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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 07-01-2009 and ending 06-30-2010

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
St Mary's Medical Center

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
407 East Third Street

City or town, state or country, and ZIP + 4
Duluth, MN 55805

D Employer identification number
41-0695604

E Telephone number
(218) 786-1421

G Gross receipts $ 367,851,450

F Name and address of principal officer
BARBARA JOHNSON CFO
407 EAST THIRD STREET
DULUTH, MN 55805

H(a) Is this a group return for affiliates? ☐ Yes ☑ No

H(b) Are all affiliates included? ☐ Yes ☐ No
If "No," attach a list (see instructions)

H(c) Group exemption number ▶ 0928

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

J Website: ▶ smdc org

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation 1888

M State of legal domicile MN

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities
St Mary's Medical Center exist's to witness the love of God through compassionate and competent health services for all, especially the poor and powerless

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	13
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	11
5	Total number of employees (Part V, line 2a)	5	3,302
6	Total number of volunteers (estimate if necessary)	6	1,069
7a	Total gross unrelated business revenue from Part VIII, column (C), line 12	7a	0
b	Net unrelated business taxable income from Form 990-T, line 34	7b	0

		Prior Year	Current Year
Revenue			
8	Contributions and grants (Part VIII, line 1h)	0	3,329
9	Program service revenue (Part VIII, line 2g)	354,504,910	355,067,369
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	-14,986,838	7,111,918
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	3,230,267	3,140,001
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	342,748,339	365,322,617
Expenses			
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	769,361	15,050
14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	175,389,740	174,683,127
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 1,270,499		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	146,934,351	150,750,338
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	323,093,452	325,448,515
19	Revenue less expenses Subtract line 18 from line 12	19,654,887	39,874,102
Net Assets or Fund Balances		**Beginning of Current Year**	**End of Year**
20	Total assets (Part X, line 16)	574,936,250	591,801,013
21	Total liabilities (Part X, line 26)	149,987,840	130,624,674
22	Net assets or fund balances Subtract line 21 from line 20	424,948,410	461,176,339

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

▶ Signature of officer — Date: 2011-05-10

▶ BARBARA JOHNSON CFO
Type or print name and title

Paid Preparer's Use Only

Preparer's signature ▶	Date	Check if self-empolyed ▶ ☐	Preparer's identifying number (see instructions)
Firm's name (or yours if self-employed), address, and ZIP + 4 ▶			EIN ▶
			Phone no ▶

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

SEE SCHEDULE O

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 $ 242,793,502 including grants of $ 15,050) (Revenue $ 355,067,369)

SEE SCHEDULE O

4b (Code) (Expenses $ including grants of $) (Revenue $)

4c (Code) (Expenses $ including grants of $) (Revenue $)

4d Other program services (Describe in Schedule O)

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

4e **Total program service expenses** ▶ $ 242,793,502

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		No
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? *If "Yes," completing Schedule D, Parts XI, XII, and XIII is optional* — **Yes** / **No**	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**		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	**24b**		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	**24c**		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	**24d**		
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	**25a**		No
b	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**		No
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1*	**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	179		
b	Enter the number of Forms W-2G included in line 1a *Enter -0-* if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c		Yes	
2a	Enter the number of employees reported on Form W-3, *Transmittal of Wage and Tax Statements* filed for the calendar year ending with or within the year covered by this return	2a	3,302		
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			No
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*	3b			
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 13		
b	Enter the number of voting members that are independent . .	1b 11		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2		No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? . .	3		No
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	4		No
5	Did the organization become aware during the year of a material diversion of the organization's assets? . .	5		No
6	Does the organization have members or stockholders?	6	Yes	
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a	Yes	
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons? . .	7b	Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
a	The governing body?	8a	Yes	
b	Each committee with authority to act on behalf of the governing body?	8b	Yes	
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		No
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		

Section C. Disclosure

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

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 ▶

BARBARA JOHNSON CFO
407 EAST THIRD STREET
DULUTH, MN 55805
(218) 786-1421

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			
See add'l data										

1b Total . . . . . ▶	1,710,142	3,623,996	990,280

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 ▶ 95

			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**	Yes	
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
LAKE SUPERIOR LAUNDRY PO BOX 488 SUPERIOR, WI 54880	LAUNDRY SERVICES	1,279,434
FRESENUIS MEDICAL CARE PO BOX 77000 DETROIT DETROIT, MI 48277	DIALYSIS SERVICES	562,846
AIM HEALTHCARE SERVICES PO BOX 292377 NASHVILLE, TN 37229	MEDICAL CLAIMS SVCS	1,243,478
NORTHERN PRINTING AND PROMOTION INC 1914 W SUPERIOR ST DULUTH, MN 55806	PRINTING SERVICES	584,296
OTIS ELEVATOR COMPANY PO BOX 73579 CHICAGO, IL 60673	ELEVATOR MAINT SVCS	344,148

