or more?	7a		No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		No
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d		
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e		No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . .	7f		No
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?	7g	Yes	
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	7h	Yes	
8	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8		
9	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.			
a	Did the organization make any taxable distributions under section 4966?	9a		
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b		
10	Section 501(c)(7) organizations. Enter			
a	Initiation fees and capital contributions included on Part VIII, line 12	10a		
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b		
11	Section 501(c)(12) organizations. Enter			
a	Gross income from members or shareholders	11a		
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b		
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b		

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

		Yes	No
For each "Yes" response to lines 2-7 below, and for a "No" response to lines 8 or 9b below, describe the circumstances, processes, or changes in Schedule O. See instructions.			
1a	Enter the number of voting members of the governing body	1a	13
b	Enter the number of voting members that are independent	1b	10
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
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b	Yes
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
a	the governing body?	8a	Yes
b	each committee with authority to act on behalf of the governing body?	8b	Yes
9a	Does the organization have local chapters, branches, or affiliates?	9a	No
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	
10	Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990	10	Yes
11	Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	11	No

Section B. Policies

		Yes	No
12a	Does the organization have a written conflict of interest policy? If "No", go to line 13	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		
a	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	Yes

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed <u>OR</u>
18	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply. ☐ own website ☐ another's website ☒ upon request
19	Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public. See Additional Data Table.
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization. John Kasberger 2700 Stewart Parkway Roseburg, OR 97471 (541) 677-2458

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

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

[illegible]

Part VII

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual Trustee or Director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
1b Total								2,743,244	1,220,356	386,206

2 Total number of individuals (including those in 1a) who received more than \$100,000 in reportable compensation from the organization **40**

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

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

(A)	(B)	(C)
Name and business address	Description of services	Compensation
Favonte Nurses Favorite Temps PO Box 803356 Kansas City, MO 64180	Contract Labor	889,864
PAMPLACLAB PO Box 2670 Spokane, WA 99220	Laboratory	665,440
ALSCO 1817 Broad St Chattanooga, TN 37408	Laundry & Linen	549,362
Professional Management Of Oregon 2801 NW Mercy Dr Suite 200 Roseburg, OR 97470	Management Services	562,970
California Emergency Physicians 2100 Powell St Suite 920 Emeryville, CA 94608	Management Services	522,177

2	Total number of independent contractors (including those in 1) who received more than \$100,000 in compensation from the organization	0
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Part VIII

Statement of Revenue

				(A) Total Revenue	(B) Related or Exempt Function Revenue	(C) Unrelated Business Revenue	(D) Revenue Excluded from Tax under IRC 512, 513, or 514	
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns . . .	1a					
	b	Membership dues						
			1b					
	c	Fundraising events						
			1c					
	d	Related organizations . . .	1d	405,593				
	e	Government grants (contributions)	1e					
	f	All other contributions, gifts, grants, and similar amounts not included above		360,631				
			1f					
g	Noncash contributions included in lines 1a-1f \$							
h	Total (Add lines 1a-1f)			766,224				
Program Service Revenue			Business Code					
	2a	Patient Services	900,099	156,345,970	155,142,936	1,203,034		
	b	Rental Income	900,099	686,704	686,704			
	c	Reimbursement of Expenses	900,099	89,072	89,072			
	d	Equity changes of unconsolidated orgs	900,099	25,611	25,611			
	e							
	f	All other program service revenue						
	g	Total. Add lines 2a-2f						
		\$ 157,147,357						
Other Revenue	3	Investment income (including dividends, interest other similar amounts)						
				669,001		299	668,702	
	4	Income from investment of tax-exempt bond proceeds		0				
	5	Royalties		0				
	6a	Gross Rents	(i) Real	(ii) Personal				
			33,351					
			22,676					
			10,675					
	b	Less rental expenses						
	c	Rental income or (loss)						
	d	Net rental income or (loss)		10,675			10,675	
	7a	Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
			-2,265,629	-17,597				
			-2,265,629	-17,597				
	c	Gain or (loss)						
	d	Net gain or (loss)		-2,283,226			-2,283,226	
	8a	Gross income from fundraising events (not including \$ of contributions reported on line 1c) See Part IV, line 18 Attach Schedule G if total exceeds \$15,000						
	b	Less direct expenses	b					
	c	Net income or (loss) from fundraising events		0				
	9a	Gross income from gaming activities See part IV, line 19 Complete Schedule G if total exceeds \$15,000						
	b	Less direct expenses	b					
	c	Net income or (loss) from gaming activities		0				
10a	Gross sales of inventory, less returns and allowances							
b	Less cost of goods sold	b						
c	Net income or (loss) from sales of inventory		0					
Miscellaneous Revenue		Business Code						
11a	Intercompany Transactions	900,099	1,335,485			1,335,485		
b	Cafeteria	722,100	680,510			680,510		
c	Services Sold	900,099	140,071			140,071		
d	All other revenue		56,833			56,833		
e	Total. Add lines 11a-11d							
	\$ 2,212,899							
12	Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e			158,522,930	155,944,323	1,203,333	609,050	

Part IX

Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).					
Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the U S See Part IV, line 21	482,055	482,055		
2	Grants and other assistance to individuals in the U S See Part IV, line 22	49,799	49,799		
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	1,157,685	1,157,685		
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	51,770,448	48,641,844		
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	2,749,727	2,534,738	214,989	
9	Other employee benefits	9,249,556	8,526,374	723,182	
10	Payroll taxes	4,231,319	3,900,491	330,828	
11	Fees for services (non-employees)				
a	Management	215,370		215,370	
b	Legal	531,910		531,910	
c	Accounting	160,178		160,178	
d	Lobbying	0			
e	Professional fundraising See Part IV, line 17	0			
f	Investment management fees	0			
g	Other	21,424,117	17,914,934	3,509,183	
12	Advertising and promotion	0			
13	Office expenses	21,739,609	21,413,215	326,394	
14	Information technology	0			
15	Royalties	0			
16	Occupancy	4,219,195	4,086,294	132,901	
17	Travel	388,961	329,335	59,626	
18	Payments of travel or entertainment expenses for any Federal, state or local public officials	0			
19	Conferences, conventions and meetings	41,618	31,257	10,361	
20	Interest	2,722,288	2,722,288		
21	Payments to affiliates	3,273,000		3,273,000	
22	Depreciation, depletion, and amortization	8,792,153	8,693,965	98,188	
23	Insurance	2,297,357	2,297,357		
24	Other expenses—Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below)				
a	Unrelated Business Taxes	49,238	49,238		
b	Bad debts	14,569,640	14,569,640		
c	Repairs & Maintenance	1,119,184	1,106,474	12,710	
d	Recruitment	945,156		945,156	
e	Other Taxes	827,849	827,849		
f	All other expenses	1,018,144	894,198	123,946	
25	Total functional expenses. Add lines 1 through 24f	154,025,556	140,229,030	13,796,526	0
26	Joint Costs. Check ☒ if following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X **Balance Sheet**

		(A) Beginning of year		(B) End of year		
Assets	1	Cash—non-interest-bearing	57,476	1	126,108	
	2	Savings and temporary cash investments	2,052,479	2	5,954,956	
	3	Pledges and grants receivable, net		3		
	4	Accounts receivable, net	26,529,344	4	24,655,475	
	5	Receivables from current and former officers, directors, trustees, key employees or other related parties <i>Complete Part II of Schedule L</i>		5	65,388	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) <i>Complete Part II of Schedule L</i>		6		
	7	Notes and loans receivable, net	623,703	7	881,021	
	8	Inventories for sale or use	2,526,236	8	2,830,718	
	9	Prepaid expenses and deferred charges	668,628	9	266,901	
	10a	Land, buildings, and equipment cost basis				
		10a	131,679,874			
	b	Less accumulated depreciation <i>Complete Part VI of Schedule D</i>				
		10b	57,348,283	78,586,015	10c	74,331,591
	11	Investments—publicly traded securities		11		
	12	Investments—other securities See Part IV, line 11 <i>Complete Part VII of Schedule D</i>	24,616,426	12	20,188,220	
	13	Investments—program-related See Part IV, line 11 <i>Complete Part VIII of Schedule D</i>		13		
14	Intangible assets		14	581,791		
15	Other assets See Part IV, line 11 <i>Complete Part IX of Schedule D</i>	1,802,744	15	767,317		
16	Total assets. Add lines 1 through 15 (must equal line 34)	137,463,051	16	130,649,486		
Liabilities	17	Accounts payable and accrued expenses	17,886,423	17	13,781,533	
	18	Grants payable		18		
	19	Deferred revenue	14,578	19	15,102	
	20	Tax-exempt bond liabilities		20		
	21	Escrow account liability <i>Complete Part IV of Schedule D</i>		21		
	22	Payable to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons <i>Complete Part II of Schedule L</i>		22		
	23	Secured mortgages and notes payable to unrelated third parties		23	1,077,917	
	24	Unsecured notes and loans payable	51,377,035	24	47,112,738	
	25	Other liabilities <i>Complete Part X of Schedule D</i>	1,597,087	25	315,332	
	26	Total liabilities. Add lines 17 through 25	70,875,123	26	62,302,622	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ☒ and complete lines 27 through 29, and lines 33 and 34.					
	27	Unrestricted net assets	66,587,928	27	68,346,864	
	28	Temporarily restricted net assets		28		
	29	Permanently restricted net assets		29		
	Organizations that do not follow SFAS 117, check here ☐ and complete lines 30 through 34.					
	30	Capital stock or trust principal, or current funds		30		
	31	Paid-in or capital surplus, or land, building or equipment fund		31		
	32	Retained earnings, endowment, accumulated income, or other funds		32		
	33	Total net assets or fund balances	66,587,928	33	68,346,864	
	34	Total liabilities and net assets/fund balances	137,463,051	34	130,649,486	

