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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

2009

Open to Public Inspection

A For the 2009 calendar year, or tax year beginning 01-01-2009 and ending 12-31-2009

B Check if applicable
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Terminated
- ☐ Amended return
- ☐ Application pending

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

C Name of organization
FAITH REGIONAL HEALTH SERVICES

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
1500 KOENIGSTEIN AVENUE PO BOX 869

City or town, state or country, and ZIP + 4
NORFOLK, NE 687020869

D Employer identification number
47-0796875

E Telephone number
(402) 371-4880

G Gross receipts $ 145,744,161

F Name and address of principal officer
JAMES J SINEK
1500 KOENIGSTEIN AVENUE PO BOX 869
NORFOLK, NE 687020869

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 ▶

I Tax-exempt status ☑ 501(c) (3) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ WWW FRHS ORG

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶ | **L** Year of formation 1996 | **M** State of legal domicile NE

Part I Summary

1 Briefly describe the organization's mission or most significant activities
FAITH REGIONAL HEALTH SERVICES IS A HEALTHCARE ORGANIZATION PROVIDING ACUTE, SKILLED AND OUTPATIENT SERVICES TO INDIVIDUALS IN OUR SERVICE AREA

2 Check this box ▶ ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets

3	Number of voting members of the governing body (Part VI, line 1a)	3	15
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	1,423
6	Total number of volunteers (estimate if necessary)	6	95
7a	Total gross unrelated business revenue from Part VIII, column (C), line 12	7a	214,745
b	Net unrelated business taxable income from Form 990-T, line 34	7b	113,361

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	1,039,267	1,580,016
9	Program service revenue (Part VIII, line 2g)	136,681,103	142,225,769
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	1,208,456	639,670
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	819,925	176,528
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	139,748,751	144,621,983
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	174,166	315,802
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)	69,857,388	72,641,870
16a	Professional fundraising fees (Part IX, column (A), line 11e)		0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶279,942		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	59,001,903	62,898,742
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	129,033,457	135,856,414
19	Revenue less expenses Subtract line 18 from line 12	10,715,294	8,765,569

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	180,910,182	189,016,005
21	Total liabilities (Part X, line 26)	113,346,475	112,670,191
22	Net assets or fund balances Subtract line 21 from line 20	67,563,707	76,345,814

Part II Signature Block

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

Sign Here

****** | 2010-08-11
Signature of officer | Date

DOUGLAS WISMER CFO
Type or print name and title

Paid Preparer's Use Only

Preparer's signature: Barbara J Fajen	Date	Check if self-empolyed ☐	Preparer's identifying number (see instructions)
Firm's name (or yours if self-employed), address, and ZIP + 4: SEIM JOHNSON SESTAK & QUIST LLP, 8807 INDIAN HILLS DRIVE SUITE 300, OMAHA, NE 681144123			EIN ▶
			Phone no ▶ (402) 330-2660

May the IRS discuss this return with the preparer shown above? (see instructions) ☑ Yes ☐ No

Part III Statement of Program Service Accomplishments

1 Briefly describe the organization's mission

FAITH REGIONAL HEALTH SERVICES (FAITH), A NOT-FOR-PROFIT HEALTH CARE FACILITY LOCATED IN NORTHEAST NEBRASKA OPERATES FOR THE BENEFIT OF THE INDIVIDUALS IN ITS SERVICE AREA FAITH SERVES ALL PATIENTS REGARDLESS OF THEIR ABILITY TO PAY AND DOES NOT LIMIT ITS SERVICES OR DISCRIMINATE AGAINST ANYONE ON THE BASIS OF RACE, COLOR, SEX, NATIONAL ORIGIN, SEXUAL ORIENTATION, RELIGION, AGE, DISABILITY, DISEASE, OR DIAGNOSIS

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 501(c)(4) organizations and section 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 $ 57,717,036 including grants of $) (Revenue $ 113,518,192)

FAITH REGIONAL PROVIDES HEALTHCARE TO ALL PEOPLE REGARDLESS OF THEIR ABILITY TO PAY OR THEIR INSURANCE PROVIDER DURING 2009 FAITH PROVIDED 12,940 PATIENT DAYS TO MEDICARE PATIENTS AND 2,377 PATIENT DAYS TO MEDICAID PATIENTS RESULTING IN UNPAID COSTS FOR THESE PUBLIC SERVICES PROGRAMS OF $7,579,575

4b (Code) (Expenses $ 29,843,360 including grants of $) (Revenue $ 10,187,320)

MANY SERVICES PROVIDED BY FAITH REGIONAL ARE DONE SO TO MEET SPECIFIC NEEDS OF THE COMMUNITY BECAUSE NO OTHER SERVICES ARE AVAILABLE AS A RESULT, THESE SERVICES ARE PROVIDED KNOWING THAT THEY WILL NOT BE FINANCIALLY VIABLE OR SELF-SUPPORTING THESE SERVICES INCLUDE ACUTE REHABILITATION, BEHAVIORAL HEALTH INPATIENT SERVICES, CARDIOPULMONARY REHABILTIATION SERVICES, DIALYSIS, HOME HEALTH CARE AND TRANSITIONAL CARE (LONG-TERM REHABILITIATION) SERVICES

4c (Code) (Expenses $ 4,160,893 including grants of $ 0) (Revenue $ 0)

A SUBSTANTIAL PORTION OF COMMUNITY BENEFITS PROVIDED BY FAITH REGIONAL IS THE PROVISION OF PATIENT CARE SERVICES THAT ARE NOT PAID FOR EITHER BY THE PATIENT OR A THIRD PARTY INSURANCE DURING 2009 FAITH RECEIVED 952 APPLICATIONS FOR FINANCIAL ASSISTANCE OF THOSE THAT APPLIED, 843 INDIVIDUALS (89%) QUALIFIED FOR OVER $4 MILLION IN ASSISTANCE WITH PAYING THEIR HOSPITAL BILLS

(Code) (Expenses $ 32,193,362 including grants of $ 315,802) (Revenue $ 17,989,122)

IN ADDITION TO PROVIDING OVER 16,000 HOURS OF ONGOING EDUCATION FOR CURRENT EMPLOYEES AND MEDICAL STAFF MEMBERS, FAITH REGIONAL IS COMMITTED TO THE PROMOTION OF HEALTHCARE AS A CAREER OPTION FOR ANYONE COMMITTED TO SERVICE FOR OTHERS AS A RESULT, FAITH REGIONAL HAS DEVELOPED ONGOING PROGRAMS THAT PROVIDE EDUCATIONAL LOANS, TUITION REIMBURSEMENT, AND INTERNSHIPS FOR INDIVIDUALS PURSUING CAREERS IN HEALTHCARE DURING 2009, FAITH REGIONAL PROVIDED 450 EDUCATIONAL PROGRAMS FOR 5,943 EMPLOYEES AND MEDICAL STAFF RESULTING IN 16,624 HOURS OF CONTINUING EDUCATION CREDITS IN ADDITION TO MEDICAL EDUCATION, FAITH REGIONAL CONTINUES TO PROMOTE HEALTH EDUCATION AND HEALTHY LIFESTYLES TO THE COMMUNITIES IT SERVES DURING 2009, FAITH REGIONAL SPONSORED EDUCATIONAL OPPORTUNITIES THAT ALLOWED OVER 40,000 INDIVIDUALS FROM THE SERVICE AREA TO PARTICIPATE IN ONGOING EDUCATION AND WELLNESS INITIATIVES DURING 2009, FAITH REGIONAL ALSO PROVIDED CONTRIBUTIONS OF CASH AND "IN-KIND" DONATIONS TO A NUMBER OF NON-PROFIT AGENCIES WITHIN THE SERVICE AREA TO ASSIST THEM WITH THEIR ONGOING CHARITABLE MISSIONS

4d Other program services (Describe in Schedule O)

(Expenses $ 32,193,362 including grants of $ 315,802) (Revenue $ 17,989,122)

4e **Total program service expenses** ▶ $ 123,914,651

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	Yes	
2	Is the organization required to complete Schedule B, Schedule of Contributors?	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		No
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities? *If "Yes," complete Schedule C, Part II*	4		No
5	**Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations.** Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? *If "Yes," complete Schedule C, Part III*	5		
6	Did the organization maintain any donor advised funds or any similar funds or 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, directly or through a related organization, hold assets in term, permanent,or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10		No
11	Is the organization's answer to any of the following questions "Yes"? *If so,complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.*	11	Yes	
	• Did the organization report an amount for land, buildings, and equipment in Part X, line10? *If "Yes," complete Schedule D, Part VI.*			
	• Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII.*			
	• Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII.*			
	• Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX.*			
	• Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X.*			
	• Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48? *If "Yes," complete Schedule D, Part X.*			
12	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI, XII, and XIII*	12		No
12A	Was the organization included in consolidated, independent audited financial statements for the tax year? **Yes** / **No** *If "Yes," completing Schedule D, Parts XI, XII, and XIII is optional* — **12A** Yes			
13	Is the organization a school 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 United States?	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 United States? *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 U S ? *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 U S ? *If "Yes," complete Schedule F, Part III*	16		No
17	Did the organization report a total of more than $15,000, of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I*	17		No
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions 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 of gross income from gaming activities 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	

Part IV Checklist of Required Schedules *(continued)*

21	Did the organization report more than $5,000 of grants and other assistance to governments and organizations in the United States 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 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	**22**		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *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 line 25*	**24a**	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	**24b**		No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	**24c**		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	**24d**		No
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	**25a**		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	**25b**		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	**26**		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? *If "Yes," complete Schedule L, Part III*	**27**		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28a**		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28b**	Yes	
c	An entity of which a current or former officer, director, trustee, or key employee of the organization (or a family member) was an officer, director, trustee, or owner? *If "Yes," complete Schedule L, Part IV*	**28c**		No
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		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*	**32**		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	**33**	Yes	
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*	**34**	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*	**35**	Yes	
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	**36**		No
37	Did the organization conduct more than 5% 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*	**37**		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? **Note.** All Form 990 filers are required to complete Schedule O	**38**	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096, *Annual Summary and Transmittal of U.S. Information Returns. Enter -0-* if not applicable	1a	81		
b	Enter the number of Forms W-2G included in line 1a *Enter -0-* if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c			
2a	Enter the number of employees reported on Form W-3, *Transmittal of Wage and Tax Statements* filed for the calendar year ending with or within the year covered by this return	2a	1,423		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? **Note:** If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return (see instructions)	2b		Yes	
3a	Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?	3a		Yes	
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 line 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?	5c			
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and 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 receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?	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			
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	7h			
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8			
9	**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** For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body	1a	15		
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	Yes	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		3		No
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?		4		No
5	Did the organization become aware during the year of a material diversion of the organization's assets?		5		No
6	Does the organization have members or stockholders?		6	Yes	
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?		7a	Yes	
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	
9	Is there any officer, director, 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		9		No