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 ▶ 18

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				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations	1d				
	e	Government grants (contributions)	1e	3,329			
	f	All other contributions, gifts, grants, and similar amounts not included above	1f				
	g	Noncash contributions included in lines 1a-1f $					
	h	**Total.** Add lines 1a-1f		3,329			
Program Service Revenue			Business Code				
	2a	PATIENT REVENUE	621,400	355,067,369	355,067,369		
	b						
	c						
	d						
	e						
	f	All other program service revenue					
	g	**Total.** Add lines 2a–2f		355,067,369			
	3	Investment income (including dividends, interest and other similar amounts)		2,025,400			
	4	Income from investment of tax-exempt bond proceeds		0			
	5	Royalties		0			
			(i) Real	(ii) Personal			
	6a	Gross Rents	64,540				
	b	Less rental expenses					
	c	Rental income or (loss)	64,540				
	d	Net rental income or (loss)		64,540			64,540
			(i) Securities	(ii) Other			
	7a	Gross amount from sales of assets other than inventory	5,065,611	2,215,134			
	b	Less cost or other basis and sales expenses	0	2,194,227			
	c	Gain or (loss)	5,065,611	20,907			
	d	Net gain or (loss)		5,086,518			5,086,518
Other Revenue	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		0			
	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		0			
	10a	Gross sales of inventory, less returns and allowances	a 784,851				
	b	Less cost of goods sold	b 334,606				
	c	Net income or (loss) from sales of inventory		450,245			450,245
		Miscellaneous Revenue	Business Code				
	11a	CAFETERIA REVENUE	900,099	1,615,509			1,615,509
	b	CHILD CARE REVENUE	900,099	293,020			293,020
	c	PARKING REVENUE	812,930	715,193			715,193
	d	All other revenue		1,494			1,494
	e	**Total.** Add lines 11a–11d		2,625,216			
	12	**Total revenue.** See Instructions		365,322,617	355,067,369		8,226,519

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	15,050	15,050		
2	Grants and other assistance to individuals in the U S See Part IV, line 22	0			
3	Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16	0			
4	Benefits paid to or for members	0			
5	Compensation of current officers, directors, trustees, and key employees	712,139	712,139		
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7	Other salaries and wages	128,768,813	100,635,235	27,691,889	441,689
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	13,013,777	3,831,417	9,157,540	24,820
9	Other employee benefits	22,866,422	16,002,700	6,812,313	51,409
10	Payroll taxes	9,321,976	7,244,697	2,045,518	31,761
11	Fees for services (non-employees)				
a	Management	0			
b	Legal	139,396		139,396	
c	Accounting	292,768		292,768	
d	Lobbying	0			
e	Professional fundraising *See Part IV, line 17*	0			
f	Investment management fees	0			
g	Other	19,129,570	15,034,395	3,946,636	148,539
12	Advertising and promotion	315,126	2,630	310,671	1,825
13	Office expenses	71,430,634	64,919,063	6,462,665	48,906
14	Information technology	4,960,928	474,014	4,483,417	3,497
15	Royalties	0			
16	Occupancy	3,528,564	251,319	3,277,245	
17	Travel	1,004,685	680,643	320,555	3,487
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19	Conferences, conventions, and meetings	823,124	197,395	587,672	38,057
20	Interest	3,347,520		3,347,520	
21	Payments to affiliates	1,947,258	1,947,258		
22	Depreciation, depletion, and amortization	15,571,709	6,092,794	9,474,198	4,717
23	Insurance	282,911	111,219	171,692	
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 EXPENSE	14,772,409	14,469,471	302,938	
b	MINNESOTA CARE TAX	3,938,349	3,862,887	75,462	
c	MEDICAL CARE SURCHARGE	2,917,637	2,861,546	56,091	
d	EQUIPMENT REPAIR	1,904,650	1,052,036	852,459	155
e	DUES & SUBSCRIPTIONS	1,341,467	1,079,312	254,868	7,287
f	All other expenses	3,101,633	1,316,282	1,321,001	464,350
25	**Total functional expenses.** Add lines 1 through 24f	325,448,515	242,793,502	81,384,514	1,270,499
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		56,200,293	1	13,125,793
	2	Savings and temporary cash investments		4,350,192	2	18,062,139
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		49,598,577	4	45,950,582
	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		6,677,173	7	235,992,920
	8	Inventories for sale or use		7,868,280	8	7,702,819
	9	Prepaid expenses and deferred charges		867,874	9	1,171,708
	10a	Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D*	10a 254,697,594			
	b	Less accumulated depreciation	10b 187,015,858	71,580,961	10c	67,681,736
	11	Investments—publicly traded securities		109,653,423	11	1,796,726
	12	Investments—other securities See Part IV, line 11		252,625,541	12	195,605,726
	13	Investments—program-related See Part IV, line 11			13	4,577,046
	14	Intangible assets		5,027,577	14	0
	15	Other assets See Part IV, line 11		10,486,359	15	133,818
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		574,936,250	16	591,801,013
Liabilities	17	Accounts payable and accrued expenses		40,732,494	17	42,567,846
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities		25,304,999	20	0
	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		1,930,000	23	0
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities Complete Part X of Schedule D		82,020,347	25	88,056,828
	26	**Total liabilities.** Add lines 17 through 25		149,987,840	26	130,624,674
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		424,948,410	27	461,176,339
	28	Temporarily restricted net assets			28	
	29	Permanently restricted net assets			29	
		Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		424,948,410	33	461,176,339
	34	Total liabilities and net assets/fund balances		574,936,250	34	591,801,013