Part XI **Financial Statements and Reporting**

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

SCHEDULE A

(Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization Mercy Medical Center Inc	Employer identification number 93-0386868
--	--

Part I Reason for Public Charity Status (to be completed by all organizations) (See Instructions)

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

1	☐	A church, convention of churches, or association of churches described in Section 170(b)(1)(A)(i).
2	☐	A school described in Section 170(b)(1)(A)(ii). (Attach Schedule E)
3	☒	A hospital or a cooperative hospital service organization described in Section 170(b)(1)(A)(iii). (Attach Schedule H)
4	☐	A medical research organization operated in conjunction with a hospital described in Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state
5	☐	An organization operated for the benefit of a college or university owned or operated by a governmental unit described in Section 170(b)(1)(A)(iv). (Complete Part II)
6	☐	A federal, state, or local government or governmental unit described in Section 170(b)(1)(A)(v).
7	☐	An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in Section 170(b)(1)(A)(vi) (Complete Part II)
8	☐	A community trust described in Section 170(b)(1)(A)(vi) (Complete Part II)
9	☐	An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See Section 509(a)(2). (Complete Part III)
10	☐	An organization organized and operated exclusively to test for public safety See Section 509(a)(4). (See instructions)
11	☐	An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See Section 509(a)(3). Check the box that describes the type of supporting organization and complete lines 11e through 11h a ☐ Type I b ☐ Type II c ☐ Type III - Functionally Integrated d ☐ Type III - Other
e	☐	By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)
f	☐	If the organization received a written determination from the IRS that it is a Type I, Type II or Type III supporting organization, check this box
g	☐	Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons? (i) a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the the supported organization? (ii) a family member of a person described in (i) above? (iii) a 35% controlled entity of a person described in (i) or (ii) above?
h	☐	Provide the following information about the organizations the organization supports

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

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

Part II

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

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

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

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

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

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

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

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

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

Part IV

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

Facts and Circumstances Test

Additional Data

Software ID:
Software Version:
EIN: 93-0386868
Name: Mercy Medical Center Inc

Form 990, Part VII - Section Aaa

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W- 2/1099MISC)	(E) Reportable compensation from related organizations (W- 2/1099- MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual Trustee or Director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
Brad Townsend , Chief of Staff	1 0	X							17,500	
Bret Hansen , Board Member	1 0	X								
Brian Pargeter , Board Member	1 0	X								
Joyce Aske , Board Member	1 0	X								
Gary McCormack , Board Member	1 0	X								
Dave Leonard , Board Member	1 0	X								
Joel Lee , Board Member	1 0	X								
Ron Doan , Board Member	1 0	X								
Mark Herscher , Board Member	1 0	X								
Jim Ratzlaff , Board Member	1 0	X								
Lee Paterson , Board Member	1 0	X								
Dolores Preisinger , Board Member	1 0	X								
David Goode , Senior VP Operations - CHI	1 0	X							638,372	41,080
Debra Boswell , VP COO	40 0			X	X			237,848		38,895
Rahul Agarwal , VP Business Development	40 0			X	X			179,071		33,202
Robert Dannenhoffer , VP Clinical Effectiveness	40 0			X	X			251,036		29,050
John Kasberger , VP CFO	40 0			X	X			245,018		33,111
Kelly Morgan , CEO	40 0			X	X				564,484	32,532
Marvin Gwaltney Jr , VP Mission Integration	40 0			X				126,861		19,633
Gary Bronstein , Physician	40 0					X		422,000		19,628
John Dauterman , Physician	40 0					X		208,021		38,210
Hernan Alvarado , Physician	40 0					X		264,372		29,354
Howard Feldman , Physician	40 0					X		576,939		31,995
Timothy Gladding , Pathology Lab Director	40 0					X		232,078		39,516

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

OMB No 1545-0047

2008

Open to Public Inspection

If the organization answered “Yes,” to Form 990, Part IV, Line 3, or Form 990-EZ, Part VI, line 46 (Political Campaign Activities)

- Section 501(c)(3) organizations complete Parts I-A and B Do not complete Part I-C
- Section 501(c) (other than section 501(c)(3)) organizations complete Parts I-A and C below Do not complete Part I-B
- Section 527 organizations complete Part I-A only

If the organization answered “Yes,” to Form 990, Part IV, Line 4, or Form 990EZ, Part VI, line 47 (Lobbying Activities)

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)) complete Part II-A Do not complete Part II-B
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)) Complete Part II-B Do not complete Part II-A

If the organization answered “Yes,” to Form 990, Part IV, Line 5 (Proxy Tax)

- Section 501(c)(4), (5), or (6) organizations complete Part III

Name of the organization
Mercy Medical Center Inc

Employer identification number

93-0386868

Part I-A

To be completed by all organizations exempt under section 501(c) and section 527 organizations. (See the instructions for Schedule C for details.)

- 1

Provide a description of the organization's direct and indirect political campaign activities in Part IV
- 2

Political expenditures

\$
- 3

Volunteer hours

Part I-B

To be completed by all organizations exempt under section 501(c)(3). (See the instructions for Schedule C for details.)

- 1

Enter the amount of any excise tax incurred by the organization under section 4955

\$
- 2

Enter the amount of any excise tax incurred by organization managers under section 4955

\$
- 3

If the organization incurred in a section 4955 tax, did it file Form 4720 for this year?

☐ Yes

☐ No
- 4a

Was a correction made?

☐ Yes

☐ No
- b

If "Yes," describe in Part IV

Part I-C

To be completed by all organizations exempt under section 501(c), except section 501(c)(3). (See the instructions for Schedule C for details.)

- 1

Enter the amount directly expended by the filing organization for section 527 exempt function activities

\$
- 2

Enter the amount of the filing organization's internal funds contributed to other organizations for section 527 exempt funtion activities

\$
- 3

Total of direct and indirect exempt function expenditures. Add lines 1 and 2 and enter here and on Form 1120-POL, line 17b

\$
- 4

Did the filing organization file **Form 1120-POL** for this year?

☐ Yes

☐ No
- 5

State the names, addresses and Employer Identification Number (EIN) of all section 527 political organizations to which payments were made. Enter the amount paid and indicate if the amount was paid from the filing organization's own internal funds or were political contributions received and promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's internal funds. If none, enter -0-	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization. If none, enter -0-

Part II-A

To be completed by organizations exempt under section 501(c)(3) that filed Form 5768 (election under section 501(h)). (See the instructions for Schedule C for details.)

A

Check

☐

if the filing organization belongs to an affiliated group

B

Check

☐

if the filing organization checked box A and "limited control" provisions apply

Limits on Lobbying Expenditures— (The term "expenditures" means amounts paid or incurred.)	(a) Filing Organization's Totals	(b) Affiliated Group Totals
1a Total lobbying expenditures to influence public opinion (grass roots lobbying)		
b Total lobbying expenditures to influence a legislative body (direct lobbying)		
c Total lobbying expenditures (add lines 1a and 1b)		
d Other exempt purpose expenditures		
e Total exempt purpose expenditures (add lines 1c and 1d)		
f Lobbying nontaxable amount Enter the amount from the following table in both 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 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 \$1,000,000		
g Grassroots nontaxable amount (enter 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- if line f is more than line c		
j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?	☐ 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 Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) Total
2a Lobbying non-taxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c 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 5768 (election under section 501(h)). (See the instructions for Schedule C for details.)

		(a)		(b)
		Yes	No	Amount
1	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			
a	Volunteers?		No	
b	Paid staff or management (include compensation in expenses reported on lines c through i)?		No	
c	Media advertisements?		No	
d	Mailings to members, legislators, or the public?		No	
e	Publications, or published or broadcast statements?		No	
f	Grants to other organizations for lobbying purposes?	Yes		3,411
g	Direct contact with legislators, their staffs, government officials, or a legislative body?		No	
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means?		No	
i	Other activities If "Yes," describe in Part IV		No	
j	Total lines 1c through 1i			3,411
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b	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	

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.)

1	Dues, assessments and similar amounts from members	1 \$
2	Section 162(e) non-deductible lobbying and political expenditures (<i>do not include amounts of political expenses for which the section 527(f) tax was paid</i>).	
a	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 \$
5	Taxable amount of lobbying and political expenditures (line 2c total minus 3 and 4)	5 \$

Part IV

Supplemental Information

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 1i. Also, complete this part for any additional information.