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

			Yes	No
10a	Does the organization have local chapters, branches, or affiliates?	10a		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?	10b		
11	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	11	Yes	
11A	Describe in Schedule O the process, if any, used by the organization to review the Form 990			
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	
	If "Yes" to line a or b, describe the process in Schedule O (See instructions)			
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 ▶

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 ▶

DOUGLAS WISMER
1500 KOENIGSTEIN AVENUE PO BOX 869
NORFOLK, NE 687020869
(402) 644-7249

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

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

1a Complete this table for all persons required to be listed Report compensation for the calendar year ending with or within the organization's tax year Use Schedule J-2 if additional space is needed

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

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

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

(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			
LARRY DINKEL PRESIDENT	1 00	X		X				0	0	0
JAMES MILLER VICE PRESIDENT	1 00	X		X				0	0	0
PAUL SANDALL TREASURER	1 00	X		X				0	0	0
BERT LAMMLI SECRETARY	1 00	X		X				0	0	0
DR STEFFAN LACY MEMBER	1 00	X						0	0	0
JEFF EISENMENGER MEMBER	1 00	X						0	0	0
DR LEON GEBHARDT MEMBER	1 00	X						0	0	0
DAVID MAUCH MEMBER	1 00	X						0	0	0
ANITA BRENNEMAN MEMBER	1 00	X						0	0	0
SCOTT MILLER MEMBER	1 00	X						0	0	0
BERNIE AUTEN MEMBER	1 00	X						0	0	0
BOB MCCUE MEMBER	1 00	X						0	0	0
DONNA HERRICK MEMBER	1 00	X						0	0	0
MARY KAY UHING MEMBER	1 00	X						0	0	0
dr TIMOTHY DAVY MEMBER	1 00	X						0	0	0
JAMES J SINEK CEO	40 00			X				405,034	0	44,581
DALE POHLMAN CFO	40 00			X				163,762	0	17,904

Part VII **Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** (continued)

(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			
PATRICK ROCHE VP MISSION	40 00			X				175,660	0	18,435
MIKE HAMMOND VP ALLIED HEALTH	40 00			X				155,829	0	17,499
WILLIAM LOCKEE VP PHYSICIAN PRACTICE	40 00			X				258,888	0	13,766
LISA WALTERS CNO	40 00			X				171,148	0	18,313
DR DEAN FRENCH VP MEDICAL STAFF	40 00			X				250,650	0	9,336
BARRY SPEAR VP GROWTH AND DEVELOPMEN	40 00			X				83,365	0	4,397
LINDA MILLER CNO	40 00			X				102,085	0	14,559
DOUGLAS WELSH MD CARDIOLOGIST	40 00					X		683,890	0	8,738
PETER BERGQUIST MD ORTHO SURGEON	40 00					X		703,677	0	21,128
ajay chander cardioloGIST	40 00					X		648,650	0	15,055
RAJIV RANJAN MD CARDIOLOGIST	40 00					X		495,804	0	18,336
AGHA JAMIL AHMED CARDIOLOGIST	40 00					X		634,136	0	21,128
1b Total . . . . . ▶								4,932,578	0	243,175

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 in reportable compensation from the organization ▶ 68

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

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) Name and business address	(B) Description of services	(C) Compensation
JE DUNN 8420 WEST DODGE ROAD OMAHA, NE 68114	CONSTRUCTION	34,179,997
HDR ARCHITECTURE 8404 INDIAN HILLS DR OMAHA, NE 68114	ARCHITECTURE FEES	390,154
MIDWEST HEME MANGEMENT 8625 oakmont LINCOLN, NE 68526	MEDICAL SERVICES	374,483
SIOUX CITY NIGHT PATROL PO BOX 3276 SIOUX CITY, IA 51102	SECURITY SERVICES	288,561
QUAMMEN HEALTH CARE CONSULTANT PO BOX 560070 MONTEVERDE, FL 34756	IT CONSULTING	233,645

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 in compensation from the organization ▶ 10

Part VIII Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns	1a 33,000				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations	1d 1,375,817				
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f 171,199				
	g	Noncash contributions included in lines 1a-1f $					
	h	**Total.** Add lines 1a-1f		1,580,016			
Program Service Revenue			Business Code				
	2a	NON MEDICARE/CAID IP/O	900,099	85,341,181	85,341,181		
	b	MEDICARE/CAID IP/OP	900,099	42,611,870	42,611,870		
	c	NURSING HOME	623,000	5,349,253	5,349,253		
	d	PHYSICIAN CLINICS	621,110	3,936,323	3,936,323		
	e	LEASED MEDICAL EMPLOYE	900,099	975,432	975,432		
	f	All other program service revenue		4,011,710	3,480,575	89,547	441,588
	g	**Total.** Add lines 2a–2f		142,225,769			
Other Revenue	3	Investment income (including dividends, interest and other similar amounts)		545,667			545,667
	4	Income from investment of tax-exempt bond proceeds		55,812			55,812
	5	Royalties					
			(i) Real / (ii) Personal				
	6a	Gross Rents	1,173,508				
	b	Less rental expenses	1,122,178				
	c	Rental income or (loss)	51,330				
	d	Net rental income or (loss)		51,330			51,330
			(i) Securities / (ii) Other				
	7a	Gross amount from sales of assets other than inventory	38,191				
	b	Less cost or other basis and sales expenses					
	c	Gain or (loss)	38,191				
	d	Net gain or (loss)		38,191			38,191
	8a	Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18 a					
	b	Less direct expenses b					
	c	Net income or (loss) from fundraising events					
	9a	Gross income from gaming activities See Part IV, line 19 a					
	b	Less direct expenses b					
	c	Net income or (loss) from gaming activities					
	10a	Gross sales of inventory, less returns and allowances a					
	b	Less cost of goods sold b					
	c	Net income or (loss) from sales of inventory					
		Miscellaneous Revenue	Business Code				
	11a	MHR HOME CARE LLC	446,199	125,198		125,198	
	b						
	c						
	d	All other revenue					
	e	**Total.** Add lines 11a–11d		125,198			
	12	**Total revenue.** See Instructions		144,621,983	141,694,634	214,745	1,132,588

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	315,802	315,802		
2	Grants and other assistance to individuals in the U S See Part IV, line 22				
3	Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	1,925,211	1,506,708	330,741	87,762
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	168,271	168,271		
7	Other salaries and wages	56,402,315	50,008,041	6,299,340	94,934
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	2,476,302	2,195,082	277,171	4,049
9	Other employee benefits	7,827,266	6,935,030	879,388	12,848
10	Payroll taxes	3,842,505	3,405,974	430,245	6,286
11	Fees for services (non-employees)				
a	Management	24,000		24,000	
b	Legal	105,690		105,690	
c	Accounting	62,769		62,769	
d	Lobbying				
e	Professional fundraising *See Part IV, line 17*				
f	Investment management fees				
g	Other	14,437,805	14,418,801		19,004
12	Advertising and promotion				
13	Office expenses	24,313,927	23,199,984	1,075,252	38,691
14	Information technology	1,282,021	516,203	753,953	11,865
15	Royalties				
16	Occupancy	3,354,679	2,926,184	428,495	
17	Travel	74,324	53,220	21,104	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings				
20	Interest	2,555,416	2,555,416		
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	6,908,353	6,908,353		
23	Insurance	874,511	874,511		
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	BAD DEBT	5,336,155	5,336,155		
b	REPAIRS AND MAINTENANCE	1,987,888	1,811,760	176,128	0
c	EQUIPMENT LEASE AND REN	1,192,857	549,221	643,636	0
d	EDUCATION & TRAINING	298,369	139,957	153,909	4,503
e	TAXES	89,978	89,978	0	0
f	All other expenses				
25	**Total functional expenses.** Add lines 1 through 24f	135,856,414	123,914,651	11,661,821	279,942
26	**Joint costs.** Check here ▶ ☐ 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		105	1	619
	2	Savings and temporary cash investments		31,338,114	2	33,213,189
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		18,856,101	4	17,792,284
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) Complete Part II of Schedule L			6	
	7	Notes and loans receivable, net		1,234,787	7	1,007,053
	8	Inventories for sale or use		3,568,009	8	3,551,580
	9	Prepaid expenses and deferred charges		597,324	9	609,230
	10a	Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D*	10a 180,107,716			
	b	Less accumulated depreciation	10b 61,180,310	80,937,648	10c	118,927,406
	11	Investments—publicly traded securities		38,438,662	11	8,836,148
	12	Investments—other securities See Part IV, line 11		87,675	12	22,385
	13	Investments—program-related See Part IV, line 11		1,636,211	13	1,741,235
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		4,215,546	15	3,314,876
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		180,910,182	16	189,016,005
Liabilities	17	Accounts payable and accrued expenses		16,459,051	17	19,442,300
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities		80,501,382	20	78,062,054
	21	Escrow or custodial account liability *Complete Part IV of Schedule D*			21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons *Complete Part II of Schedule L*			22	
	23	Secured mortgages and notes payable to unrelated third parties		15,665,734	23	14,646,394
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities Complete Part X of Schedule D		720,308	25	519,443
	26	**Total liabilities.** Add lines 17 through 25		113,346,475	26	112,670,191
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		67,149,399	27	76,317,737
	28	Temporarily restricted net assets		414,308	28	28,077
	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		67,563,707	33	76,345,814
	34	Total liabilities and net assets/fund balances		180,910,182	34	189,016,005

Part XI Financial Statements and Reporting

			Yes	No
1	Accounting method used to prepare the Form 990 ☐ Cash ☑ Accrual ☐ Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O			
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	Yes	
c	If "Yes," to 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? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	2c	Yes	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both ☐ Separate basis ☑ Consolidated basis ☐ Both consolidated and separated basis			
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? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	3b		

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SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ **Attach to Form 990 or Form 990-EZ.** ▶ **See separate instructions.**

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
FAITH REGIONAL HEALTH SERVICES

Employer identification number
47-0796875

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions

The organization is not a private foundation because it is (For lines 1 through 11, check only one box)

1 ☐ A church, convention of churches, or association of churches **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).**

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).**

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?