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
St Mary's Medical Center

Employer identification number
41-0695604

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: 41-0695604
Name: St Mary's Medical Center

Form 990, Part VII - Compensation of Officers, Directors,Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(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			
S KATHLEEN HOFER CHAIRPERSON, PRESIDENT SMMC BD	60 0	X		X				0	0	0
S SARAH SMEDMAN SMMC BOARD DIRECTOR	10 0	X						0	0	0
FRANK JEWELL VICE PRESIDENT, SMMC BOARD	10 0	X		X				0	0	0
S LINDA WIGGINS SMMC BOARD DIRECTOR	10 0	X						0	0	0
S MELANIE GAGNE SMMC BOARD DIRECTOR	10 0	X						0	0	0
THOMAS C STENDER SECRETARY, SMMC BOARD	10 0	X		X				1,045	0	0
ED J CRAWFORD SMMC BOARD DIRECTOR	10 0	X						770	0	0
CAROL FARCHMIN MD SMMC BOARD DIRECTOR	10 0	X						0	0	0
S MARY RAE HIGGINS SMMC BOARD DIRECTOR	10 0	X						0	0	0
GEORGE F HOLLIDAY MD SMMC BOARD DIRECTOR	60 0	X						0	198,881	43,533
ANDREW LISAK SMMC BOARD DIRECTOR	10 0	X						0	0	0
JOSEPH J MIHALEK SMMC BOARD DIRECTOR	10 0	X						660	0	0
KEVIN T STEPHAN MD SMMC BOARD DIRECTOR	60 0	X						0	232,721	37,025
ROBERT NORMAN CHIEF FINANCIAL OFFICER	60 0			X				0	531,094	106,313
BARBARA JOHNSON CHIEF FINANCIAL OFFICER	60 0			X				0	82,570	12,252
MARIBETH OLSON CHIEF OPERATING OFFICER	60 0			X				315,421	0	76,534
ALBERT J DEIBELE MD CLINICAL CHIEF	60 0				X			0	700,741	51,251
ROCKLON CHAPIN EXECUTIVE VP HOSPITAL DIVISION	60 0				X			0	416,411	59,759
MICHAEL F MCAVOY VICE PRESIDENT ACUTE CARE & DI	60 0				X			0	208,541	51,165
TERRI L RUBERG VICE PRESIDENT PATIENT CARE OP	60 0				X			198,469	0	58,571
MICHAEL C METCALF EXECUTIVE VP CLINICAL DIVISION	60 0				X			0	422,737	76,772
HUGH P RENIER MD VICE PRESIDENT MEDICAL AFFAIRS	60 0					X		353,342	0	78,421
STEVEN F JOHNSTON CDO, EXECUTIVE DIRECTOR	60 0					X		184,312	0	55,677
MARY C SHAW COO, ADMINISTRATOR	60 0					X		168,882	0	51,149
KAREN M ENGEN RN	40 0					X		161,683	0	9,770

Form 990, Part VII - Compensation of Officers, Directors,Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(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			
ANNE M MEYER RN	40 0					X		153,131		33,734
DAVID H AMUNDSON SENIOR VICE PRESIDENT FINANCE	0 0						X	172,427	0	8,426
DENNIS W DASSENKO CHIEF INFORMATION OFFICER	60 0						X	0	324,185	72,089
DIANE T DAVIDSON SR VICE PRES HUMAN RESOURCES	60 0						X	0	285,092	60,122
MICHAEL J MAHONEY VP OF GOVERNMENT AFFAIRS	60 0						X	0	221,023	47,717

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 EXPENSE	14,772,409	14,469,471	302,938	
MINNESOTA CARE TAX	3,938,349	3,862,887	75,462	
MEDICAL CARE SURCHARGE	2,917,637	2,861,546	56,091	
EQUIPMENT REPAIR	1,904,650	1,052,036	852,459	155
DUES & SUBSCRIPTIONS	1,341,467	1,079,312	254,868	7,287