Identifier	Return Reference	Explanation
990 Sch C Supplemental	Lobbying Activities Explanation	Dues paid to AHA = \$8,626 Portion used for lobbying = \$2,254 Dues paid to CHA = \$25,477 Portion used for lobbying = \$1,157

Supplemental Information

Identifier	Return Reference	Explanation
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SCHEDULE D
(Form 990)

Supplemental Financial Statements

Department of the Treasury
Internal Revenue Service

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
Mercy Medical Center Inc

Employer identification number
93-0386868

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

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

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

1

Purpose(s) of conservation easements held by the organization (check all that apply)

☐ Preservation of land for public use (e g , recreation or pleasure)☐ Preservation of an historically importantly land area☐ Protection of natural habitat☐ Preservation of certified historic structure☐ Preservation of open space

2

Complete lines 2a–2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

	Held at the End of the Year
a	Total number of conservation easements
b	Total acreage restricted by conservation easements
c	Number of conservation easements on a certified historic structure included in (a)
d	Number of conservation easements included in (c) acquired after 8/17/06

3

Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ▶

4

Number of states where property subject to conservation easement is located ▶

5

Does the organization have a written policy regarding the periodic monitoring, inspection, violations, and enforcement of the conservation easements it holds?

☐ Yes☐ No

6

Staff or volunteer hours devoted to monitoring, inspecting and enforcing easements during the year ▶

7

Amount of expenses incurred in monitoring, inspecting, and enforcing easements during the year ▶ \$

8

Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)?

☐ Yes☐ No

9

In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization’s financial statements that describes the organization’s accounting for conservation easements

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

1a

If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items

b

If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1▶ \$

(ii) Assets included in Form 990, Part X▶ \$

2

If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items

a

Revenues included in Form 990, Part VIII, line 1▶ \$

b

Assets included in Form 990, Part X▶ \$

Part III

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

3

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

a

☐

Public exhibition

b

☐

Scholarly research

c

☐

Preservation for future generations

d

☐

Loan or exchange programs

e

☐

Other

4

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

5

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

☐ Yes

☐ No

Part IV

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

1a

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

☐ Yes

☐ No

b

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

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance

	Amount
1c	
1d	
1e	
1f	

2a

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

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIV

Part V

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

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

2

Provide the estimated percentage of the year end balance held as

a

Board designated or quasi-endowment ▶

b

Permanent endowment ▶

c

Term endowment ▶

3a

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

(i)

unrelated organizations

3a(i)

Yes

No

(ii)

related organizations

3a(ii)

Yes

No

b

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

3b

Yes

No

4

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

Part VI

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

Description of investment	(a) Cost or other basis (investment)	(b)Cost or other basis (other)	(c) Depreciation	(d) Book value
1a Land		915,514		915,514
b Buildings	1,610,161	62,642,403	14,623,056	49,629,508
c Leasehold improvements	1,416,050	7,636,375	4,041,742	5,010,683
d Equipment		57,122,915	38,683,485	18,439,430
e Other		336,456		336,456
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) ▶				74,331,591

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Financial derivatives and other financial products		
Closely-held equity interests		
Other CHI OPER INVESTMENT PROGRAM	20,188,220	F
Total. (Column (b) should equal Form 990, Part X, col (B) line 12)	20,188,220	

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

(a) Description	(b) Book value
Total. (Column (b) should equal Form 990, Part X, col.(B) line 15.)	

(a) Description of Liability	(b) Amount
Federal Income Taxes	
Due to Auxiliary	39,371
Environmental Remediation	275,367
Unclaimed Property	96
Misc Liability	498
Total. (Column (b) should equal Form 990, Part X, col (B) line 25)	315,332

Schedule D (Form 990) 2008

Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements		
1	Total revenue (Form 990, Part VIII, column (A), line 12)	1158,522,930
2	Total expenses (Form 990, Part IX, column (A), line 25)	2154,025,556
3	Excess or (deficit) for the year Subtract line 2 from line 1	34,497,374
4	Net unrealized gains (losses) on investments	4-2,212,775
5	Donated services and use of facilities	5
6	Investment expenses	6
7	Prior period adjustments	7
8	Other (Describe in Part XIV)	8-525,663
9	Total adjustments (net) Add lines 4 - 8	9-2,738,438
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	101,758,936

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return		
1	Total revenue, gains, and other support per audited financial statements	1
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12	
a	Net unrealized gains on investments2a	
b	Donated services and use of facilities2b	
c	Recoveries of prior year grants2c	
d	Other (Describe in Part XIV)2d	
e	Add lines 2a through 2d2e	
3	Subtract line 2e from line 13	
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1	
a	Investment expenses not included on Form 990, Part VIII, line 7b4a	
b	Other (Describe in Part XIV)4b	
c	Add lines 4a and 4b4c	
5	Total Revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12)5	

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return		
1	Total expenses and losses per audited financial statements	1
2	Amounts included on line 1 but not on Form 990, Part IX, line 25	
a	Donated services and use of facilities2a	
b	Prior year adjustments2b	
c	Losses reported on Form 990, Part IX, line 252c	
d	Other (Describe in Part XIV)2d	
e	Add lines 2a through 2d2e	
3	Subtract line 2e from line 13	
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:	
a	Investment expenses not included on Form 990, Part VIII, line 7b4a	
b	Other (Describe in Part XIV)4b	
c	Add lines 4a and 4b4c	
5	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18)5	

Part XIV Supplemental Information

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

Identifier	Return Reference	Explanation
Other Changes in Net Assets	Sch D, Part XI, Line 8	Capital Resource Pool Contribution (\$998,000) CHI Connect Depreciation \$436,536 Contribution of Services \$35,801
SCHEDULE 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

SCHEDULE H
(Form 990)

Hospitals

OMB No 1545-0047

2008

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

Name of the organization
Mercy Medical Center Inc

Employer identification number
93-0386868

Part I

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

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

7

Charity Care and Certain Other Community Benefits at Cost

Charity Care and Means-Tested Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Charity care at cost (from <i>worksheets 1 and 2</i>)						
b Unreimbursed Medicaid (from <i>worksheet 3, column a</i>)						
c Unreimbursed costs—other means-tested government programs (from <i>worksheet 3, column b</i>)						
d Total Charity Care and Means-Tested Programs						
Other Benefits						
e Community health improvement services and community benefit operations (from <i>worksheet 4</i>)						
f Health professions education (from <i>worksheet 5</i>)						
g Subsidized health services (from <i>worksheet 6</i>)						
h Research (from <i>worksheet 7</i>)						
i Cash and in-kind contributions to community groups (from <i>worksheet 8</i>)						
j Total Other Benefits						
k Total (line 7d and 7j)						

Part IICommunity Building Activities

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

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

Part IIIBad Debt, Medicare, & Collection Practices

(Optional for 2008)

Section A. Bad Debt Expense

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

Section B. Medicare

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

Section C. Collection Practices

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

Part IVManagement Companies and Joint Ventures

(Optional for 2008)

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

Facility Information *(Required for 2008)*[illegible]

Complete this part to provide the following information

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

This image shows a full page of white paper with horizontal blue ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

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

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

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

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

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

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

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

Schedule I
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization
Mercy Medical Center Inc

Grants and Other Assistance to Organizations,
Governments and Individuals in the U.S.

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

OMB No 1545-0047

2008

Open to Public
Inspection

Employer identification number
93-0386868

Part I

General Information on Grants and Assistance

- 1

Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?

☒ Yes ☐ No
- 2

Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Part II

Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 21 for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Use Part IV and Schedule I-1 if additional space is needed.

1(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
Umpqua Economic Development Partnership 744 SE Rose St Roseburg, OR 97470	93-0594077		10,000				SCHOLARSHIP Annual Donation
Mercy Medical Foundation 2700 Stewart Parkway Roseburg, OR 97471	93-6088946	501(c)(3)	332,894				SCHOLARSHIP Support Activities
Wildlife Safari1600 Safari Road Winston, OR 97496	93-0772232	501(c)(3)		10,000	FMV	Vehicle	Vehicle
Roseburg Area Chamber of CommercePO Box 1026 Roseburg, OR 97470	93-0268299	501(c)(6)	6,886				Campaign

- 2

Enter total number of section 501(c)(3) and government organizations
- 3

Enter total number of other organizations

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)Number of recipients	(c)Amount of cash grant	(d)Amount of non-cash assistance	(e) Method of valuation (book, FMV , appraisal, other)	(f)Description of non-cash assistance
Scholarships to Students at Umpqua Comm College	40	49,799			

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

Identifier	Return Reference	Explanation
Schedule I Part I Q 2	GRANT FUNDS	The organization makes a record of all donations in the general ledger

Schedule J
(Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

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

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

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
Mercy Medical Center Inc

Employer identification number
93-0386868

Part I Questions Regarding Compensation

	Yes	No
1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items ☐ First class or charter travel ☐ Travel for companions ☐ Tax idemnification and gross-up payments ☐ Discretionary spending account ☐ Housing allowance or residence for personal use ☐ Payments for business use of personal residence ☐ Health or social club dues or initiation fees ☐ 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	1b	
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?	2	
3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply ☐ Compensation committee ☐ Independent compensation consultant ☐ Form 990 of other organizations ☐ Written employment contract ☐ Compensation survey or study ☐ Approval by the board or compensation committee		
4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a		
a Receive a severance payment or change of control payment?	4a	No
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	Yes
c Participate in, or receive payment from, an equity-based compensation arrangement? If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III	4c	No
501(c)(3) and 501(c)(4) organizations only must complete lines 5-8.		
5 For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of		
a The organization?	5a	No
b Any related organization? If "Yes," to line 5a or 5b, describe in Part III	5b	No
6 For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of		
a The organization?	6a	No
b Any related organization? If "Yes," to line 6a or 6b, describe in Part III	6b	No
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	7	No
8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III	8	No

Part II

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

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

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
Debra Boswell	(i) (ii)	221,741	11,197	4,910		38,895	276,743	116,726
Rahul Agarwal	(i) (ii)	146,266	32,669	136		33,202	212,273	105,388
Robert Dannenhoffer	(i) (ii)	238,680	11,654	702		29,050	280,086	120,793
John Kasberger	(i) (ii)	220,910	23,612	496		33,111	278,129	129,383
Kelly Morgan	(i) (ii)	386,642	115,022	62,819		32,532	597,016	245,563
Gary Bronstein	(i) (ii)	421,626		374		19,628	441,628	204,567
John Dauterman	(i) (ii)	207,813		208		38,210	246,231	103,525
Hernan Alvarado	(i) (ii)	262,925		1,447		29,354	293,726	119,243
Howard Feldman	(i) (ii)	572,781		4,158		31,995	608,934	295,359
Timothy Gladding	(i) (ii)	231,823		255		39,516	271,594	119,447
Brad Townsend	(i) (ii)			17,500			17,500	
David Goode	(i) (ii)	426,164	94,097	118,110	550	40,530	679,452	315,774
	(i)							
	(ii)							
	(i)							
	(ii)							

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.