	Yes	No
(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? **11g(i)**		
(ii) a family member of a person described in (i) above? **11g(ii)**		
(iii) a 35% controlled entity of a person described in (i) or (ii) above? **11g(iii)**		

h Provide the following information about the supported organization(s)

(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? Yes	(iv) No	(v) Did you notify the organization in col (i) of your support? Yes	(v) No	(vi) Is the organization in col (i) organized in the U S ? Yes	(vi) No	(vii) Amount of support?
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.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(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 lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 **Public Support.** Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(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 (Explain in Part IV) Do not include gain or loss from the sale of capital assets						
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** ▶☐

Section C. Computation of Public Support Percentage

14 Public Support Percentage for 2009 (line 6 column (f) divided by line 11 column (f)) **14**

15 Public Support Percentage for 2008 Schedule A, Part II, line 14 **15**

16a **33 1/3% support test—2009.** 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% support test—2008.** 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—2009.** 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—2008.** 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 a box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions ▶☐

Part III Support 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) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 **Public Support** (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 **Total support** (Add lines 9, 10c, 11 and 12)						

14 **First Five Years** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and **stop here** ▶

Section C. Computation of Public Support Percentage

15	Public Support Percentage for 2009 (line 8 column (f) divided by line 13 column (f))	15
16	Public support percentage from 2008 Schedule A, Part III, line 15	16

Section D. Computation of Investment Income Percentage

17	Investment income percentage for **2009** (line 10c column (f) divided by line 13 column (f))	17
18	Investment income percentage from **2008** Schedule A, Part III, line 17	18

19a **33 1/3% support tests—2009.** 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% support tests—2008.** 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.** Supplemental Information. Complete this part to provide the explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Provide any other additional information. See instructions

Additional Data

Software ID:
Software Version:
EIN: 47-0796875
Name: FAITH REGIONAL HEALTH SERVICES

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

	Business Code	(A) Total Revenue	(B) Related or Exempt Function Revenue	(C) Unrelated Business Revenue	(D) Revenue Excluded from Tax under IRC 512, 513, or 514
NON MEDICARE/CAID IP/O	900,099	85,341,181	85,341,181		
MEDICARE/CAID IP/OP	900,099	42,611,870	42,611,870		
NURSING HOME	623,000	5,349,253	5,349,253		
PHYSICIAN CLINICS	621,110	3,936,323	3,936,323		
LEASED MEDICAL EMPLOYE	900,099	975,432	975,432		

Form 990, Part IX - Statement of Functional Expenses - 24a - 24e Other Expenses

Do not include amounts reported on line 6b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
BAD DEBT	5,336,155	5,336,155		
REPAIRS AND MAINTENANCE	1,987,888	1,811,760	176,128	0
EQUIPMENT LEASE AND REN	1,192,857	549,221	643,636	0
EDUCATION & TRAINING	298,369	139,957	153,909	4,503
TAXES	89,978	89,978	0	0

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SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
FAITH REGIONAL HEALTH SERVICES

Employer identification number
47-0796875

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 for any other purpose conferring 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 a 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	2a
b	Total acreage restricted by conservation easements	2b
c	Number of conservation easements on a certified historic structure included in (a)	2c
d	Number of conservation easements included in (c) acquired after 8/17/06	2d

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, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting and enforcing conservation easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation 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 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 the arrangement in Part XIV and complete the following table

		Amount
c Beginning balance	1c	
d Additions during the year	1d	
e Distributions during the year	1e	
f Ending balance	1f	

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV

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

		Yes	No
(i) unrelated organizations	3a(i)		
(ii) related organizations	3a(ii)		
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b		

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

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

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		1,006,212		1,006,212
b Buildings	7,149,316	56,984,725	28,659,146	35,474,895
c Leasehold improvements				
d Equipment	176,685	47,784,748	30,928,283	17,033,150
e Other		67,006,030	1,592,881	65,413,149
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				118,927,406

Part VII Investments—Other Securities. See Form 990, Part X, line 12.

(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		
Closely-held equity interests		
Other		
Total. *(Column (b) should equal Form 990, Part X, col (B) line 12)* ▶		

Part VIII Investments—Program Related. See Form 990, Part X, line 13.

(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)* ▶		

Part IX Other Assets. See Form 990, Part X, line 15.

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

Part X Other Liabilities. See Form 990, Part X, line 25.

1 (a) Description of Liability	(b) Amount
Federal Income Taxes	
ESTIMATED THIRD PARTY PAYOR SETTLEMENTS - MEDICARE & MEDICAID	245,793
DEFERRED COMP INVESTMENT	273,650
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	519,443

2. Fin 48 Footnote In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	144,621,983
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	135,856,414
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	8,765,569
4	Net unrealized gains (losses) on investments	4	16,538
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	
9	Total adjustments (net) Add lines 4 - 8	9	16,538
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	8,782,107

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

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

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

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

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, 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 Also complete this part to provide any additional information

Identifier	Return Reference	Explanation
Part X	Description of Uncertain Tax Positions Under FIN 48	FAITH REGIONAL DID NOT REPORT ANY INCOME TAX EXPENSE OR BENEFIT, NOR HAVE ANY DEFERRED TAX ASSETS OR LIABILITIES IN 2009 THE FOLLOWING IS THE RELEVANT PORTION OF THE FINANCIAL STATEMENT FOOTNOTE ON INCOME TAXES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS OF FAITH REGIONAL HEALTH SERVICES AND AFFILIATES "FAITH ADOPTED FASB ASC TOPIC 740 SUBTOPIC 10 SECTION 25, ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES - AN INTERPRETATION OF FASB ASC 740 DURING 2007 SECTION 25 PROVIDES SPECIFIC GUIDANCE ON HOW TO ADDRESS UNCERTAINTY IN ACCOUNTING FOR INCOME TAX ASSETS AND LIABILITIES, PRESCRIBING RECOGNITION THRESHOLDS AND MEASUREMENT ATTRIBUTES THE ADOPTION OF SECTION 25 BY FAITH DID NOT HAVE A MATERIAL IMPACT ON FAITH' FINANCIAL POSITION, RESULTS OF OPERATIONS OR CASH FLOWS "

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SCHEDULE H (Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 20.
▶ Attach to Form 990.
▶ See separate instructions.

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
FAITH REGIONAL HEALTH SERVICES

Employer identification number
47-0796875

Part I Charity Care and Certain Other Community Benefits at Cost

			Yes	No
1a	Does the organization have a charity care policy? If "No," skip to question 6a	1a	Yes	
b	If "Yes," is it a written policy?	1b	Yes	
2	If the organization has multiple hospitals, indicate which of the following best describes application of the charity care policy to the various hospitals ☐ Applied uniformly to all hospitals ☐ Applied uniformly to most hospitals ☐ Generally tailored to individual hospitals			
3	Answer the following based on the charity care eligibility criteria that applies to the largest number of the organization's patients			
a	Does the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing *free* care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for free care ☐ 100% ☐ 150% ☐ 200% ☑ Other 40000 0000000000 %	3a	Yes	
b	Does the organization use FPG to determine eligibility for providing *discounted* care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care ☐ 200% ☐ 250% ☐ 300% ☑ 350% ☐ 400% ☐ Other	3b	Yes	
c	If the organization does not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care			
4	Does the organization's policy provide free or discounted care to the "medically indigent"?	4	Yes	
5a	Does the organization budget amounts for free or discounted care provided under its charity care policy?	5a	Yes	
b	If "Yes," did the organization's charity care expenses exceed the budgeted amount?	5b	Yes	
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 eligibile for free or discounted care?	5c		No
6a	Does the organization prepare an annual community benefit report?	6a	Yes	
6b	If "Yes," does the organization make it available to the public?	6b	Yes	
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H			

7 Charity Care and Certain Other Community Benefits at Cost

Charity Care and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Charity care at cost (from Worksheets 1 and 2)			1,274,851	0	1,274,851	0 940 %
b Unreimbursed Medicaid (from Worksheet 3, column a)			8,519,073	6,346,626	2,172,447	1 600 %
c Unreimbursed costs—other means-tested government programs (from Worksheet 3, column b)						
d **Total** Charity Care and Means-Tested Government Programs			9,793,924	6,346,626	3,447,298	2 540 %
Other Benefits						
e Community health improvement services and community benefit operations (from (Worksheet 4)			766,956	5,990	760,966	0 560 %
f Health professions education (from Worksheet 5)			13,031	0	13,031	0 010 %
g Subsidized health services (from Worksheet 6)			19,843,360	10,187,320	9,656,040	7 110 %
h Research (from Worksheet 7)						
i Cash and in-kind contributions to community groups (from Worksheet 8)			315,802	0	315,802	0 230 %
j **Total** Other Benefits			20,939,149	10,193,310	10,745,839	7 910 %
k **Total.** Add lines 7d and 7j			30,733,073	16,539,936	14,193,137	0

Part II Community Building Activities Complete this table if the organization conducted any community building activities.

		(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 III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

				Yes	No
1	Does the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No 15?		1	Yes	
2	Enter the amount of the organization's bad debt expense (at cost)	2	2,639,308		
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	48,563		
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, and 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	38,977,368		
6	Enter Medicare allowable costs of care relating to payments on line 5	6	44,668,292		
7	Subtract line 6 from line 5 This is the surplus or (shortfall)	7	-5,690,924		
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6 Check the box that describes the method used				

☑ Cost accounting system ☐ Cost to charge ratio ☐ Other

Section C. Collection Practices

9a	Does the organization have a written debt collection policy?		9a	Yes	
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	Yes	

Part IV Management Companies and Joint Ventures

	(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	MHR HOME CARE LLC	PROVIDE DME TO THE PUBLIC	12 330 %	0 %	0 %
2	NORTHEAST NE SURGERY CENTER LLC	AMBULATORY SURGERY	89 940 %	0 %	10 060 %
3	NORTHEAST NE IMAGING CENTER LLC	IMAGING SERVICES	65 000 %	0 %	35 000 %
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					

Part V Facility Information

Name and address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)
FAITH REGIONAL HEALTH SERVICE 1500 KOENIGSTEIN AVE NORFOLK, NE 68701	X	X					X		
ST JOSEPH REHABILITIATION AND CARE CENTE 401 N 18TH STREET NORFOLK, NE 68701									SKILLED NURSING FACILITY

Part VI Supplemental Information

Complete this part to provide the following information

1 Provide the description required for Part I, line 3c, Part I, line 6a, Part I, line 7g, Part I, line 7, column (f), Part I, line 7, Part III, line 4, Part III, line 8, Part III, line 9b, and Part V See Instructions