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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
St Mary's Medical Center

Employer identification number
41-0695604

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		1,586,106		1,586,106
b Buildings		153,862,848	111,631,597	42,231,251
c Leasehold improvements				
d Equipment		98,756,656	74,918,259	23,838,397
e Other		491,984	466,002	25,981
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				67,681,735

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		
DEPR RESERVE LONG TERM POOL	185,806,454	F
VHA COMMON STOCK	400,000	C
BOARD DESIGNATED RESERVE	1,775,476	F
LTC RESERVE	7,479,989	F
MISC OTHER SECURITIES	143,807	C
Total. *(Column (b) should equal Form 990, Part X, col (B) line 12)* ▶	195,605,726	

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	0
MN CARE TAX PAYABLE	1,377,845
ACCRUED REAL ESTATE TAXES	87,885
WORKERS COMP IBNR	6,163,108
PENSION LIABILITY	62,745,235
SMDC PENSION LIABILITY	9,455,158
BENEFIT PLAN LIABILITY	4,577,046
ASSET RETIRE OBLIGAT LIABILITY	841,753
INTEREST SWAP LIABILITY	2,739,084
MISC OTHER LIABILITY	69,714
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	88,056,828

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

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

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

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

1	Total expenses and losses per audited financial statements			1	
2	Amounts included on line 1 but not on Form 990, Part IX, line 25				
a	Donated services and use of facilities	2a			
b	Prior year adjustments	2b			
c	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
SCHEDULE D PART X	FIN 48 FOOTNOTE-	Essentia Health has adopted Accounting Standards Codification 740, Income Taxes (formerly known as FASB Interpretation No 48 (FIN 48), Accounting for Uncertainty in Income Tax - an interpretation of FASB Statement No 109, Accounting for Income Taxes) The adoption of this interpretation had no material impact on the consolidated financial statements and therefore, Essentia Health's consolidated financial statements for fiscal year ended June 30, 2010 no longer includes an ASC 740 footnote

Additional Data

Software ID:
Software Version:
EIN: 41-0695604
Name: St Mary's Medical Center

Form 990, Schedule D, Part X, - Other Liabilities

1 (a) Description of Liability	(b) Amount
MN CARE TAX PAYABLE	1,377,845
ACCRUED REAL ESTATE TAXES	87,885
WORKERS COMP IBNR	6,163,108
PENSION LIABILITY	62,745,235
SMDC PENSION LIABILITY	9,455,158
BENEFIT PLAN LIABILITY	4,577,046
ASSET RETIRE OBLIGAT LIABILITY	841,753
INTEREST SWAP LIABILITY	2,739,084
MISC OTHER LIABILITY	69,714

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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
St Mary's Medical Center

Employer identification number
41-0695604

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 _____	3a	Yes	
b	Does the organization use FPG to determine eligibility for providing *discounted* care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care ☐ 200% ☐ 250% ☑ 300% ☐ 350% ☐ 400% ☐ Other _____	3b	Yes	
c	If the organization does not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care			
4	Does the organization's policy provide free or discounted care to the "medically indigent"?	4	Yes	
5a	Does the organization budget amounts for free or discounted care provided under its charity care policy?	5a	Yes	
b	If "Yes," did the organization's charity care expenses exceed the budgeted amount?	5b		No
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligibile for free or discounted care?	5c		
6a	Does the organization prepare an annual community benefit report?	6a	Yes	
6b	If "Yes," does the organization make it available to the public?	6b	Yes	
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H			

7 Charity Care and Certain Other Community Benefits at Cost

Charity Care and Means-Tested 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)			2,535,438		2,535,438	0 780 %
b Unreimbursed Medicaid (from Worksheet 3, column a)			97,369,587	79,296,625	18,072,962	5 550 %
c Unreimbursed costs—other means-tested government programs (from Worksheet 3, column b)			618,955		618,955	0 190 %
d **Total** Charity Care and Means-Tested Government Programs			100,523,980	79,296,625	21,227,355	6 520 %
Other Benefits						
e Community health improvement services and community benefit operations (from (Worksheet 4)	8	342	2,618		2,618	
f Health professions education (from Worksheet 5)	4		4,506,427	389,715	4,116,712	1 270 %
g Subsidized health services (from Worksheet 6)	2		72,953		72,953	0 020 %
h Research (from Worksheet 7)						
i Cash and in-kind contributions to community groups (from Worksheet 8)	1		15,200		15,200	0 010 %
j **Total** Other Benefits	15	342	4,597,198	389,715	4,207,483	1 300 %
k **Total.** Add lines 7d and 7j	15	342	105,121,178	79,686,340	25,434,838	7 820 %