[illegible]

Software ID:
Software Version:
EIN: 93-0386868
Name: Mercy Medical Center Inc

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
Debra Boswell	(i) (ii)	221,741	11,197	4,910		38,895	276,743	116,726
Rahul Agarwal	(i) (ii)	146,266	32,669	136		33,202	212,273	105,388
Robert Dannenhoffer	(i) (ii)	238,680	11,654	702		29,050	280,086	120,793
John Kasberger	(i) (ii)	220,910	23,612	496		33,111	278,129	129,383
Kelly Morgan	(i) (ii)	386,642	115,022	62,819		32,532	597,016	245,563
Gary Bronstein	(i) (ii)	421,626		374		19,628	441,628	204,567
John Dauterman	(i) (ii)	207,813		208		38,210	246,231	103,525
Hernan Alvarado	(i) (ii)	262,925		1,447		29,354	293,726	119,243
Howard Feldman	(i) (ii)	572,781		4,158		31,995	608,934	295,359
Timothy Gladding	(i) (ii)	231,823		255		39,516	271,594	119,447
Brad Townsend	(i) (ii)			17,500			17,500	
David Goode	(i) (ii)	426,164	94,097	118,110	550	40,530	679,452	315,774

Schedule L
(Form 990 or 990-EZ)

OMB No 1545-0047

2008

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

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

Name of the organization
Mercy Medical Center Inc

Employer identification number
93-0386868

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

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

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

2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958 ▶ \$ _____

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization ▶ \$ _____

Part II Loans to and/or From Interested Persons

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

(a) Name of interested person and purpose	(b) Loan to or from the organization?		(c)Original principal amount	(d)Balance due	(e) In default?		(f) Approved by board or committee?		(g)Written agreement?	
	To	From			Yes	No	Yes	No	Yes	No
Gary Bronstein Signing Advance		X	50,000	25,361		No	Yes		Yes	
Howard Feldman Signing Advance		X	50,000	40,027		No	Yes		Yes	
Total ▶ \$ 65,388										

Part III Grants or Assistance Benefitting Interested Persons

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

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

Part IV Business Transactions Involving Interested Persons

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
KidsDocs	Board Member Ownership	60,633	Lease Agreement		No
Roseburg Clinic	Dual Board Membership	543,717	Medical Services		No
TMCHP PC	Board Member Ownership	17,500	Chief of Staff Compensation		No
Professional Management of Oregon	Dual Board Membership	3,198,352	Management Services		No
DCIPA	Dual Board Membership	7,679,160	Medicaid Contracts		No
Harvard Medical Services LLC	Board Member Ownership	489,863	Rental Payments		No
See Additional Data Table					

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

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

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
Mercy Medical Center Inc

Employer identification number
93-0386868

Identifier	Return Reference	Explanation
Form 990, Part III, Q 2	undertake any significant program services	Mercy Medical Center purchased a joint venture, Oregon Surgery Center, in November, 2008 Prior to November, MMC ow ned 51% and now ORSC is fully ow ned by the hospital

Identifier	Return Reference	Explanation
Form 990, Part VI, Q 12c	Procedures for monitoring and enforcing the COI policy	The Conflict of Interest Policy of Mercy Medical Center, Inc (MMC) covers all directors and officers w ho 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 law s governing conflicts of interest applicable to nonprofit corporations If a director or officer has a potential or actual conflict w ith the Corporation and/or any of its Affiliates, such director or officer is deemed to also have a potential or actual conflict w ith 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 w hen he or she becomes aw are of such situations Disclosure must be made to the Corporations President and CEO w ho w ill report such disclosure to the Board Chair A w ritten record of the disclosure w ill be made The CEO shall annually send to all directors and officers a copy of the Conflict of Interests Policy and Disclosure Statement The Board of Directors shall carefully scrutinize, and must in good faith approve or disapprove, any transaction in w hich the Corporation and/or any of its Affiliates is a party, and in w hich 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 disinterest directors, the Board shall take w hatever action is deemed appropriate under the circumstances w ith respect to the director or officer in order to best protect the interests of the Corporation, including possible disciplinary or corrective action

Identifier	Return Reference	Explanation
Form 990, Part VI, Q 10	Process the organization uses to review Form 990	THE FORM 990 IS REVIEWED BY THE CHIEF FINANCIAL OFFICER (CFO), AND THE FORM FINANCE COMMITTEE THE CFO AND CONTROLLER PRESENT THE RETURN TO THE BOARD AT ITS BOARD MEETING SUBSEQUENT TO PRESENTATION TO THE BOARD AND CFO, 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

Identifier	Return Reference	Explanation
Form 990, Part VI, Q 19	Governing documents - COI Policy - Financial Statements available	THE ORGANIZATIONS FINANCIAL STATEMENTS ARE INCLUDED IN CATHOLIC HEALTH INITIATIVES CONSOLIDATED AUDITED FINACIAL STATEMENTS THAT ARE AVAILABLE AT WWW CATHOLICHEALTHINIT ORG OR AT WWW DACBOND ORG THE ORGANIZATIONS GOVERNING DOCUMENTS AND CONFLICT OF INTEREST POLICY ARE AVAILABLE UPON REQUEST FROM THE ADMINISTRATION DEPARTMENT

Identifier	Return Reference	Explanation
990 Part VI Line 6	Members or Stockholders	ACCORDING TO THE BYLAWS OF MERCY MEDICAL CENTER, INC , THE ENTITY S SOLE MEMBER IS CATHOLIC HEALTH INITIATIVES, A COLORADO NONPROFIT CORPORATION

Identifier	Return Reference	Explanation
990 Part VI Line 7a	Electing Directors	ACCORDING TO THE ORGANIZATIONS ARTICLES AND BY LAWS, DIRECTORS OF THE CORPORATION SHALL BE APPOINTED BY THE CORPORATE MEMBER NO LATER THAN JUNE 30 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 UNILATERALLY APPOINT ONE OR MORE INDIVIDUALS TO THE BOARD OF DIRECTORS SHOULD THE BOARD FAIL TO FURNISH THE CORPORATE MEMBER WITH A LIST OF INDIVIDUALS QUALIFIED TO SERVE ON THE BOARD OF DIRECTORS OF THE CORPORATION

Identifier	Return Reference	Explanation
990 Part VI Line 7b	Governing Powers	Mercy Medical Centers (MMC) corporate member is Catholic Health Initiatives (CHI) Pursuant to Section 5 4 of MMCs bylaw s, the Corporate Member shall have the specific rights set forth in the governance matrix Pursuant to the governance matrix the follow ing rights are reserved to the CHI Board directly or through pow ers delegated to the CHI Chief Executive Officer Substantial change in the mssion or philosophy of MMC Amendment of the corporate documents of MMC Approve members of the MMC board Removal of a member of the governing body of MMC Approval of issuance of debt by MMC Approval of participation of MMC in a joint venture Approval of formation of a new corporation by MMC Approval of a merger involving MMC Approval of the sale of all or substantially all of the assets of MMC To require the transfer of assets by MMC to CHI to accomplish CHIs goals and objectives, and to satisfy CHI debts Adoption of long range and strategic plans for MMC In addition, pursuant to Section 5 5 2 of the organizations bylaw s, CHI may, in exercise of its approval pow ers, grant or w ithhold approval in w hole or in part, or may, in its complete discretion, after consultation w ith 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	MMC contracted w ith a consultant out of Tacoma w ho did a market review of the executives, that included a full review of all compensation This was presented and approved by the Executve Committee of the Board of Directors The last review for all executives (at a level of VP and above) occurred during the summer of 2009 Other positions are review ed annually w hen the market review is conducted THE ORGANIZATIONS CEO IS COMPENSATED BY CATHOLIC HEALTH INITIATIVES (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

Identifier	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

Identifier	Return Reference	Explanation
990 Part XI Q 2c	FINANCIAL STATEMENTS COMPILED OR REVIEWED	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

Identifier	Return Reference	Explanation
Form 990, Part VI, Q 1a	Executive Committee Composition and Authority	Pursuant to Section 8 6 of the Bylaw s of Mercy Medical Center, the Executive Committee is composed of the board chair, the board vice chair, and the President and CEO, each of w hom shall serve as an ex officio voting member of the Executive Committee 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 6 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 pow ers as may be delegated to it by the board of directors The Executive Committee also possesses the pow er to transact routine business of the corporation in the interim period betw een regularly scheduled meetings of the board of directors