Part I, Line 3c FAITH REGIONAL USES THE FEDERAL POVERTY GUIDELINES TO DETERMINE ELIGIBILITY FOR DISCOUNTED CARE FINANCIALLY RESPONSIBLE PARTIES WHO SUBMIT A COMPLETE, VERIFIABLE APPLICATION FOR FINANCIAL ASSISTANCE WILL BE CONSIDERED FOR FREE OR REDUCED "CHARITY CARE" FINANCIAL ASSISTANCE ON THE BASIS OF THE FEDERAL POVERTY GUIDELINES (400% FPG LIMIT) ELIGIBILITY FOR THIS PROGRAM WILL BE DETERMINED BY FAMILY SIZE, GROSS INCOME BASED ON THE FEDERAL POVERY GUIDELINES AND AN ASSET TEST THE GROSS INCOME LEVELS ARE UPDATED EACH YEAR AS THE FEDERAL POVERTY GUIDELINES ARE UPDATED CHARITY CARE MAY BE GRANTED WITH RESPECT TO ANY DOLLARS OWED BY A FINANCIALLY RESPONSIBLE PARTY, INCLUDING, BUT NOT LIMITED TO, DEDUCTIBLE, COINSURANCE AND COPAYMENT AMOUNTS, CHARGES FOR NON-COVERED SERVICES AND MEDICAID COST OF SHARE AMOUNTS CHARITY CARE MAY BE AUTHORIZED FOR FINANCIALLY RESPONSIBLE PARTIES WITH INCOME LEVELS EXCEEDING 400% FPG IN THE CASE OF UNUSUAL, SPECIAL AND/OR EXTENUATING CIRCUMSTANCES THESE INSTANCES ARE GENERALLY DUE TO MEDICAL CATASTROPHE SITUATIONS

Part I, Line 7g MANY SERVICES PROVIDED BY FAITH REGIONAL ARE DONE SO TO MEET SPECIFIC NEEDS OF THE COMMUNITY BECAUSE NO OTHER SERVICES ARE AVAILABLE AS A RESULT, THESE SERVICES ARE PROVIDED KNOWING THAT THEY WILL NOT BE FINANCIALLY VIABLE OR SELF-SUPPORTING FAITH REGIONAL DID NOT INCLUDE COSTS ATTRIBUTABLE TO PHYSICIAN CLINICS AS SUBSIDIZED SERVICES A SUBSIDIZED HEALTH SERVICE BENEFIT WAS CALCULATED FOR THE ACUTE REHABILITIATION, BEHAVIORAL HEALTH INPATIENT SERVICES, CARDIOPULMONARY REHABILITATION, DIALYSIS, HOME HEALTH CARE, TRANSITIONAL CARE (LONG-TERM REHABILITATION) AND SKILLED NURSING CARE DEPARTMENTS RECOGNIZING THAT THESE AREAS OPERATE AT A NEGATIVE MARGIN WHEN THE INDIRECT COSTS ARE CONSIDERED THE REPORTED SUBSIDIZED LOSS REPRESENTS THE DIFFERENCE IN NET REVENUE RECEIVED FROM ALL PAYORS IN ADDITION TO ANY MISCELLANEOUS OPERATING REVENUE REPORTED BY THE DEPARTMENT LESS TOTAL OPERATING EXPENSES (DIRECT + INDIRECT COSTS INCLUDED) APPLICABLE TO EACH DEPARTMENT

Part I, Line 7f FAITH REGIONAL ACCOUNTS FOR DISCOUNTS OR PAYMENTS ON PATIENT ACCOUNTS PREVIOUSLY DETERMINED AS BAD DEBT BY CREDITING THE BAD DEBT EXPENSE ACCOUNT

Part I, Line 7 FAITH REGIONAL USES A COST ACCOUNTING SYSTEM TO DETERMINE COSTS REPORTABLE ON PART I, LINE 7 (AND ELSEWHERE ON SCHEDULE H) THE FIRST STEP IN THE COST ACCOUNTING PROCESS IS TO ALLOCATE THE OVERHEAD EXPENSES (ADMINISTRATION AND GENERAL, PLANT, ETC) TO THE REVENUE PRODUCING DEPARTMENTS (OPERATING ROOM, IMAGINING, ONCOLOGY, ETC) THIS IS DONE SIMILAR TO THE MEDICARE COST REPORT USING A SINGLE STEP DOWN METHOD TO ALLOCATE THE COSTS USING APPLICABLE STATISTICS FOR EXAMPLE PLANT EXPENSES ARE ALLOCATED DOWN TO THE OTHER DEPARTMENTS USING CURRENT SQUARE FOOTAGE SO DEPARTMENTS WITH MORE SQUARE FOOTAGE WILL BE ALLOCATED MORE PLANT EXPENSES, DIETARY EXPENSES ARE ALLOCATED BASED ON MEALS SERVED, EMPLOYEE BENEFITS ARE ALLOCATED BASED ON SALARIES, ADMINISTRATIVE AND GENERAL EXPENSES ARE ALLOCATED BASED ON ACCUMULATED COSTS, AND SO ON ONCE ALL THE OVERHEAD EXPENSES ARE ALLOCATED TO THE REVENUE PRODUCING DEPARTMENTS THE COSTS ARE FURTHER ALLOCATED DOWN TO THE CHARGE CODE LEVEL IN ORDER TO DO THIS WE USE 2 DIFFERENT METHODS DEPENDING ON THE DEPARTMENT FOR SPECIFIC DEPARTMENTS WE USE A RVU (RELATIVE VALUE UNIT) ALLOCATION WHERE EACH PROCEDURE IS WEIGHTED BY THE INTENSITY OF THE SERVICE AND IS THEN ALLOCATED COST BASED ON THAT LEVEL OF INTENSITY FOR EXAMPLE AN XRAY WITH SEDATION IS MORE COMPLICATED AND TIME INTENSIVE THAN A SIMPLE CHEST XRAY SO IT WOULD HAVE A HIGHER RVU VALUE AND IN-TURN A HIGHER COST ALLOCATED TO IT THE DEPARTMENTS USING THIS ALLOCATION METHOD ARE IMAGING, CARDIAC CATH, CT, MRI, ULTRASOUND, NUCLEAR MEDICINE, RADIATION ONCOLOGY, AND REHAB (PHYSICAL, OCCUPATIONAL AND SPEECH THERAPY) FOR THE OTHER DEPARTMENTS WE USE A RATIO OF COST TO CHARGE METHOD TO ALLOCATE THE COSTS DOWN TO THE CHARGE CODE LEVEL AFTER ALL THE COSTS HAVE BEEN ALLOCATED TO THE CHARGE CODES THE COSTING IS APPLIED TO ALL PATIENT ACCOUNTS BASED ON THEIR CHARGES TO DETERMINE THE COST OF THEIR ENCOUNTER AND THEN REPORTS CAN BE RUN TO DETERMINE THE PROFITABILITY OF CERTAIN PAYORS, SERVICE LINES OR DEPARTMENTS FOR SCHEDULE H PART III, LINE 2, A REPORT WAS RUN ON ALL PATIENTS THAT HAD ACCOUNTS WRITTEN OFF AS BAD DEBT DURING 2009 SHOWING THEIR CHARGES, PAYMENTS AND COSTS THE AMOUNT REPORTED ON LINE 2 REPRESENTS ALL COSTS LESS ANY PAYMENTS RECEIVED ON THOSE ACCOUNTS

Part III, Line 4 THE AUDITED FOOTNOTES FOR FAITH REGIONAL DO NOT CONTAIN FOOTNOTES RELATED TO BAD DEBT EXPENSE BAD DEBT EXPENSE IS IDENTIFIED ON THE CONSOLIDATED STATEMENT OF OPERATIONS WHICH IS CONSISTENT WITH THE REPORTING PRACTICE OF OTHER HEALTH CARE ORGANIZATIONS DESCRIBE THE COSTING METHOD USED TO DETERMINE AMOUNTS REPORTED IN LINES 2 & 3 FAITH REGIONAL USES A COST ACCOUNTING SYSTEM TO DETERMINE COSTS REPORTABLE ON LINES 2 & 3 (AND ELSEWHERE ON SCHEDULE H) THE FIRST STEP IN THE COST ACCOUNTING PROCESS IS TO ALLOCATE THE OVERHEAD EXPENSES (ADMINISTRATION AND GENERAL, PLANT, ETC) TO THE REVENUE PRODUCING DEPARTMENTS (OPERATING ROOM, IMAGINING, ONCOLOGY, ETC) THIS IS DONE SIMILAR TO THE MEDICARE COST REPORT USING A SINGLE STEP DOWN METHOD TO ALLOCATE THE COSTS USING APPLICABLE STATISTICS FOR EXAMPLE PLANT EXPENSES ARE ALLOCATED DOWN TO THE OTHER DEPARTMENTS USING CURRENT SQUARE FOOTAGE SO DEPARTMENTS WITH MORE SQUARE FOOTAGE WILL BE ALLOCATED MORE PLANT EXPENSES, DIETARY EXPENSES ARE ALLOCATED BASED ON MEALS SERVED, EMPLOYEE BENEFITS ARE ALLOCATED BASED ON SALARIES, ADMINISTRATIVE AND GENERAL EXPENSES ARE ALLOCATED BASED ON ACCUMULATED COSTS, AND SO ON ONCE ALL THE OVERHEAD EXPENSES ARE ALLOCATED TO THE REVENUE PRODUCING DEPARTMENTS THE COSTS ARE FURTHER ALLOCATED DOWN TO THE CHARGE CODE LEVEL IN ORDER TO DO THIS WE USE 2 DIFFERENT METHODS DEPENDING ON THE DEPARTMENT FOR SPECIFIC DEPARTMENTS WE USE A RVU (RELATIVE VALUE UNIT) ALLOCATION WHERE EACH PROCEDURE IS WEIGHTED BY THE INTENSITY OF THE SERVICE AND IS THEN ALLOCATED COST BASED ON THAT LEVEL OF INTENSITY FOR EXAMPLE AN XRAY WITH SEDATION IS MORE COMPLICATED AND TIME INTENSIVE THAN A SIMPLE CHEST XRAY SO IT WOULD HAVE A HIGHER RVU VALUE AND IN-TURN A HIGHER COST ALLOCATED TO IT THE DEPARTMENTS USING THIS ALLOCATION METHOD ARE IMAGING, CARDIAC CATH, CT, MRI, ULTRASOUND, NUCLEAR MEDICINE, RADIATION ONCOLOGY, AND REHAB (PHYSICAL, OCCUPATIONAL AND SPEECH THERAPY) FOR THE OTHER DEPARTMENTS WE USE A RATIO OF COST TO CHARGE METHOD TO ALLOCATE THE COSTS DOWN TO THE CHARGE CODE LEVEL AFTER ALL THE COSTS HAVE BEEN ALLOCATED TO THE CHARGE CODES THE COSTING IS APPLIED TO ALL PATIENT ACCOUNTS BASED ON THEIR CHARGES TO DETERMINE THE COST OF THEIR ENCOUNTER AND THEN REPORTS CAN BE RUN TO DETERMINE THE PROFITABILITY OF CERTAIN PAYORS, SERVICE LINES OR DEPARTMENTS FOR SCHEDULE H PART III, LINE 2, A REPORT WAS RUN ON ALL PATIENTS THAT HAD ACCOUNTS WRITTEN OFF AS BAD DEBT DURING 2009 SHOWING THEIR CHARGES, PAYMENTS AND COSTS THE AMOUNT REPORTED ON LINE 2 REPRESENTS ALL COSTS LESS ANY PAYMENTS RECEIVED ON THOSE ACCOUNTS TO DETERMINE THE AMOUNT TO REPORT ON LINE 3 (ESTIMATED BAD DEBTS THAT COULD BE ATTRIBUTED TO THE PATIENTS ELIGIBLE UNDER THE CHARITY CARE POLICY), WE ASSUMED THAT THE SAME PERCENTAGE OF CHARITY CARE FOR THE WHOLE HOSPITAL ALSO APPLIED TO THOSE ACCOUNTS WRITTEN OFF AS BAD DEBT THE PERCENTAGE OF CHARITY CARE ACCOUNTS WAS CALCULATED BY TAKING CHARITY CARE CHARGES DIVIDED BY TOTAL CHARGES FOR THE HOSPITAL TO COME UP WITH A PERCENT OF 1 84% FAITH THEN TOOK THAT 1 84% AND APPLIED IT TO THE BAD DEBT COSTS REPORTED IN LINE 2 TO COME UP WITH AN ESTIMATE FOR LINE 3 FAITH REGIONAL ACCOUNTS FOR DISCOUNTS OR PAYMENTS ON PATIENT ACCOUNTS PREVIOUSLY DETERMINED AS BAD DEBT BY CREDITING THE BAD DEBT EXPENSE ACCOUNT