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	6,325,546		
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	0		
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	102,535,138		
6	Enter Medicare allowable costs of care relating to payments on line 5	6	97,168,111		
7	Subtract line 6 from line 5 This is the surplus or (shortfall)	7	5,367,027		
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					
2					
3					
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)
ST MARY'S MEDICAL CENTER 407 EAST THIRD STREET DULUTH,MN 55805	X	X		X			X		

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

See additional data

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

See additional data

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

See additional data

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

See additional data

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

Not applicable

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)

See additional data

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

See additional data

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

MN

Additional Data

Software ID:
Software Version:
EIN: 41-0695604
Name: St Mary's Medical Center

Form 990 Schedule H, Part VI - Supplemental Information, Line 1

The organization uses federal poverty guidelines

Form 990 Schedule H, Part VI - Supplemental Information, Line 1

St Mary's Medical Center's community benefit information is consolidated into the Essentia Health community benefit information which is included in the Essentia Health annual report The annual report is made available to the public via the website at www essentiahealth org Essentia Health, headquartered in Duluth, Minn , is an integrated health system serving patients in Minnesota, Wisconsin, North Dakota and Idaho and is St Mary's Medical Center's parent corporation

Form 990 Schedule H, Part VI - Supplemental Information, Line 1

The cost to charge ratio derived from Worksheet 2, Ratio of Patient Care Cost-to-Charges was used to calculate cost for the following community benefits 1) Charity Care, 2) Unreimbursed Medicaid, 3) Unreimbursed cots - other means-tested government Programs Actual costs were used for the remainder of the community benefits reported

Form 990 Schedule H, Part VI - Supplemental Information, Line 1

There are no subsidized costs attributable to a physician clinic

Form 990 Schedule H, Part VI - Supplemental Information, Line 1

Bad debt expense that was subtracted from total expense to obtain the % of community benefit to total expense amounted to $14,772,409

Form 990 Schedule H, Part VI - Supplemental Information, Line 1

Provide rationale and costing methodology used to determine amount reported in Part III, Lines 2 and 3 The costing methodology used to report bad debt expense at cost was the cost to charge ratio from Worksheet 2, Ratio of Patient Care Cost-to-Charges The rationale for using the Cost-to-Charge ratio is that it is the most efficient way to calculate bad debt at cost We believe this method materially represents the cost of bad debt Describe how the organization accounts for discounts and payments on patient accounts in determining bad debt expense Also describe the method the organization uses to determine the amount that reasonable can be attributable to patients who likely would qualify for financial assistance under the organization's charity care policy if sufficient information had been available to make a determination of their eligibility Discounts and charity care are accounted for as reductions to revenue where bad debts are accounted for as operating expenses Bad debt expense on patient accounts would be identified as any balance on the account, less any previous payments and discounts, that has aged and is absent of any payments If, during the collection process, it becomes known that the patient qualifies for charity care, the amounts included within bad debt expense would be reclassified to charity care (reduction of revenue) Because this is our practice, we believe there is no known charity care within bad debt expense Provide the text to the footnote of the organization's audited financial statements that describes the organization's bad debt expense Excerpt from the parent company's audit) The provision for uncollectible accounts is based upon management's assessment of historical and expected net collections considering historical business and economic conditions, trends in health care coverage, and other collection indicators Periodically throughout the year, management assesses the adequacy of the allowance for uncollectible accounts based upon historical write-off experience by payor category The results of this review are then used to make any modifications to the provision for uncollectible accounts After satisfaction of amounts due from insurance, Essentia Health follows established guidelines for placing certain past-due patient balances with collection agencies, subject to the terms of certain restrictions on collection efforts as determined by Essentia

Form 990 Schedule H, Part VI - Supplemental Information, Line 1

Describe the costing methodology used in determining the Medicare Allowable Cost reported in the organization's Medicare Cost Report as reflected in the amount reported in Part III, Line 6 The costing methodology used in determining the Medicare Allowable Cost reported in the organization's Medicare Cost Report is to take total Medicare costs from the general ledger system and then follow the instructions provided by Centers for Medicare Services (CMS) to back off all costs not allowable From the Medicare allowable costs, any costs attributable to subsidized health services and costs attributable to GME were subtracted, if applicable Describe, if applicable, the extent to which any shortfall reported in Part III, Line 7 should be treated as a community benefit and provide the rationale for the organization's opinion St Mary's Medical Center is a part of a larger organization, Essentia Health Essentia Health and its member organizations incorporate the full value of the Medicare shortfall as a community benefit The rationale for the organization's opinion is similar to the rationale used by the American Hospital Association Providing care for the elderly and serving Medicare patients is an essential part of the community benefit standard Medicare, like Medicaid, does not pay the full cost of care and it is likely to get worse Many Medicare beneficiaries are poor and are eligible for Medicaid in addition to Medicare Medicare underpayment must be shouldered by the hospital in order to continue treating the community's elderly and poor These underpayments represent a real cost of serving the community