Identifier	Return Reference	Explanation
Statement of Program Service Accomplishments	Form 990, Part III, Q 4a	INTRODUCTION I Organization's Mission, Vision and Tax-Exempt Purpose Since it w as founded more than 99 years ago, Mercy Medical Center has alw ays been committed to providing the highest quality health and wellness to our community Our commitment urges us tow ards compassionate support, greatly enhancing the health care experience of our patients and their families From community health and health care education to providing essential health services, giving back to our community is an essential part of w hat w e do Mercy Medical Center, founded in 1909, is a not-for-profit hospital located in Roseburg, OR (population 20,000) Mercy Medical Center is a 174-bed facility w ith a level III Trauma designation, including tw o specialty units and an Adult and Adolescent Intensive Care Unit As a Not-For-Profit organization, it serves all persons in the community on a nondiscriminatory basis regardless of ability to pay serving all of Douglas County (pop 105,000) As the first hospital to serve the community, Mercy Medical Center embraced the mission of the founding Catholic congregation, and has joined w ith other congregations to form Catholic Health Initiatives The mssion of Mercy Medical Center is to provide excellent, compassionate care for the people of our community It also has a board of directors that is comprised of independent community representatives In addition to providing medical services, Mercy Medical Center provides many community-based services, designed to promote healthier communities To enhance the health status of the population, w e focus on holistic care including spiritual, emotional and physical well-being Mercy Medical Center operates a 24-hour emergency room 365 days per year That emergency room is open to all individuals regardless of ability to pay Mercy Medical Center participates in Medicare and Medicaid, and has an active charity care program Mercy Medical Center has an open medical staff w ith privileges available to all qualified physicians in the area It also engages in training and education of health care professionals Mercy Medical Center is included in the Official Catholic Directory as a tax-exempt hospital II Community Benefit Approach Since 1909, Mercy Medical Center has been serving the medical needs of Douglas County In fact, 2009 marks our 100 years of service to our community Over the years, our focus has remained on meeting the diverse health care needs of our county's resident With a population of approximately 100,000, Douglas County has higher than average unemployment and poverty Through collaboration w ith community agencies, Mercy and Mercy Foundation have been instrumental in increasing healthcare services for families w ith ill children In 2007, the foundation launched the Healthy Kids Outreach Program, w hich brings wellness nurses and resources to the most underserved schools in the community In an effort to bring new and needed services to tow n, Mercy added a coronary intervention program in 2007 to our Shaw Heart and Vascular Center By having this service locally for the first time, patients had access to state-of-the-art angioplasty services w ithout having to travel Realizing the strong connection that physician access has to building overall community health, Mercy has been active in helping to recruit an impressive number of new physicians These new physicians include internists and specialists, w ho continue to enhance Douglas County residents' access to care QUANTITATIVE DESCRIPTION OF COMMUNITY BENEFIT I Community Benefit Contributions Estimated Number Community Benefit of People Served Cost Community Benefit Provided to the Poor Cost of Charity Care provided 12,801 \$5,880,232 Unpaid costs of public programs, Medicaid and other indigent care programs 24,139 7,464,376 Community Health services 51,002 16,813 Community Building Activities 1 1,746 Financial Contributions 301,005 362,342 Other benefit provided to the poor Cost of community benefit provided to the poor 388,948 13,725,509 Community Benefit Provided to the Broader Community Community Health Services 3,582 281,974 Subsidized Health services 191 Health Professions Education 266 Financial contributions 110,052 28,480 Community Building activities 1 833,696 Community Benefit operations 12 348,821 Other benefit provided to the broader community Total Benefit for the Broader Community 113,647 1,493,428 Total Cost of Community Benefit 502,595 15,218,937 Unpaid Costs of Medicare* 77,370 12,059,587 Total Cost of Community Benefit and the Unpaid Cost of Medicare 579,965 27,278,524 *The unpaid cost of Medicare is not included in total community benefit II Uncompensated Care As described above, Mercy Medical Center provides a significant level of free care each year In FY 2009, the cost of charity care provided by the organization w as \$5,880,232 Mercy Medical Center also incurred \$19,523,963 in un-reimbursed costs for services provided to Medicare and Medicaid patients, w hich represent approximately 72% percent of the patients served by Mercy Medical Center Frequently, the cost of providing services to Medicare and Medicaid patients is greater than the payments Mercy Medical Center receives from the government/state

Identifier	Return Reference	Explanation
Statement of Program Service Accomplishments	(Continued)	QUALITATIVE DESCRIPTION OF COMMUNITY BENEFIT I Community Outreach for the Poor Food Donations to Mission Mercy Medical Center helps to alleviate hunger in the community by donating excess food prepared by the hospital kitchen to the Roseburg Rescue Mission In FY 09, these donations had an estimated community benefit of \$18,881 Community Education Mercy's Community Education Program is designed specifically to provide the community with preventive and health education services Mercy's Community Education Programs are free to the public and designed to provide instruction to help achieve the healthiest possible lifestyles In FY 09, benefits of \$298,787 were provided in services to our community Diabetes Education The American Diabetes Association certifies Mercy's Diabetes Education Mercy's outpatient Diabetes Learning Center provide information, resources and confidence to help people with diabetes control their condition and enjoy a full, healthy life One-on-one education is provided by diabetes certified registered nurse and dietitian In addition, we offer individual and group classes for diabetes education Childbirth Education Mercy Medical Center's Family Birthplace provides classes that meet every week throughout the year, and include prenatal education, breastfeeding, and Gift of Motherhood and Childbirth classes These classes cover all kinds of issues surrounding childbirth and parenting United Way Day of Caring Each year, the United Way hosts a "Day of Caring" event United Way agencies submit requests for volunteers to paint, plant, or clean at their facility Each agency is assigned volunteers who help meet the needs of the different agencies Examples of past Day of Caring projects include sprucing up a United Way funded day care center, helping with the Kids on the Block festival, painting interior and exterior facilities, cleaning, and gardening Mercy Medical Center's employees have participated in several Day of Caring projects Disease Prevention and Awareness Mercy Medical Center collaborates with local partners to raise awareness and help fund prevention of diseases such as cancer, diabetes, cystic fibrosis, muscular dystrophy and AIDS In FY09, Mercy Medical Center donated to local organizations sponsoring promotions in a presentation format, covering topics such as heart disease, diabetes, stroke, and breast cancer awareness Mercy Express Mercy in cooperation with Umpqua Transit Authority provides transportation for seniors who do not have alternative transportation for physician visits for their health issues In FY 2009, Mercy Medical Center donated \$10,634 in sponsoring this service to the community Strategic Planning and Recruiting Costs Douglas County has been designated as a Physician underserved area There is a need for significant physician recruitment to the area, to meet the current needs for care for the county residents as well as an increased need for future demand for patient medical care Mercy has supported research into county needs by type of physician, and also has supported recruitment of new physicians in the area in conjunction with other community medical providers In FY 2009, Mercy Medical Center donated \$830,411 towards the recruitment of additional physicians to the area to provide for these continued patient care needs Health Fairs and Screenings Mercy Medical Center provides cholesterol screenings, glucose screening, blood pressure checks, and flu shots to the community In FY09, these free screenings reached a large portion of the county Support Groups Mercy Medical Center provides a location for over 15 support groups to meet, and advertises meeting locations and times in several different publications Board Activities Mercy Medical Center employees are encouraged to be involved in community leadership Employees serve in a variety of leadership capacities in the community including serving on boards such as Battered Persons Advocacy, Chamber of Commerce, COBB Street Board, Council on Aging, Economic Development Committee, Future 1st Citizen, Project Leadership and the United Way Agencies Supported Mercy Medical Center provided cash donations in the amount of \$34,153 in FY09 to numerous agencies such as the Boys and Girls Club, Camp Millennium, Roseburg Chamber of Commerce, Rotary Foundation, United Way, Wish, COBB St, DCCAPS, Umpqua Community Health Clinic and various High Schools in Douglas County Mercy also had a large team (50) this year for the American Cancer's Relay for Life

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
Mercy Medical Center Inc

Employer identification number
93-0386868

Part I

Identification of Disregarded Entities

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

Part II

Identification of Related Tax-Exempt Organizations

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

Part III

Identification of Related Organizations Taxable as a Partnership

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

Part IV

Identification of Related Organizations Taxable as a Corporation or Trust

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

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

[illegible]

Additional Data

Return to Form

Software ID:

Software Version:

EIN: 93-0386868

Name: Mercy Medical Center Inc

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

(A) Name, address, and EIN of disregarded entity	(B) Primary Activity	(C) Legal Domicile (State or Foreign Country)	(D) Total income (\$)	(E) End-of-year assets (\$)	(F) Direct Controlling Entity
Memorial Health Partners 6028 Shallowford Road Chattanooga, TN 37421 62-1784262	Hospice Care	TN			N/A
Memorial Hospital Auxiliary 2525 de Sales Avenue Chattanooga, TN 37404 62-1839548	Support MHCSF	TN	162,658	142,597	MHCSFound
Pathway Hospice LLC 1050 SW 3rd Ave Suite 1600 Ontario, OR 97914 93-1310235	Hospice Care	OR	67,355	1,266,816	CHI
LincCare 8055 O Street Lincoln, NE 68510 47-0697010	Hospice Care	NE			St EHS
Mercy Therapeutic Radiology Associates L 1111 6th Avenue Des Moines, IA 50314 42-1521367	Physician	IA	7,138,989	26,159,105	CHI-IA Corp
Perinatal Center of Iowa LLC 1111 6th Avenue Des Moines, IA 50314 83-0397103	Physician	IA	-343,811	1,342,382	CHI-IA Corp
Mercy North ASC LLC 1111 6th Avenue Des Moines, IA 50314 20-1703871	Ambulatory	IA	-10,993	1,712,012	CHI-IA Corp
Mercy Pet Scanner LLC 1111 6th Avenue Des Moines, IA 50314 42-0680448	Physician	IA			CHI-IA Corp