Part III, Line 8 FAITH REGIONAL USES A COST ACCOUNTING SYSTEM TO DETERMINE COSTS TO BE REPORTED IN SCHEDULE H THE MEDICARE COSTS WERE DETERMINED BY RUNNING A REPORT SHOWING ALL MEDICARE ACCOUNTS DURING 2009 AND REPORTING ALL PAYMENTS RECEVIED ON LINE 5 AND THE TOTAL COSTS (DIRECT AND INDIRECT) ASSOCIATED WITH THOSE ACCOUNTS ON LINE 6 FAITH REGIONAL DOES NOT BELIEVE THE MEDICARE SHORTFALL SHOULD BE INCLUDED IN COMMUNITY BENEFIT THEREFORE, NONE OF THE SHORTFALL IS TREATED AS COMMUNITY BENEFIT

Part III, Line 9b THROUGHOUT THE COLLECTION PROCESS EACH ACCOUNT IS ALSO CONSIDERED FOR FINANCIAL ASSISTANCE FOR THOSE GUARANTORS THAT ARE FINANCIALLY UNABLE TO PAY OR EXPRESS INABILTIY TO PAY ALL CORRESPONDENCE, INCLUDING STATEMENTS AND COLLECTION LETTERS INCLUDE A STATEMENT THAT "FINANCIAL ASSISTANCE MAY BE AVAILABLE "ACCOUNTS THAT ARE NOT SUCCESSFULLY RESOLVED ARE CONSIDERED FOR REFERRAL TO OUTSIDE COLLECTION AGENCIES THE PATIENT ACCOUNTS' STAFF MEMBER WILL REVIEW THE ACCOUNT TO INSURE ALL PROCESSES ARE COMPLETE, AND THEN FLAG THE ACCOUNT TO BE SENT TO OUTSIDE COLLECTION AGENCIES THE COLLECTION AGENCIES WE UTILIZE ALSO HAVE COPIES OF OUR FINANCIAL ASSISTANCE POLICY AND APPLICATION IF THE NEED ARISES

PART I, LINE 6A FAITH REGIONAL'S COMMUNITY BENEFIT REPORT IS FILED WITH THE STATE OF NEBRASKA THROUGH THE NEBRASKA HOSPITAL ASSOCIATION AND IS AVAILABLE TO THE PUBLIC ON OUR WEBSITE WWW FRHS ORG

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

Part VI, Line 2 FAITH REGIONAL DOES NOT COMPLETE A FORMAL NEEDS ASSESSMENT AT THIS TIME AS THE PUBLIC HEALTH DEPARTMENT HAS DONE SEVERAL IN THE PAST COUPLE OF YEARS AND FAITH HAS CHOSEN NOT TO DUPLICATE THE WORK AS THE HEALTH DEPARTMENT DOES A COMPLETE REPORT IN ADDITION TO THE PUBLIC HEALTH DEPARTMENT'S ASSESSMENT, FAITH REGIONAL IS INTIMATELY INVOLVED IN THE ELKHORN ECONOMIC DEVELOPMENT ASSOCIATION, BOTH ON THE BOARD AND THROUGH FINANCIAL SUPPORT THAT INVOLVMENT IS INTENDED TO FACILITATE COMMUNITY GROWTH, JOB DEVELOPMENT, INFRASTRUCTURE DEVELOPMENT AND BUSINESS EDUCATION/TRAINING FAITH REGIONAL IS ALSO A MEMBER OF THE NORFOLK CHAMBER OF COMMERCE WHICH IS INVOLVED IN BUSINESS RETAIL DEVELOPMENT AND SUPPORT AS WELL AS THE COMMUNITY IMPROVEMENT PROJECTS FAITH ALSO WORKS WITH ORGANIZATIONS LIKE THE ORPHAN GRAIN TRAIN IN PROVIDING MEDICINE AND MEDICAL EQUIPMENT/SUPPLIES TO OTHER NATIONS IN NEED

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

Part VI, Line 3 PATIENTS RECEIVING CARE ARE GIVEN INFORMATION REGARDING FAITH REGIONAL'S FINANCIAL ASSISTANCE PROGRAM THROUGH THE USE OF BROCHURES HANDED OUT BY REGISTRATION, HOSPITAL SOCIAL SERVICES, M A S H (MEDICAL ADVOCACY SERVICES FOR HEALTHCARE) PERSONNEL, AND BY PATIENT ACCOUNTS STAFF ANY PATIENT OR FAMILY MEMBER THAT EXPRESSES CONCERN REGARDING ABILITY TO PAY FOR SERVICES WILL BE DIRECTED TO A SOCIAL WORKER, REGISTRATION CLERK, CASHIER, OR FINANCIAL SERVICES REPRESENTATIVE WHO WILL THEN GIVE THEM AN APPLICATION FOR PATIENT FINANCIAL ASSISTANCE ALONG WITH A BROCHURE EXPLAINING HOW TO COMPLETE THE APPLICATION THE APPLICATION WILL NEED TO BE SUBMITTED ALONG WITH PROOF OF THEIR GROSS INCOME FOR THE PRECEDING THREE MONTHS THIS CAN BE ACCOMPLISHED BY PROVIDING CHECK STUBS FOR THE PRECEDING THREE MONTHS, PROVIDING THE MOST RECENTLY FILED TAX RETURN OR BY PRESENTING A STATEMENT FROM THEIR EMPLOYER (ON COMPANY LETTERHEAD) INDICATING GROSS INCOME FOR EACH OF THE PREVIOUS THREE MONTHS MEDICARE PATIENTS MAY SHOW THEIR ORIGINAL DETERMINATION AMOUNT, A PHOTOCOPY OF A MONTHLY CHECK, OR A COPY OF THEIR BANK STATEMENT THE FINANCIAL SERVICES REPRESENTATIVE WILL THEN MULTIPLY THE GROSS INCOME FOR THE THREE MONTHS BY FOUR TO GET AN ANNUAL GROSS INCOME THE FINANCIAL SERVICE REPRESENTATIVE WILL ALSO REVIEW THE PATIENT'S ASSETS TO SEE IF THERE IS SUFFICIENT EQUITY TO HELP PAY FOR HEALTH SERVICES THE EQUITY OF ASSETS WILL BE DETERMINED AS FOLLOWS REAL ESTATE - WE WILL EXCLUDE THE PRIMARY RESIDENCE ALONG WITH UP TO 1 ACRE OF LAND THAT THE RESIDENCE IS ON, WE WILL INCLUDE RENTAL PROPERTIES, ALL HOMES OR REAL PROPERTY ABOVE AND BEYOND THE PRIMARY RESIDENCE, CABINS, RECREATIONAL PROPERTY, ETC , AS WELL AS REAL ESTATE OWNED FOR BUSINESS PURPOSES PERSONAL PROPERTY - WE WILL EXCLUDE ONE VEHICLE PER WAGE EARNER (OR SOCIAL SECURITY OR DISABILITY RECIPIENT), WE WILL CONSIDER THE EQUITY IN MOTOR VEHICLES (MOTORCYCLES, MOTOR HOMES, BOATS, BOAT TRAILERS, AND ATVS) OTHER PERSONAL PROPERTY WILL INCLUDE STOCKS, BONDS, CDS, FUTURES, ANTIQUE COLLECTIBLES, AND ANY OTHER COLLECTIONS OF VALUE THE HOUSEHOLD SIZE WILL BE DETERMINED USING THE FEDERAL HOUSEHOLD DEFINITIONS IF THERE IS AN OMISSION OF INFORMATION ON THE APPLICATIONS OR INFORMATION PROVIDED APPEARS TO BE INCORRECT, A LETTER WILL BE SENT TO THE PATIENT REQUESTING THE MISSING INFORMATION OR REQUESTING CLARIFICATION OF THE INFORMATION THE DATE THAT THE LETTER IS SENT WILL BE DOCUMENTED ON A LOG OF PENDING APPLICATIONS IF THE REQUESTED DOCUMENTATION IS NOT RETURNED IN NINE WORKING DAYS, THE APPLICATION WILL BE DENIED THE TEAM LEADER FOR THE PATIENT FINANCIAL SERVICES REPRESENTATIVES WILL REVIEW THE APPLICATION AND ASSETS AND MAKE A DETERMINIATION WITHIN 3 DAYS OF THE RECEIPT OF A COMPLETE APPLICATION THE TEAM LEADER WILL THEN NOTIFY (BY LETTER) THE PATIENT INDICATING THAT THE APPLCIATION HAS BEEN APPROVED OR DENIED IF THE APPLICATION IS DENIED THE PATIENT MAY APPLY AGAIN IF THEIR FINANCIAL CIRCUMSTANCES CHANGE