Form 990 Schedule H, Part VI - Supplemental Information, Line 1

At any stage of the patient experience, including collections, a determination may be made that the patient qualifies for Charity Care All collection efforts must be suspended while a patient's Charity Care application is being considered and until the patient is notified regarding the determination of eligibility The Charity Care Program policy will govern the handling of that patient's balance

Form 990 Schedule H, Part VI - Supplemental Information, Line 1

Not applicable

Form 990 Schedule H, Part VI - Supplemental Information, Line 2

St Mary's Medical Center's parent corporation, SMDC Health System, provides significant financial support for a health-care needs assessment survey, called "Bridge to Health," which collects and analyzes population-based health data on adults in northeastern Minnesota and northwestern Wisconsin (hospital's primary service area) The Bridge to Health survey is conducted by Duluth, Minnesota-based non-profit that supports programs and activities which improve the physical health and mental well-being of underserved populations We also provide financial support for the United Way of Greater Duluth's ongoing assessment of community needs, including (but not limited to) health-related issues in children and adults The findings of these assessments are the basis for determining community programs supported by our organization

Form 990 Schedule H, Part VI - Supplemental Information, Line 3

St Mary's Medical Center has financial assistance packets that contain information about their charity care program as well as contact information on other federal and state government programs These packets are distributed to patients once a financial need has been determined either through patient request or staff referrals The charity care policy and application is available on the SMDC website at www smdc org Because financial assistance packets are given to patients when a need is determined, they may be given to the patient at any point (admission, discharge, during the billing process) St Mary's Medical Center has financial counselors on staff to assist patients in Medicaid, Medicare and other assistance programs (including the charity care program) that may be available to them Contact information for the Financial Counselors is available on the SMDC website and is also included on the back of the billing statements All hospital staff have been trained to refer patients to the financial counselor The financial counselors often assist patients with the application process, mailing and follow up

Form 990 Schedule H, Part VI - Supplemental Information, Line 4

St Mary's Medical Center is located in Duluth, MN St Mary's is a part of the larger Essentia Health System, which is defined in Part VI, Line 7 St Mary's Medical Center consists of 1 hospital that service the St Louis county area The overall community is classified as a combination of suburban and rural communities St Mary's and its related clinics cover a population of over 460,000 people The service region consists of 17 08% of the population over the age of 65, 20 21% of the population under the age of 18, 7 03% of the population is of a minority racial background, almost a 50/50 split between genders, 49 18% of the population have a high school diploma or less The average income of the service area is slightly below $53,000 Approximately 7 9% of the population falls below federal poverty guidelines St Mary's Medical Center, along with the rest of Essentia Health, is committed to serve patients regardless of their ability to pay 2 3% of patients seen by St Mary's or their corresponding clinics were uninsured patients In addition, slightly more than 14% of their patients were Medicaid recipients As mentioned above, St Mary's Medical Center is part of a larger system, Essentia Health Essentia Health staffs hospitals and clinics in federally-recognized underserved areas and supports the health of its communities through an active outreach program that brings specialists like oncologists, cardiologists, neurologists and others into its smaller communities This eliminates barriers to care for many patients, particularly those who are elderly, living on low incomes, or are faced with other challenges that make it difficult to travel long distances for care There are 13 other hospitals outside of the Essentia Health umbrella that service the community

Form 990 Schedule H, Part VI - Supplemental Information, Line 1

Not applicable

Form 990 Schedule H, Part VI - Supplemental Information, Line 6

St Mary's Medical Center's board of directors is composed of volunteer representatives from the community it serves St Mary's Medical Center has an open Medical Staff, so any qualified physician of the community is allowed to apply All applicants that apply must meet the credentialing standards and be approved by our governing board in order to come and provide services in our system St Mary's Medical Center is a part of the SMDC Health System SMDC Health System's consolidated community benefits are summarized below Benefits for person living in poverty Charity care at cost $4,885,965 Cost-to-Charge Ratio Unreimbursed Medicaid $56,377,438 Cost-to-Charge Ratio Unreimbursed costs other means- tested government programs $1,066,229 Actual Costs Total Charity Care and Means- Tested Government Programs $62,329,632 Total Benefits for the broader community Community health improvement services & community benefit operations $2,618 Actual Costs Health professions education $5,839,665 Actual Costs Subsidized health services $72,953 Actual Costs Research $1,201,804 Actual Costs Financial & in-kind contributions $275,206 Actual Costs Total Other Benefits $7,392,246 Total Community building activities $242,045 Actual Costs Unpaid cost of public programs, Medicare $87,220,121 Cost-to-Charge Ratio Other care provided without compensation (bad debt) $18,044,106 Cost-to-Charge Ratio Discounts offered to uninsured patients $3,723,529 Actual Costs Taxes and fees $2,521,033 Actual Costs Total Community Benefit $181,472,712 Total St Mary's Medical Center is a part of a larger system Essentia Health As a non-profit organization, Essentia Health is focused on reinvesting surplus revenues into programs and technology that improve patient care One of the most significant investments has been in the area of electronic health records, which are being rolled out across the health system's network of hospitals and clinics The majority of Essentia hospitals and clinics will be linked via one central EHR by the end of 2011, thanks in part to significant investments made in 2010 We also continue to replace and upgrade technology, ranging from CT scanners to robotic surgery devices that ensure patients in our predominantly rural communities have access to these needed services in their home communities We are also in investing in the development of medical homes, which are designed to improve health outcomes for patients, particularly those with chronic diseases Much of this work is currently not reimbursed by state or federal programs, so Essentia Health assumes responsibility for medical home costs We also support the health of our communities through active research and clinical trials through the Essentia Institute of Rural Health Various Essentia Health organizations contributed almost $1 5 million in support to the Institute over the past year The Institute conducts clinical, translational and health services research with a primary focus on the needs of rural Americans