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

(A) Name, address, and EIN of related organization	(B) Primary Activity	(C) Legal Domicile (State or Foreign Country)	(D) Exempt Code section	(E) Public charity status (if 501(c)(3))	(F) Direct Controlling Entity
St Joseph Community Health Services 300 Central SW Suite 300 Albuquerque, NM87102 71-0897107	Community	NM	501(c)(3)	11a	CHI
St Joseph Community Health Foundation 300 Central SW Suite 300 Albuquerque, NM87102 85-0253087	Foundation	NM	501(c)(3)	7	SJCHS
St Joseph Healthcare System 500 Copper NW Suite 102 Albuquerque, NM87102 85-0201285	Healthcare	NM	501(c)(3)	11A	CHI
St Elizabeth Health Services Inc 3325 Pocahontas Road Baker City, OR97814 93-0412495	Hospital	OR	501(c)(3)	3	CHI
St Elizabeth Health Care Foundation 3325 Pocahontas Road Baker City, OR97814 94-3164869	Foundation	OR	501(c)(3)	7	SEHS
Flaget Memorial Hospital Foundation Inc 4305 New Shepherdsville Road Bardstown, KY40004 56-2351341	Fundraising	KY	501(c)(3)	11a	FH
Flaget Healthcare DBA Flaget Memorial 4305 New Shepherdsville Road Bardstown, KY40004 61-1345363	Hospital	KY	501(c)(3)	3	CHI
Lakewood Health Center 600 Main Avenue South Baudette, MN56623 41-0758434	LTerm Care	MN	501(c)(3)	3	CHI
Appletree Court 601 Oak Street Breckenridge, MN56520 41-1850500	Senior Homes	MN	501(c)(3)	9	SFH
Healthcare and Wellness Foundation 2400 St Francis Drive Breckenridge, MN56520 76-0761782	Foundation	MN	501(c)(3)	11a	SFMC
St Francis Home 2400 St Francis Drive Breckenridge, MN56520 41-0729978	LTerm Care	MN	501(c)(3)	9	CHI
St Francis Medical Center 2400 St Francis Drive Breckenridge, MN56520 41-0695598	Healthcare	MN	501(c)(3)	3	CHI
Carrington Health Center 800 North 4th Street Carrington, ND58421 45-0227311	Healthcare	ND	501(c)(3)	3	CHI
Saint Clare's Community Care 66 Ford Road Denville, NJ07834 22-2876836	Healthcare	NJ	501(c)(3)	11b	SCHS
Saint Clare's Foundation Inc 66 Ford Road Denville, NJ07834 22-2502997	Fundraising	NJ	501(c)(3)	7	SCHS
Good Samaritan College of Nursing & Heal 375 Dixmyth Ave Cincinnati, OH45220 31-1778403	Education	KY	501(c)(3)	2	GHS
Total Healthcare PO Box 7021 Colorado Springs, CO80933 84-0927232	Healthcare	CO	501(c)(3)	3	CHI Colorado
Memorial Health Care System Inc 2525 De Sales Avenue Chattanooga, TN37404 62-0532345	Hospital	TN	501(c)(3)	3	CHI
Memorial Health Care System Foundation 2525 De Sales Avenue Chattanooga, TN37404 62-1839548	Foundation	TN	501(c)(3)	7	MHCS
Memorial Health Partners Foundation Inc 6028 Shallowford Road Chattanooga, TN37421 03-0417049	Healthcare	TN	501(c)(3)	9	MHCS
The Community Limited Care Dialysis Cent 619 Oak Street Accounting-3 West Cincinnati, OH45206 23-7419853	Hospital	OH	501(c)(2)		GSH
Good Samaritan Foundation of Cincinnati 619 Oak Street Accounting-3 West Cincinnati, OH45206 31-1206047	Foundation	OH	501(c)(3)	11a	GSH
The Good Samaritan Hospital of Cincinnati 619 Oak Street Accounting-3 West Cincinnati, OH45206 31-0537486	Hospital	OH	501(c)(3)	3	TRI-HEALTH
Saint Clare's Hospital 66 Ford Road Denville, NJ07834 22-3319886	Hospital	NJ	501(c)(3)	3	CHI
St Francis Life Care Corporation 19 Pocono Road Denville, NJ07834 22-2536017	Elderly Care	NJ	501(c)(3)	9	SCHS
Universal Health Corporation 619 Oak Street Accounting-3 West Cincinnati, OH45206 31-1074519	Physicians	OH	501(c)(3)	11a	GSH
Catholic Health Initiatives Colorado Fou 961 East Colorado Avenue Colorado Springs, CO80903 84-0902211	Foundation	CO	501(c)(3)	7	CHI Colorado
SET of Colorado Springs Inc 825 E Pikes Peak Avenue Bldg 29 Colorado Springs, CO80903 84-1183335	LTerm Care	CO	501(c)(3)	7	CHI Colorado
Catholic Health Initiatives 1999 Broadway Suite 4000 Denver, CO80202 47-0617373	Healthcare	CO	501(c)(3)	9	CHI
Catholic Health Care Federation 1999 Broadway Suite 4000 Denver, CO80202 20-8473567	Jurdic Person	CO	501(c)(3)	11a	CHI