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

Part VI, Line 4 FAITH REGIONAL'S PRIMARY SERVICE AREA CONSISTS OF ANTELOPE, CEDAR, KNOX, MADISON, PLATTE, STANTON AND WAYNE COUNTIES IN NEBRASKA REPRESENTING A POPULATION OF APPROXIMATELY 84,000 PEOPLE THE HOSPITAL'S SECONDARY SERVICE AREA CONSISTS OF HOLT, BOONE, COLFAX AND CUMING COUNTIES IN NEBRASKA REPRESENTING APPROXIMATELY 68,000 PEOPLE FAITH REGIONAL ALSO HAS A TERTIARY SERVICE AREA OF CHERRY, BROWN, KEYA PAHA, ROCK, BOYD, GARFIELD, WHEELER, GREELEY, NANCE, DIXON, DAKOTA, THURSTON AND BURT COUNTIES IN NEBRASKA WITH APPROXIMATELY A POPULATION OF 65,000 FOR THE YEAR ENDED DECEMBER 31, 2009, 91% OF FAITH REGIONAL'S DISCHARGES WERE FROM PATIENTS RESIDING IN THE PRIMARY SERVICE AREA, 6% FROM THE SECONDARY, AND 1% FROM THE TERTIARY SERVICE AREAS THE REMAINING 2% OF DISCHARGES WERE FROM PATIENTS RESIDING OUTSIDE OF THE DEFINED SERVICE AREA DEMOGRAPHIC SURVEY (SOURCE US CENSUS BUREAU 2000 CENSUS)MADISON COUNTY TOTAL POPULATION 35,226AVERAGE INCOME $35,807"PERCENT OF INDIVIDUALS BELOW POVERTY LEVEL" 11 2%BREAKOUT OF POPULATION BY AGE AGE POPULATION % OF TOTAL LESS THAN 19 10,940 31 1% 20 - 24 2,583 7 3%25 - 44 9,547 27 1%45 - 64 7,072 20 1%65+ 5,084 14 4%TOTAL 35,226 100 0%BREAKOUT OF POPULATION BY RACE RACE POPULATION % OF TOTAL WHITE 32,179 91 4%BLACK/AFRICAN AMERICAN 330 0 9%AMERICAN INDIAN 419 1 2%ASIAN/PACIFIC ISLANDER 153 0 4% OTHER 2,145 6 1%TOTAL 35,226 100 0%

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

Part VI, Line 5 NONE

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)

Part VI, Line 6 FAITH REGIONAL HEALTH SERVICES (FAITH), A NOT-FOR-PROFIT HEALTH CARE FACILITY, LOCATED IN NORTHEAST NEBRASKA, OPERATES FOR THE BENEFIT OF THE INDIVIDUALS IN THE SERVICE AREA FAITH SERVES ALL PATIENTS REGARDLESS OF THEIR ABILITY TO PAY AND DOES NOT LIMIT ITS SERVICES OR DISCRIMINATE AGAINST ANYONE ON THE BASIS OF RACE, COLOR, SEX, NATIONAL ORIGIN, SEXUAL ORIENTATION, RELIGION, AGE, DISABILITY, DISEASE, OR DIAGNOSIS FAITH ALSO PROVIDES COMMUNICATIONS SERVICES (E G BILINGUAL STAFF AND INTERPRETERS, SIGN LANGUAGE INTERPRETERS, TDD SERVICES, ETC) FOR SENSORY IMPAIRED INDIVIDUALS FAITH EVALUATES ITSELF ON ITS EFFECTIVENESS ANNUALLY BY EXAMINING ITS ABILITY TO FULFILL ITS MISSION, ACCOMPLISH ITS VISION, PROVIDE SERVICE, AND MAINTAIN ITS VALUES FAITH'S MISSION, VISION, SERVICE, AND VALUES ARE THE MISSION THE MISSION IS TO SERVE CHRIST BY PROVIDING ALL PEOPLE WITH EXEMPLARY MEDICAL SERVICES IN AN ENVIRONMENT OF LOVE AND CARE THE VISION FAITH WILL BECOME A RURAL REFERRAL CENTER FOR NORTHEAST NEBRASKA BY PROVIDING THE MOST COMPREHENSIVE, HIGH QUALITY HEALTHCARE SERVICES TO THE RESIDENTS IN NORTHEAST NEBRASKA THE VALUES COMPASSION EXCELLENCE INTEGRITY RESPECT SPIRITUALITY STEWARDSHIPFAITH'S PROGRAM SERVICE ACCOMPLISHMENTS ARE BASED ON THE COMMUNITY ACCOUNTABILITY STANDARDS DEVELOPED BY THE VOLUNTARY HOSPITALS OF AMERICA (VHA) THESE FOUR STANDARDS ARE 1) DEMONSTRATE LEADERSHIP AS A CHARITABLE INSTITUTION "ORGANIZATIONS SHOULD ACTIVELY PURSUE AN UNDERSTANDING OF THEIR COMMUNITIES' NEEDS AND FULFILL THEM TO THE BEST OF THEIR ABILITY THIS INCLUDES REACHING OUT WITH PREVENTATIVE AND OTHER HEALTHCARE, PARTICIPATING IN MEDICARE, MEDICAID AND OTHER REIMBURSEMENT PROGRAMS FOR THE NEEDY, AND SOLICITING AND DONATING FUNDS TO HELP THOSE IN NEED "2) PROVIDING ESSENTIAL HEALTH CARE SERVICES - "ORGANIZATIONS SHOULD ASSESS THEIR COMMUNITIES' HEALTH NEEDS AND WORK TO MEET THEM AS NECESSARY, INCLUDING COOPERATING WITH OTHER COMMUNITY HEALTH CARE PROVIDERS TO PROVIDE THE BEST CARE POSSIBLE AND OFFERING 24-HOUR EMERGENCY SERVICES "3) BEING ACCOUNTABLE TO THE COMMUNITY "ORGANIZATIONS SHOULD WORK WITH A VOLUNTEER GOVERNING BOARD THAT IS REPRESENTATIVE OF THE COMMUNITY ORGANIZATIONS ARE ALSO ENCOURAGED TO VOLUNTARILY DISCLOSE INFORMATION ABOUT FINANCIAL STATUS, COMMUNITIY BENEFIT ACTIVITIES, SERVICES AND CHARITY CARE, AND TO ADVOCATE HEALTH CARE COST CONTAINMENT AND OTHER ISSUES AS APPROPRIATE "4) MAINTAING EVIDENCE OF COMMITMENT TO COMMUNITY BENEFIT "ORGANIZATIONS SHOULD EMBRACE A MISSION STATEMENT AND BYLAWS REFLECTING A COMMITMENT TO THE GOOD OF THE COMMUNITY AND SHOULD ACT AS LEADERS IN ORGANIZING COMMUNITY BENEFIT ACTIVITIES, BASED ON COMMUNITY NEEDS, SHOULD BE PART OF A STRATEGIC PLAN, AND EMPLOYEES AND MEDICAL STAFF SHOULD BE EDUCATED AND INVOLVED IN THESE ACTIVITIES "FAITH REGOGNIZES ITS OBLIGATION TO DEMONSTRATE LEADERSHIP AS A CHARITABLE ORGANIZATION BY PROVIDING A FULL RANGE OF HEALTH CARE, HEALTH EDUCATION AND WELLNESS RELATED SERVICES TO THE COMMUNITY, AND PARTICIPATING IN FEDERAL, STATE AND LOCAL PROGRAMS TO PROVIDE HEALTH BENEFITS TO THOSE IN NEED DURING 2009, FAITH PARTICIPATED IN A VARIETY OF PROGRAMS INTENDED TO BENEFIT THE ELDERLY AND NEEDY POPULATIONS WITHIN, AND THOSE INDIVIDUALS ENTERING ITS SERVICE AREA THESE INCLUDE MEDICARE, MEDCAID, CHAMPUS, WORKERS COMPENSATION, AND OTHER DISCOUNTED HEALTH INSURANCE PROGRAMS FAITH IS ALSO A PARTICIPATING PROVIDER WITH SEVERAL COMMERCIAL INSURANCE COMPANIES PROVIDING MANAGED CARE TO EMPLOYERS IN OUR COMMUNITIES THIS PARTICIPATION PROVIDES INDIVIDUALS WITH ACCESS TO A LOCAL HEALTH CARE PROVIDER IN ADDITION, FAITH PROVIDES CHARITY CARE FOR THOSE INDIVIDUALS, WHEN IDENTIFIED, WHO ARE FOUND TO BE UNABLE TO PAY FOR SERVICES RENDERED BECAUSE OF ITS PARTICIPATATION IN VARIOUS HEALTH INSURANCE AND CHARITY PROGRAMS, FAITH ACCEPTS CONTRACTUALLY DISCOUNTED PAYMENTS AS PAYMENT IN FULL THIS DISCOUNTED PAYMENT VARIES WITH THE TYPE OF THIRD PARTY PAYOR THESE AMOUNTS, CONTRACTUAL ADJUSTMENTS, ARE DISCOUNTED FROM NORMAL CHARGES IN ADDITION TO PROVIDING UNCOMPENSATED MEDICAL CARE, DURING 2009 FAITH ALSO PROVIDED CASH AND IN-KIND CONTRIBUTIONS TO VARIOUS COMMUNITY ORGANIZATIONS TO FURTHER THE MISSION OF THOSE ORGANIZATIONS AND IMPROVE OVERALL AWARENESS OF HEALTHCARE RELATED ISSUES IN OUR COMMUNITIES ORGANIZATIONS RECEIVING CASH OR IN-KIND CONTRIBUTIONS FROM FAITH INCLUDE THE AMERICAN CANCER SOCIETY, AMERICAN HEART ASSOCIATION, AMERICAN RED CROSS, CITY OF NORFOLK, FELLOWSHIP OF CHRISTIAN ATHLETES, BIRTHRIGHT OF NORFOLK, PLANNED APPROACH TO COMMUNITY HEALTH (PATCH), NORFOLK AREA CHAMBER OF COMMERCE AND NORFOLK UNITED WAY ALSO DURING 2009 FAITH CONTRIBUTED FINANCIAL SUPPORT FOR A NEW 4-YEAR NURSING SCHOOL HERE IN NORFOLK THROUGH COLLABORATION BETWEEN NORTHEAST COMMUNITY COLLEGE AND THE UNIVERSITY OF NEBRASKA FAITH ALSO FINANCIALLY SUPPORTS THE NORFOLK COMMUNITY "FREE CLINIC" THROUGH PHYSICIAN RECRUITMENT AND CLINIC SPACE DONATION FAITH PROVIDES TRANSPORTATION SERVICES PRIMARILY TO RADIATION ONCOLOGY AND RENAL DIALYSIS PATIENTS AT NO CHARGE FAITH REMAINS ACCOUNTABLE TO THE COMMUNITY BY WORKING WITH A VOLUNTEER GOVERNING BOARD THAT IS REPRESENTATIVE OF THE COMMUNITY IT SERVES COOPERATION WITH COMMUNITY BASED HEALTH ORGANIZATIONS IDENTIFY PERTINENT ISSUES RELATED TO ESSENTIAL SERVICES, CHARITY CARE, HEALTH CARE COST CONTAINMENT, COMMUNITY BENEFIT ACTIVITIES AND OTHERS AS APPROPRIATE FAITH CONTINUES TO OPERATE UNDER A VOLUNTEER GOVERNING BOARD AND REMAINS ACTIVELY INVOLVED IN ADVOCATING PUBLIC AWARENESS OF HEALTH CARE AND HEALTH CARE POLICY ISSUES DISCLOSURES OF FINANCIAL INFORMATION, COMMUNITY BENEFIT INFORMATION AND ADVOCACY ISSUES IS PROVIDED THROUGH A VARIETY OF MEDIA INCLUDING AN ANNUAL REPORT TO THE COMMUNITY, MEDIA RELEASES, AND ITS INTERNET WEBSITE WWW FRHS ORGFAITH'S CONTRIBUTION TO THE COMMUNITY NOT ONLY INCLUDES COMPENSATED AND DONATED TIME BUT ALSO EQUIPMENT, MATERIALS AND SPACE MEETING ROOMS ARE PROVIDED AS NEEDED AND EQUIPMENT AND MATERIALS (E G COMPUTERS, COPIER, FAXES, TELEPHONES, CHILDBIRTH PROPS, PROJECTORS, MANNEQUINS, HEARING BOOTH, AUDIOMETERS, BEDS, MONITORS, WARMING UNITS, MINOR INSTRUMENTS, ETC) ARE PROVIDED AT NO CHARGE A MAJOR CONCERN IN HEALTH CARE THAT CAN SOMETIMES BE "HIDDEN IS" THAT OF SEXUAL ABUSE AND NEGLECT IN CHILDREN THE NORTHEAST NEBRASKA CHILD ADVOCACY PROGRAM AT FAITH PROVIDES A SAFE, NON THREATENING ENVIRONMENT WHERE CHILDREN (AGES INFANT TO 18) WHO ARE VICTIMS OF ABUSE RECEIVE IMMEDIATE MEDICAL CARE AND FORENSIC INTERVIEWS FROM VARIOUS AGENCIES WORKING TOGETHER ALL OF THESE SERVICES ARE AVAILABLE FREE TO FAMILIES WITHIN A 22-COUNTY AREA