Form 990 Schedule H, Part VI - Supplemental Information, Line 7

St Mary's Medical Center is part of Essentia Health, an integrated health system of 17 hospitals, over 60 clinics and several long-term care facilities in four states Minnesota, Wisconsin, North Dakota and Idaho The health system serves a predominantly rural population whose median incomes generally fall below averages of the states where they live The presence of our clinics and hospitals ensures that people with few economic resources don't have to drive an hour or more to receive basic (and in some cases live-saving) medical care In addition to staffing hospitals and clinics in federally-recognized underserved areas, we support the health of our communities through an active outreach program that brings specialists like oncologists, cardiologists, neurologists and others into our smaller communities This eliminates barriers to care for many patients, particularly those who are elderly, living on low incomes, or are faced with other challenges that make it difficult to travel long distances for care Our size and integrated structure allow us to offer patients services often found only in larger urban settings Services ranging from chemotherapy and cancer clinical trials to congestive heart failure management and hospice are available to patients in many of the rural communities we serve Essentia Health also supports the health of our communities through active research and clinical trials, through the Essentia Institute of Rural Health The Institute conducts clinical, translational and health services research with a primary focus on the needs of rural Americans Essentia Health is also serving patients through the aggressive implementation of the Epic electronic health record (EHR) Already in use in a number of Essentia Health's rural clinics and some hospitals, a fully-integrated EHR is scheduled to connect patients across the Essentia service region by 2012 A common electronic health record allows health professionals to share test results and consult with colleagues in real time across great distances Medical information is no longer lost in the shuffle of paper records - an important consideration in a region where patients must often be transferred to a larger Essentia facility for complex surgeries or medical care Essentia is also actively working with government agencies and insurers to develop innovative, cost-effective approaches to care that will improve health outcomes while reducing overall costs to patients and insurers This innovation can be found in our use of remote home monitors for patients with congestive heart failure to a focus on using a team-based approach to helping patients manage chronic diseases Essentia Health is committed to helping patients and their families lead active and fulfilling lives in the small and large communities where they live We hope to become a model of health care delivery, particularly in rural areas, in the years to come

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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
St Mary's Medical Center

Employer identification number
41-0695604

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
PROGRAM FOR AID TO VICTIMS OF SEXUAL ASSAULT32 E 1ST ST STE 200 DULUTH,MN 55802	411350021	501(c)3	15,000				PROGRAM SUPPORT 2010

2 Enter total number of section 501(c)(3) and government organizations . . . ▶ 1

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
DESCRIPTION OF ORGANIZATION PROCEDURES FOR MONITORING THE USE OF GRANTS	FORM 990, SCHEDULE I, PART 1, LINE 2-	FOR GRANTS OVER $5,000 RECIPIENTS ARE REQUIRED TO PROVIDE A WRITTEN REPORT TO THE GRANT COMMITTEE

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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
St Mary's Medical Center

Employer identification number
41-0695604

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**		
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	**2**		
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply ☑ Compensation committee ☐ 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**	Yes	
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**		No
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				
See Additional Data Table							