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

(A) Name, address, and EIN of related organization	(B) Primary Activity	(C) Legal Domicile (State or Foreign Country)	(D) Exempt Code section	(E) Public charity status (if 501(c)(3))	(F) Direct Controlling Entity
Global Health Initiatives 1999 Broadway Suite 4000 Denver, CO 80202 20-1536108	Ministries	CO	501(c)(3)	11a	CHI
Health SET 4200 West Conejos Place 436 Denver, CO 80204 84-1102943	Low Inc Care	CO	501(c)(3)	7	CHI Colorado
Bishop Drumm Retirement Center 1111 6th Avenue Des Moines, IA 50314 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	Shelter	IA	501(c)(3)	7	CHI-IA Corp
Mercy Auxiliary of Central Iowa 1111 6th Avenue Des Moines, IA 50314 42-6076069	Auxiliary	IA	501(c)(3)	11a	CHI-IA Corp
Mercy Clinics Inc 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 50314 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	Foundation	IA	501(c)(3)	7	CHI-IA Corp
Mercy Medical Center - Centerville FKA 1 St Josephs Drive Centerville, IA 52544 42-0680308	Hospital	IA	501(c)(3)	3	CHI-IA Corp
Mercy Professional Practice Associates 1111 6th Avenue Des Moines, IA 50314 42-1470935	Physician	IA	501(c)(3)	9	CHI-IA Corp
Mercy Hospital of Devils Lake 1031 East Seventh Street Devils Lake, ND 58301 45-0227012	Healthcare	ND	501(c)(3)	3	CHI
St Joseph's Lifecare Foundation 30 West 7th Street Dickinson, ND 58601 36-3418207	Foundation	ND	501(c)(3)	11a	SJHHC
St Joseph's Hospital and Health Center 30 West 7th Street Dickinson, ND 58601 45-0226429	Healthcare	ND	501(c)(3)	3	CHI
Mercy Regional Medical Center of Durango 1010 Three Springs Blvd Durango, CO 81301 84-0405515	Hospital	CO	501(c)(3)	3	CHI
CHI Kentucky Inc 3900 Olympic Blvd Suite 400 Erlanger, KY 41018 20-2741651	Healthcare	KY	501(c)(3)	11a	CHI
Villa Nazareth Inc 801 Page Drive Fargo, ND 58103 45-0226714	LT Care	ND	501(c)(3)	9	CHI
St Catherine Hospital 401 East Spruce Street Garden City, KS 67846 48-0543721	Hospital	KS	501(c)(3)	3	CHI
St Catherine Hospital Development Found 401 East Spruce Street Garden City, KS 67846 20-0598702	Foundation	KS	501(c)(3)	11a	SCH
Saint Francis Medical Center Foundation PO Box 9804 Grand Island, NE 68802 47-0630267	Foundation	NE	501(c)(3)	7	SFMC
Saint Francis Medical Center PO Box 9804 Grand Island, NE 68802 47-0376601	HealthCare	NE	501(c)(3)	3	CHI Nebraska
Central Kansas Medical Center 3515 Broadway Great Bend, KS 67530 48-0543724	Hospital	KS	501(c)(3)	3	CHI
Central Kansas Medical Center Foundation 3515 Broadway Great Bend, KS 67530 48-6120330	Fundraising	KS	501(c)(3)	11c	N/A
St Joseph Memorial Hospital 923 Carroll Ave Larned, KS 67550 48-1253246	Hospital	KS	501(c)(3)	3	CKMC
MNMCH Inc 220 North Pennsylvania Columbus, KS 66725 48-1216238	Hospital	KS	501(c)(3)	3	SJRMC
Mercy Lifecare Systems 2727 McClelland Blvd Joplin, MO 64804 43-1305163	Property Mgmt	MO	501(c)(3)	11a	SJRMC
St John's Medical Group 2727 McClelland Blvd Joplin, MO 64804 43-1882377	Phys Practice	MO	501(c)(3)	9	SJRMC
St John's Mercy Regional Foundation 2727 McClelland Blvd Joplin, MO 64804 43-1308084	Foundation	MO	501(c)(3)	7	SJRMC
St John's Regional Medical Center 2727 McClelland Blvd Joplin, MO 64804 44-0545809	Hospital	MO	501(c)(3)	3	CHI
Good Samaritan Health Systems Inc PO Box 1990 Kearney, NE 68848 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))	(F) Direct Controlling Entity
Good Samaritan Hospital PO Box 1990 Kearney, NE68848 47-0379755	HealthCare	NE	501(c)(3)	3	CHI Nebraska
Good Samaritan Hospital Foundation PO Box 1810 Kearney, NE68848 47-0659443	Foundation	NE	501(c)(3)	7	GSH
Bachmann Realty Corporation 2135 Noll Drive Suite C Lancaster, PA17603 23-3019013	Real estate	DE	501(c)(3)	11a	SJHM
St Joseph Health Ministries 2135 Noll Drive Suite C Lancaster, PA17603 23-2342997	Health	PA	501(c)(3)	11a	SJHM
St Joseph Health Ministries Foundation 2135 Noll Drive Suite C Lancaster, PA17603 23-2605579	Fundraising	PA	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
Continuing Care Hospital 150 North Eagle Creek Drive Lexington, KY40509 61-1400619	LTACH	KY	501(c)(3)	3	SJHS
Saint Joseph Berea Hospital Foundation 305 Estill Street Berea, KY40403 26-0152877	Foundation	KY	501(c)(3)	7	SJHS
Saint Joseph Health System Inc 150 N Eagle Creek Dr Lexington, KY40509 61-1334601	Hospital	KY	501(c)(3)	3	CHI
St Joseph Hospital Foundation Inc One St Joseph Drive Lexington, KY40504 61-1159649	Foundation	KY	501(c)(3)	11a	SJHS
Saint Joseph Medical Foundation Inc One St Joseph Drive Lexington, KY40504 31-1539059	Phy Practices	KY	501(c)(3)	3	SJHS
Visiting Nurse Association of Saint Clar 191 Woodport Road Sparta, NJ07871 22-1768334	Home Health	NJ	501(c)(3)	9	SCHS
Saint Elizabeth Foundation 555 South 70th Street Lincoln, NE68510 47-0625523	Foundation	NE	501(c)(3)	7	SERMC
Saint Elizabeth Health Services 555 South 70th Street Lincoln, NE68510 36-3233120	Healthcare	NE	501(c)(3)	3	SERMC
Saint Elizabeth Health Systems 555 South 70th Street Lincoln, NE68510 36-3233121	Healthcare	NE	501(c)(3)	11a	CHI
Saint Elizabeth Regional Medical Center 555 South 70th Street Lincoln, NE68510 47-0379836	Healthcare	NE	501(c)(3)	3	CHI Nebraska
The Physician Network 8055 O Street Suite 300 Lincoln, NE68510 47-0780857	Healthcare	NE	501(c)(3)	11a	CHI Nebraska
Lisbon Area Health Services 905 Main Street Lisbon, ND58054 82-0558836	Healthcare	ND	501(c)(3)	3	CHI
Alverna Apartments 300 SE 8th Avenue Little Falls, MN56345 41-1351177	Lterm Care	MN	501(c)(3)	9	CHI
Unity Family Healthcare 815 2nd Street SE Little Falls, MN56345 41-0721642	Healthcare	MN	501(c)(3)	3	CHI
St Anthony's Hospital Association 4 Hospital Drive Morrilton, AR72110 71-0245507	Healthcare	AR	501(c)(3)	3	SVIMC
St Vincent Infirmiry Medical Center 2 St Vincent Circle Little Rock, AR72205 71-0236917	Healthcare	AR	501(c)(3)	3	CHI
St Vincent Medical Group 2 St Vincent Circle Little Rock, AR72205 71-0830696	Healthcare	AR	501(c)(3)	9	SVIMC
Maria-Joseph Center 4830 Salem Avenue Dayton, OH45416 31-0935118	Healthcare	OH	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	OH	501(c)(3)	3	SHP
Mercy Medical Center 1512 12th Avenue Road Nampa, ID83686 82-0200896	Hospital	ID	501(c)(3)	3	CHI
Mercy Medical Center Foundation 1512 12th Avenue Road 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	NE	501(c)(3)	3	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))	(F) Direct Controlling Entity
St Mary's Hospital Foundation 1314 3rd Avenue Nebraska City, NE68410 47-0707604	Foundation	NE	501(c)(3)	7	SMH
Oakes Community Hospital 314 South 8th Street Oakes, ND58474 45-0231675	Hospital	ND	501(c)(3)	3	CHI
Oakes Community Hospital Foundation 314 South 8th Street Oakes, ND58474 71-0966606	Foundation	ND	501(c)(3)	11a	OCH
Holy Rosary Medical Center DBA The Domini 351 SW 9th Street Ontario, OR97914 93-0433692	Hospital	OR	501(c)(3)	3	CHI
Holy Rosary Medical Center Foundation 351 SW 9th Street 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	CHI
St Anthony Hospital 1601 SE Court Avenue Pendleton, OR97801 93-0391614	Hospital	OR	501(c)(3)	3	CHI
St Anthony Hospital Foundation 1601 SE Court Avenue Pendleton, OR97801 93-0992727	Foundation	OR	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	CHI
Mt St Joseph Inc 3060 SE Stark Street Portland, OR97214 93-0386870	Nursing Care	OR	501(c)(3)	9	CHI
Pueblo Stepup 1925 East Orman Avenue Suite G52 Pueblo, CO81004 84-1234295	Community	CO	501(c)(3)	7	CHI
Bornemann Healthcare Corporation 2500 Bernville Road PO Box 316 Reading, PA19603 23-2187242	Healthcare	PA	501(c)(3)	11a	CHI
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	BHC
St Joseph Regional Health Network 2500 Bernville Road PO Box 316 Reading, PA19603 23-1352211	Healthcare	PA	501(c)(3)	3	CHI
Linus Oakes Inc 2700 Stewart Parkway Roseburg, OR97470 93-0821381	Senior Living	OR	501(c)(3)	9	MMC
Mercy Foundation Inc 2700 Stewart Parkway Roseburg, OR97470 93-6088946	Foundation	OR	501(c)(3)	7	MMC
Mercy Medical Center 2700 Stewart Parkway Roseburg, OR97470 93-0386868	Hospital	OR	501(c)(3)	3	CHI
Franciscan Villa of South Milwaukee Inc 3601 South Chicago Avenue South Milwaukee, WI53172 39-1093829	Healthcare	WI	501(c)(3)	9	CHI
Enumclaw Community Hospital 1450 Battersby Avenue Enumclaw, WA98022 91-0715805	Hospital	WA	501(c)(3)	3	FHS
Franciscan Foundation 1717 South J Street Tacoma, WA98405 91-1145592	Fundraising	WA	501(c)(3)	9	FHS
Franciscan Health System FKA Franciscan 1717 South J Street Tacoma, WA98405 91-0564491	Healthcare	WA	501(c)(3)	3	CHI
Franciscan Medical Group 1708 South Yakima Avenue Tacoma, WA98405 91-1939739	Healthcare	WA	501(c)(3)	9	FHS
St Joseph Medical Center Foundation Inc 7601 Osler Drive 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	CHI
St Joseph Physician Enterprises 7601 Osler Drive Towson, MD21204 52-1311775	Physicians	MD	501(c)(3)	11a	CHI
Samaritan Health Foundation 2222 Philadelphia Drive Dayton, OH45406 23-7296923	Foundation	OH	501(c)(3)	7	SHP
Mercy Hospital of Valley City 570 Chautauqua Boulevard Valley City, ND58072 45-0226553	Hospital	ND	501(c)(3)	3	CHI
Mercy Medical Center 1301 15th Avenue West Williston, ND58801 45-0231183	Healthcare	ND	501(c)(3)	3	CHI

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

(A) Name, address, and EIN of related organization	(B) Primary Activity	(C) Legal Domicile (State or Foreign Country)	(D) Exempt Code section	(E) Public charity status (if 501(c)(3))	(F) Direct Controlling Entity
Mercy Medical Foundation 1301 15th Avenue West Williston, ND58801 45-0381803	Foundation	ND	501(c)(3)	11a	MMC
Samaritan Health Partners 2222 Philadelphia Drive Dayton, OH45406 31-1107411	Healthcare	OH	501(c)(3)	11a	CHI
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	OR	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	CHI
Alegent Health - Mercy Hospital Corning PO Box 368 Corning, IA50841 42-0782518	Hospital	IA	501(c)(3)	3	AHBMHS
Mercy Health Care Foundation PO Box 368 Corning, IA50841 42-1461064	Foundation	NE	501(c)(3)	11a	AHMH
Mercy Hospital Foundation Council Bluff 800 Mercy Drive Council Bluffs, IA51503 42-1178204	Foundation	IA	501(c)(3)	11a	N/A