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 communites served

Part VI, Line 7 N/A

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

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Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

Grants and Other Assistance to Organizations, Governments and Individuals in the United States

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

▶ **Attach to Form 990**

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
FAITH REGIONAL HEALTH SERVICES

Employer identification number
47-0796875

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" to 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 (Form 990) if additional space is needed . . . . . ▶ ☐

(a) Name and address of organization or government	(b) EIN	(c) IRC Code 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
AMERICAN RED CROSS 3838 DEWEY AVENUE OMAHA,NE 68105		501(C)(3)		27,180	FMV	IN-KIND RENT	DEFRAY OPERATING COSTS
NORTHEAST NEBRASKA AREA HEALTH EDUCATION CENTER (AHEC)110 NO 16TH ST STE 2 NORFOLK,NE 68701	223867376	501(C)(3)		25,756	FMV	IN-KIND RENT	DEFRAY OPERATING COSTSDEFRAY OPERATING COSTS
UNIVERSITY OF NE - UNMC COLLEGE OF NURSING3835 HOLDREGE STREET LINCOLN,NE 685031435	470049123	501(C)(3)	207,827				HELP FUND NEW NURSING COLLEGE LOCATION IN NORFOLK, NE
COMMUNITY HEALTH CARE CLINICPO BOX 275 NORFOLK,NE 687020275	470833378	501(C)(3)		32,923	FMV	IN-KIND RENT	DEFRAY OPERATING COSTS

2 Enter total number of section 501(c)(3) and government organizations . . . . . ▶ 14

3 Enter total number of other organizations . . . . . ▶ 0

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to 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

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

Identifier	Return Reference	Explanation
Procedure for Monitoring Grants in the U S	Part I, Line 2	Schedule I, Part I, Line 2 IN-KIND DONATIONS OF RENT ARE MADE TO 501(C)(3) ORGANIZATIONS THESE DONATIONS HELP THE DONEE ORGANIZATIONS MINIMIZE CASH NEEDED FOR OPERATING COSTS AND ALLOW THE ORGANIZATIONS TO USE THEIR AVAILABLE FUNDS IN FURTHERANCE OF THEIR MISSIONS CASH DONATIONS ARE ALSO MADE TO 501(C)(3) ORGANIZATIONS, MANY OF WHICH HAVE HEALTH CARE OR SOCIAL SERVICES MISSIONS THESE DONATIONS ARE SOMETIME RESTRICTED FOR A SPECIFIC USE OR ACTIVITY 501 (C)(3) ORGANIZATIONS ARE BOUND BY THEIR ARTICLES OF ORGANIZATION AND STATED MISSIONS TO CONDUCTING ACTIVITIES STRICTLY FOR CHARITABLE PURPOSES FAITH REGIONAL DOES NOT REQUEST GRANT REPORTS FROM DONEE CHARITABLE ORGANIZATIONS NO DONATIONS WERE MADE TO NON-CHARITABLE EXEMPT ORGANIZATIONS OR TO TAXABLE ORGANIZATIONS

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Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees
▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 23.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
FAITH REGIONAL HEALTH SERVICES

Employer identification number
47-0796875

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropiate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items ☐ First-class or charter travel ☐ Housing allowance or residence for personal use ☐ Travel for companions ☐ Payments for business use of personal residence ☐ Tax idemnification and gross-up payments ☑ Health or social club dues or initiation fees ☐ Discretionary spending account ☐ Personal services (e g , maid, chauffeur, chef)			
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement orprovision of all the expenses described above? If "No," complete Part III to explain	**1b**	Yes	
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**	Yes	
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply ☐ Compensation committee ☑ Written employment contract ☑ Independent compensation consultant ☑ Compensation survey or study ☑ Form 990 of other organizations ☑ Approval by the board or compensation committee			
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization			
a	Receive a severance payment or change-of-control payment?	**4a**	Yes	
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	**4b**		No
c	Participate in, or receive payment from, an equity-based compensation arrangement?	**4c**		No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III			
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.			
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**	Yes	
b	Any related organization?	**5b**		No
	If "Yes," to line 5a or 5b, describe in Part III			
6	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of			
a	The organization?	**6a**		No
b	Any related organization?	**6b**		No
	If "Yes," to line 6a or 6b, describe in Part III			
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	**7**		No
8	Were any amounts reported in Form 990, Part VII, paid or accured 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
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	**9**		

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) Retirement and other 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 reportable compensation				
JAMES J SINEK	(i) (ii)	405,034			7,316	37,265	449,615	
DALE POHLMAN	(i) (ii)	163,762			8,426	9,478	181,666	
PATRICK ROCHE	(i) (ii)	175,660			8,967	9,468	194,095	
MIKE HAMMOND	(i) (ii)	155,829			8,023	9,476	173,328	
WILLIAM LOCKEE	(i) (ii)	258,888			7,350	6,416	272,654	
LISA WALTERS	(i) (ii)	171,148			8,825	9,488	189,461	
DR DEAN FRENCH	(i) (ii)	250,650				9,336	259,986	
DOUGLAS WELSH MD	(i) (ii)	683,890			7,350	1,388	692,628	
PETER BERGQUIST MD	(i) (ii)	651,460		52,217	7,350	13,778	724,805	
ajay chander	(i) (ii)	648,650			7,350	7,705	663,705	
RAJIV RANJAN MD	(i) (ii)	495,804			7,350	10,986	514,140	
AGHA JAMIL AHMED	(i) (ii)	634,136			7,350	13,778	655,264	

Part III Supplemental Information

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

Identifier	Return Reference	Explanation
	Part I, Line 1a	JAMES J SINEK'S YMCA MEMBERSHIP AND COUNTRY CLUB DUES ARE PAID BY FAITH REGIONAL HEALTH SERVICES THE AMOUNTS PAID FOR THESE ITEMS ARE ADDED TO MR SINEK'S W-2 AS WAGES
	Part I, Line 4a	LISA WALTERS RECEIVED SEVERANCE PAYMENTS OF $61,993 MS WALTERS IS TO RECEIVE 6 MONTHS OF SEVERANCE PAY BASED UPON HER EMPLOYMENT AGREEMENT THE PAYMENTS ARE PAID OUT OVER A SIX MONTH PERIOD THE SIX MONTH BEGAN IN 2009 AND ENDED IN 2010 THERFORE, PAYMENTS WERE MADE IN 2010 WHICH WILL BE REPORTED ON THE 2010 FORM 990
	Part I, Line 5	PETER BERGQUIST, MD, A "HIGHEST COMPENSATED EMPLOYEE" IS ELIGIBLE TO RECEIVE SUPPLEMENTAL COMPENSATION BASED ON A PERCENTAGE OF HIS NET PRODUCTION NET PRODUCTION IS DEFINED AS GROSS REVENUES, LESS CONTRACTUAL ALLOWANCES, RECEIVED FOR SERVICES PERFORMED BY DR BERGQUIST

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Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Schedule O (Form 990).**
▶ **Attach to Form 990.** ▶ **See separate instructions.**

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
FAITH REGIONAL HEALTH SERVICES

Employer identification number
47-0796875

Part I Bond Issues

	(a) Issuer Name	(b) Issuer EIN	(c) CUSIP #	(d) Date Issued	(e) Issue Price	(f) Description of Purpose	(g) Defeased Yes	(g) Defeased No	(h) On Behalf of Issuer Yes	(h) On Behalf of Issuer No
A	HOSPITAL AUTHORITY #1 OF MADISON COUNTY NEBRASKA	52-1357975	557352DS7	07-10-2008	66,925,000	FUND NEW BED TOWER AND REIMBURSE PRIOR CAPITAL, REFUND 1998 AND 2001 BONDS		X		X
B	HOSPITAL AUTHORITY #1 OF MADISON COUNTY NEBRASKA	52-1357975	557352EF4	11-20-2008	15,000,000	FUND NEW BED TOWER		X		X

Part II Proceeds

		A	B	C	D	E
1	Total proceeds of issue	56,192,458	15,062,301			
2	Gross proceeds in reserve funds	5,788,469				
3	Proceeds in refunding or defeasance escrows	11,823,184				
4	Other unspent proceeds					
5	Issuance costs from proceeds	22,833	22,833			
6	Working capital expenditures from proceeds					
7	Capital expenditures from proceeds	38,580,806	15,039,468			
8	Year of substantial completion	2009	2009			

		A Yes	A No	B Yes	B No	C Yes	C No	D Yes	D No	E Yes	E No
9	Were the bonds issued as part of a current refunding issue?	X			X						
10	Were the bonds issued as part of an advance refunding issue?	X			X						
11	Has the final allocation of proceeds been made?	X		X							
12	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X							

Part III Private Business Use

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

Part III Private Business Use *(Continued)*

		A		B		C		D		E	
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts with respect to the financed property which may result in private business use?	X			X						
3b	Are there any research agreements with respect to the financed property which may result in private business use?		X		X						
3c	Does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts or research agreements relating to the financed property?	X		X							
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶		4 800 %								
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶										
6	Total of lines 4 and 5		4 800 %								
7	Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	X		X							

Part IV Arbitrage

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

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Schedule L (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V lines 38a or 40b.**

▶ **Attach to Form 990 or Form 990-EZ.** ▶**See separate instructions.**

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
FAITH REGIONAL HEALTH SERVICES

Employer identification number
47-0796875

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

Complete if the organization 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.

Complete if the organization 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? To	From	(c) Original principal amount	(d) Balance due	(e) In default? Yes	No	(f) Approved by board or committee? Yes	No	(g) Written agreement? Yes	No
Total . . . . . ▶ $										

Part III Grants or Assistance Benefitting Interested Persons.

Complete if the organization 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.

Complete if the organization 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
judith miller	judith's spouse is james miller, the vice president of the board	47,520	judith is an employee of faith regional health services		No
pamela pile	pamela's brother is larry dinkel, the president of the board	43,853	pamela is an employee of faith regional health services		No
lori knapp	lori's brother-in-law is scott miller, a board member	38,608	lori is an employee of faith regional health services		No
danielle freudenburg	danielle's brother-in-law is scott miller, a board member	38,289	danielle is an employee of faith regional health services		No
PATHOLOGY MEDICAL SERVICES PC	DR LACY SERVES AS A DIRECTOR, AND HE IS A SHAREHOLDER OF THE COMPANY	104,760	PATHOLOGY MEDICAL SERVICES PC PROVIDES SERVICES TO FAITH REGIONAL HEALTH SERVICES		No

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SCHEDULE O (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990.

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
FAITH REGIONAL HEALTH SERVICES

Employer identification number
47-0796875

Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 2		LARRY DINKEL AND MARY KAY UHING HAVE A FAMILY RELATIONSHIP
Form 990, Part VI, Section A, line 6		FAITH REGIONAL HAS ONE NONPROFIT 501(C)(3) CORPORATE MEMBER, LUTHERAN COMMUNITY HOSPITAL ASSOCIATION
Form 990, Part VI, Section A, line 7a		PURSUANT TO FAITH REGIONAL'S 2008 RESTATED BYLAWS, THE SOLE CORPORATE MEMBER, LUTHERAN COMMUNITY HOSPITAL ASSOCIATION, APPOINTS 14 OF THE 15 VOTING MEMBERS OF THE BOARD OF DIRECTORS OF FAITH REGIONAL HEALTH SERVICES
Form 990, Part VI, Section A, line 7b		FAITH REGIONAL'S RESTATED BYLAWS RESERVE CERTAIN POWERS TO ITS SOLE MEMBER, LUTHERAN COMMUNITY HOSPITAL ASSOCIATION THERE ARE 13 RESERVED POWERS, INCLUDING APPOINTMENT AND REMOVAL OF DIRECTORS, OTHER THAN CHIEF OF STAFF, AMENDMENT OF THE ARTICLES OF INCORPORATION AND BYLAWS, AMENDMENT OF THE MISSION, VISION AND VALUE STATEMENTS, AMONG OTHERS
Form 990, Part VI, Section B, line 11		THE FORM 990 AND ALL APPLICABLE SCHEDULES ARE COMPLETED IN-HOUSE BY THE COST ACCOUNTANT AND REVIEWED BY CFO ONCE THE FORMS ARE COMPLETED THEY ARE REVIEWED AND SIGNED BY SEIM JOHNSON SESTAK AND QUIST, LLP IN OMAHA, NE POST-AUDIT REVIEW, FORM 990 AND SCHEDULES ARE MAILED TO EACH BOARD MEMBER FORM 990 IS REVIEWED AND DISCUSSED AT THE SCHEDULED BOARD MEETING PRIOR TO SUBMISSION TO IRS
Form 990, Part VI, Section B, line 12c		FAITH REGIONAL'S BOARD MEMBERS ARE REQUIRED TO SIGN A NEW CONFLICT OF INTEREST STATEMENT AND DISCLOSURE ANNUALLY ANY CONFLICTS ARE REVIEWED BY THE BOARD A MEMBER WITH A CONFLICT IS EXCUSED FROM THE BOARD DELIBERATIONS AND ACTION
Form 990, Part VI, Section B, line 15		DETERMINATION OF COMPENSATION FOR THE CEO AND OTHER OFFICERS AND KEY EMPLOYEES IS MADE BY GATHERING DATA FROM EXTERNAL SURVEYS AND THE FORM 990 DATA PROVIDED BY COMPARABLE FACILITIES FACILITIES USED ARE DETERMINED BY SIMILAR BED SIZE, NET REVENUES AND NUMBER OF FTES WAGES ARE GATHERED AND COMPARED BY TITLE, RESPONSIBILITIES, AND YEARS OF EXPERIENCE THE SALARY RECOMMENDATIONS ARE MADE BY THE HUMAN RESOURCE DEPARTMENT THE GOVERNING BOARD APPROVES THE SALARY RECOMMENDATIONS FOR THE CEO, THE CEO APPROVES THE RECOMMENDATIONS FOR THE OTHER OFFICERS AND VICE-PRESIDENTS, AND THE VICE-PRESIDENTS APPROVE THE RECOMMENDATIONS FOR THE "DIRECTORS" OF VARIOUS HOSPITAL DEPARTMENTS
Form 990, Part VI, Section C, line 19		FAITH REGIONAL DOES NOT MAKE ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY OR FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC

Identifier	Return Reference	Explanation
FORM 990, PART XI, LINE 2		The Finance/Audit Committee meets monthly to review our unaudited financial statements In November of each year they meet to approve our annual budget and five-year strategic financial plan In December they will review and approve the engagement letter prepared by our external auditors, Seim Johnson, which outlines the scope of their audit and their fees and expenses In January of the succeeding year they will meet in executive session with Seim Johnson representatives to discuss any concerns or issues they may have At the close of the audit they meet with the Faith Executive Team and Seim Johnson representatives to discuss any audit issues In mid to late March they then meet again with Seim Johnson representatives to discuss the draft and final audited financial statements including their opinion Regarding the selection of an external auditor, the Committee has in the past selected up to three regional CPA firms specializing in healthcare audits to send RFPs to and then review the RFPs at a later date The last time this was done they reaffirmed the retention of Seim Johnson as the external auditor Each five years, although not required by the Sarbanes-Oxley legislation, Seim Johnson rotates one of their partners to the Faith engagement

Schedule K Supplental Information SCHEDULE K, PART II, LINE 5 BONDS issued november 20, 2008 ISSUANCE COSTS - $0 CREDIT ENHANCEMENT FEE $22,833

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SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
FAITH REGIONAL HEALTH SERVICES

Employer identification number
47-0796875

Part I Identification of Disregarded Entities (Complete if the organization answered "Yes" on Form 990, Part IV, line 33.)

(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
FAITH REGIONAL PHYSICIAN SERVICES LLC 2700 WEST NORFOLK AVENUE nORFOLK, NE 68701 42-1629846	PHYSICIAN SERVICES	NE	10,097,292	3,359,683	

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(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
LUTHERAN COMMUNITY HOSPITAL ASSOCIATION 2700 W NORFOLK AVE NORFOLK, NE 68701 47-0396139	SUPPORT FAITH REGIONAL HEALTH SERVICES	NE	501(C)(3)	3	
FAITH REGIONAL HEALTH SERVICES FOUNDATION 1500 KOENIGSTEIN AVE NORFOLK, NE 68701 91-1772474	SUPPORT FAITH REGIONAL HEALTH SERVICES	NE	501(C)(3)	11A	

Part III **Identification of Related Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

(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, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No

Part IV **Identification of Related Organizations Taxable as a Corporation or Trust** (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

(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
NORTHEAST NEBRASKA SURGERY CENTER 301 N 27TH STREET NORFOLK, NE68701 47-0819088	OUTPATIENT SURGERY	NE		C	156,980	2,114,142	89 940 %

Part V Transactions With Related Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35, or 36.)

			Yes	No
	Note. Complete line 1 if any entity is listed in Parts II, III or IV			
1	During the tax year, did the orgranization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?			
a	Receipt of **(i)** interest **(ii)** annuities **(iii)** royalties **(iv)** rent from a controlled entity	**1a**	**Yes**	
b	Gift, grant, or capital contribution to other organization(s)	**1b**		**No**
c	Gift, grant, or capital contribution from other organization(s)	**1c**	**Yes**	
d	Loans or loan guarantees to or for other organization(s)	**1d**		**No**
e	Loans or loan guarantees by other organization(s)	**1e**		**No**
f	Sale of assets to other organization(s)	**1f**		**No**
g	Purchase of assets from other organization(s)	**1g**	**Yes**	
h	Exchange of assets	**1h**		**No**
i	Lease of facilities, equipment, or other assets to other organization(s)	**1i**		**No**
j	Lease of facilities, equipment, or other assets from other organization(s)	**1j**		**No**
k	Performance of services or membership or fundraising solicitations for other organization(s)	**1k**		**No**
l	Performance of services or membership or fundraising solicitations by other organization(s)	**1l**		**No**
m	Sharing of facilities, equipment, mailing lists, or other assets	**1m**		**No**
n	Sharing of paid employees	**1n**	**Yes**	
o	Reimbursement paid to other organization for expenses	**1o**		**No**
p	Reimbursement paid by other organization for expenses	**1p**		**No**
q	Other transfer of cash or property to other organization(s)	**1q**		**No**
r	Other transfer of cash or property from other organization(s)	**1r**	**Yes**	

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

	(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount involved
(1)	FAITH REGIONAL HEALTH SERVICES FOUNDATION	C	1,375,817
(2)	NORTHEAST NEBRASKA SURGERY CENTER	N	969,266
(3)	NORTHEAST NEBRASKA SURGERY CENTER	A	266,110
(4)	NORTHEAST NEBRASKA SURGERY CENTER	R	85,257
(5)			
(6)			

Part VI Unrelated Organizations Taxable as a Partnership (Complete if the organization answered "Yes" on Form 990, Part IV, line 37.)

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

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Are all partners section 501(c)(3) organizations? Yes	(d) No	(e) Share of end-of-year assets	(f) Disproprtionate allocations? Yes	(f) No	(g) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(h) General or managing partner? Yes	(h) No