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

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal Domicile (State or Foreign Country)	(D) Direct Controlling Entity	(E) Predominant income(related, investment, unrelated)	(F) Share of total income (\$)	(G) Share of end-of-year assets (\$)	(H) Dispropportionate allocations?		(I) Code V - UBI amount on Box 20 of Schedule K-1 (Form 1065) (\$)	(J) General or Managing Partner?	
							Yes	No		Yes	No
Superior Medical Imaging LLC 5000 North 26th Street Lincoln, NE68521 26-2884555	OP Diagnostics	NE	SERMC	Related		2,091,929		No			No
Central Nebraska Rehab Services 3004 W Fairley Ave Grand Island, NE68802 81-0653461	Physical Therapy	NE	CHI	Related	15,827,712	4,183,006		No			No
Mercy West Endoscopy LLC 1601 NW 114th St Suite 244 Clive, IA50325 90-0129077	Ambulatory Surg	IA	CHI-IA Corp	Related	1,690,849	2,016,353		No			No
Audubon Land Company LLC 5390 N Academy Blvd Suite 300 Colorado Springs, CO80918 84-1513085	Real Estate	CO	THC	Related		9,259,533		No			No
Breckenridge Medical Clinic LLC 555 South Park Avenue Plaza 11 Breckenridge, CO80424 65-1295958	Medical Clinic	CO	THC	Related				No			No
Penrad Imaging 1390 Kelly Johnson Blvd Colorado Springs, CO80920 84-1072619	Medical Imaging	CO	THC	Related	314,771	9,836,292		No			No
St Anthony Regional Mtn Cancer Center 4231 W 16th Avenue Denver, CO80112 37-1568013	Cancer Center	CO	THC	Related	-242,741	546,966		No			No
St Francis Land Company 5390 N Academy Blvd Suite 300 Colorado Springs, CO80918 26-3134100	Real Estate	CO	THC	Related	-66,738	15,439,923		No			No
OrthoColorado LLC 11650 West 2nd Place Lakewood, CO80255 37-1577105	Ortho Hospital	CO	THC	Related		2,821,680		No			No
Mercy Outpatient Surgery Center LLC 1512 12th Avenue Road Nampa, ID83686 84-1380439	Surgery Center	ID	MMC	Related	-484,585	1,129,360		No		Yes	
Peninsula Radiation Oncology 314 Martin Luther King Jr Way 11 Tacoma, WA98405 87-0808610	Healthcare Srvc	WA	FHS	Related	282,899	2,387,702		No			No
Healthcare Support Services LLC PO Box 9804 Grand Island, NE688029804 72-1546196	Laundry	NE	CHI	Related	73,817	3,912,695		No	-88,608		No
Bluegrass Regional Imaging Center 1218 South Broadway Suite 310 Lexington, KY40504 61-1386736	Diagnostic	KY	SJ HospitalLex	Related	260,714	4,317,057		No			No
Ambulatory Surgery Cntr Rsbg LLC 2750 W Harvard Roseburg, OR97471 93-1293442	Day Surgery	OR	Mercy Medical	Related	190,224	2,092,370		No		Yes	
North River Surgery Center LLC 2209 Wildwood Avenue Sherwood, AR72120 71-0799771	Ambul Surg Ctr	AR	SVIMC	Related	-42,795	1,650,592		No			No
CHI Operating Investment Program LP 9780 Mt Pyramid Court 3rd Floor Englewood, CO80112 47-0727942	Investments	CO	CHI	Investment	58,022	4,069,968		No		Yes	

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

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal Domicile (State or Foreign Country)	(D) Direct Controlling Entity	(E) Type of entity (C corp, S corp, or trust)	(F) Share of total income (\$)	(G) Share of end-of-year assets (\$)	(H) Percentage ownership
Mercy Health Services Corporation 2727 McClelland Blvd Joplin, MO 64804 43-1457881	DME	MO	St John's RMC	C Corp	-17,953	2,093,683	100 %
Mountain Management Services Inc 6028D Shallowford Road Chattanooga, TN 37422 62-1570739	mgmt svc org	TN	MHCS	C Corp	383,380	11,783,040	100 %
MedQuest 1301 15th Avenue West Williston, ND 58801 45-0392137	Sale of DME	ND	MHof Williston	C Corp	38,645	921,119	100 %
St Anthony Development Company 1415 Southgate Pendleton, OR 97801 93-1216943	Athletic Club	OR	St Anthony H	C Corp	17,998	3,142,823	100 %
Healthcare Management Inc 555 South 70th Street Lincoln, NE 68510 47-0662703	Billing Services	NE	NA	C Corp			
GOOD SAMARITAN OUTREACH SERVICES PO BOX 1990 KEARNEY, NE 68848 47-0659440	MEDICAL CLINIC	NE	GSHS	C Corp			100 %
HEALTH SYSTEMS ENTERPRISES INC PO BOX 1990 KEARNEY, NE 68848 47-0664558	MANAGEMENT	NE	GSHS	C Corp	17,676	1,769,891	100 %
Mercy Park Apartments Ltd 1111 6th Avenue Des Moines, IA 50314 42-1202422	Housing	IA	CHI-IA Corp	C Corp	23,229	1,878,898	100 %
Des Moines Medical Center Inc 1111 6th Avenue Des Moines, IA 50314 42-0837382	Real Estate	IA	CHI-IA Corp	C Corp	-56,189	1,093,386	91 13 %
Comcare Services 4231 W 16th Avenue Denver, CO 80204 84-0904813	Inactive	CO	CHIC	C Corp			100 %
Mednow Inc 1512 12th Avenue Road Nampa, ID 83686 82-0389927	Outpat Pharmacy	ID	Mercy Med Ctr	C Corp	4,534,408	5,348,476	100 %
Saint Clare's Primary Care Inc 66 Ford Road Denville, NJ 07834 22-2441202	Billing Services	NJ	SCCC	C Corp	-483,820	2,590,487	100 %
Healthcare Mgmt Services Org Inc 1149 Market St Tacoma, WA 98402 91-1865474	Health Org	WA	FHS	C Corp			100 %
Physician Health System Network 1149 Market St Tacoma, WA 98402 91-1746721	Health Org	WA	FHS	C Corp			100 %
Saint Clare's Health Care Solutions Inc 66 Ford Road Denville, NJ 07834 20-4969477	Nursing	NJ	SCHCS	C Corp	-81,617		100 %
Mercy Services Corp 2700 Stewart Parkway Roseburg, OR 97470 93-0824308	Retail Sales	OR	Mercy Medical	C Corp	-276,939	1,649,984	100 %
Caduceus Medical Associates Inc 6028 Shallowford Road Suite D Chattanooga, TN 37422 62-1570736	Healthcare	TN	MHCS	C Corp		1,008	100 %
CENTRAL KANSAS HEALTH SERVICES ASSOCIATI 3515 Broadway Great Bend, KS 667530 48-1042853	MEDICAL EQUIPMENT	KS	CKMC	C Corp	100	-309,321	100 %
St Vincent Community Health Services In Two St Vincent Circle Little Rock, AR 72205 71-0710785	Healthcare	AR	SVIMC	C Corp	1,018,000	10,399,000	100 %
Alternative Insurance Management Service 3900 Olympic Boulevard Suite 400 Erlanger, KY 41018 84-1112049	Management Servic	CO	N/A	C Corp		4,445,439	100 %
Nazareth Assurance Company 76 St Paul Street Suite 500 Burlington, VT 05401 03-0304831	Insurance	VT	CHI	C Corp	262	5,695	100 %
Franciscan Services Inc 9780 Mt Pyramid Ct Englewood, CO 80112 23-2487967	Healthcare	CO	CHI	C Corp	-252,887	7,815,631	100 %
SJH Services Corporation 9780 Mt Pyramid Ct Englewood, CO 80112 23-2307408	Healthcare	CO	FSI	C Corp	106,864	3,481,247	100 %
St Joseph Development Company Inc 1717 South J Street Tacoma, WA 98405 91-1480569	Rental	WA	FSI	C Corp	1,153,946	11,984,725	100 %
Towson Management Inc 7601 Osler Drive Towson, MD 21204 52-1710750	Management Servic	MD	FSI	C Corp	74,937	474,456	100 %

Form 990, Schedule R, Part V - Transactions with Related Organizations

(A) Name of other organization		(B) Transaction type(a-r)	(C) Amount Involved (\$)
(1)	Linus Oakes Inc-PC Lease	a	725
(2)	Mercy Services Corp PC Lease	a	1,706
(3)	Mercy Foundation Capital	c	405,593
(4)	Linus Oakes Inc room rent	j	5,960
(5)	Linus Oakes Inc AP PR	p	2,877,124
(6)	Linus Oakes Inc sweeps	r	3,057,351
(7)	Ambulatory Surgery Cntr Rsbg LLC-subcap	p	52,989
(8)	Mercy Foundation Inc-Donation-Op Exps	b	331,315
(9)	Mercy Services Corp-DME Sales & Rentals	q	141,231
(10)	Mercy Services Corp-AP & PatRefund Sweeps	p	1,520,875
(11)	Catholic Health Initiatives	l	20,146,392
(12)	Catholic Health Initiatives	o	4,404,287
(13)	Catholic Health Initiatives	q	6,845,694