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
SCHEDULE J EXPLANATIONS		METHOD FOR ESTABLISHING THE COMPENSATION OF COO PART I, LINE 3- SMDC HEALTH SYSTEM RELIED ON THE FOLLOWING METHOD FOR ESTABLISHING THE COMPENSATION OF MARIBETH OLSON, COO A COMPENSATION COMMITTEE, COMPENSATION SURVEY OR STUDY, AND APPROVAL BY THE BOARD OR COMPENSATION COMMITTEE SEVERANCE PAYMENT PART I, LINE 4A- FORMER OFFICER, DAVID AMUNDSON, a former employee of related organization, St Mary's Medical Center, RECEIVED PAYMENT TOTALING $145,987 IN TAX YEAR 2009 RELATED TO HIS TERMINATION THE TERMINATION TERMS ARE JANUARY 7, 2008 UNTIL JULY 7, 2009 MR AMUNDSON WILL RECEIVE PAY TOTALING $457,260 AND BENEFITS TOTALING $14,581 RELATED TO HIS TERMINATION All other individuals listed as Formers in Form 990, Par VII, Section A, Line 1a remain employed within Essentia Health and its subsidiaries and are not receiving a severance payment SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN PART I, LINE 4B- THE FOLLOWING INDIVIDUALS LISTED IN FORM 990, PART VII, SECTION A, LINE 1A RECEIVED PAYMENT FROM A SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN DURING THE YEAR MARIBETH OLSON (ST MARY'S DULUTH CLINIC HEALTH SYSTEM) $11,830 DAVID AMUNDSON (ST MARY'S DULUTH CLINIC HEALTH SYSTEM) $28,744 STEVEN JOHNSTON (ST MARY'S DULUTH CLINIC HEALTH SYSTEM) $ 8,678 HUGH RENIER (ST MARY'S DULUTH CLINIC HEALTH SYSTEM) $13,513 TERRI RUBERG (ST MARY'S DULUTH CLINIC HEALTH SYSTEM) $ 9,297 ROBERT NORMAN (ECHC) $29,138 ST MARY'S DULUTH CLINIC HEALTH SYSTEM'S NONQUALIFIED PLAN IS OFFERED TO DESIGNATED ST MARY'S DULUTH CLINIC HEALTH SYSTEM'S EXECUTIVES THERE IS A MINIMUM TWO YEAR VESTING DATE, BENEFITS ARE SUBJECT TO INCOME TAXES UPON VESTING, AND BENEFITS ARE PAYABLE FROM ST MARY'S DULUTH CLINIC HEALTH SYSTEM'S GENERAL ASSETS ECHC'S NONQUALIFIED RETIREMENT PLAN IS OFFERED TO ECHC EXECUTIVES THERE IS A MINIMUM TWO YEAR VESTING DATE, BENEFITS ARE SUBJECT TO INCOME TAXES UPON VESTING AND BENEFITS ARE PAYABLE FROM ECHC'S GENERAL ASSETS

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 41-0695604
Name: St Mary's Medical Center

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
HUGH P RENIER MD	(I)	288,458	51,371	13,513	49,753	28,668	431,763	13,513
	(II)	0	0	0	0	0	0	0
DAVID H AMUNDSON	(I)	0	0	172,427	0	8,426	180,853	28,744
	(II)	0	0	0	0	0	0	0
ROBERT NORMAN	(I)	0	0	0	0	0	0	0
	(II)	377,302	123,763	30,029	60,196	46,117	637,407	29,138
MARIBETH OLSON	(I)	257,201	46,390	11,830	49,320	27,214	391,955	11,830
	(II)	0	0	0	0	0	0	0
GEORGE F HOLLIDAY MD	(I)	0	0	0	0	0	0	0
	(II)	198,881	0	0	20,512	23,021	242,414	0
KEVIN T STEPHAN MD	(I)	0	0	0	0	0	0	0
	(II)	232,721	0	0	23,000	14,025	269,746	0
ALBERT J DEIBELE MD	(I)	0	0	0	0	0	0	0
	(II)	700,741	0	0	23,000	28,251	751,992	0
ROCKLON CHAPIN	(I)	0	0	0	0	0	0	0
	(II)	310,325	106,086	0	45,721	14,038	476,170	0
MICHAEL F MCAVOY	(I)	0	0	0	0	0	0	0
	(II)	176,545	31,996	0	31,908	19,257	259,706	0
TERRI L RUBERG	(I)	161,588	27,584	9,297	33,899	24,672	257,040	9,297
	(II)	0	0	0	0	0	0	0
MICHAEL C METCALF	(I)	0	0	0	0	0	0	0
	(II)	306,907	115,830	0	50,184	26,588	499,509	0
STEVEN F JOHNSTON	(I)	120,264	23,241	40,807	29,000	26,677	239,989	8,678
	(II)	0	0	0	0	0	0	0
MARY C SHAW	(I)	142,887	25,995	0	30,001	21,148	220,031	0
	(II)	0	0	0	0	0	0	0
KAREN M ENGEN	(I)	161,683	0	0	0	9,770	171,453	0
	(II)	0	0	0	0	0	0	0
ANNE M MEYER	(I)	153,131	0	0	6,724	27,010	186,865	0
	(II)							
DENNIS W DASSENKO	(I)	0	0	0	0	0	0	0
	(II)	232,906	91,279	0	48,134	23,955	396,274	0
DIANE T DAVIDSON	(I)	0	0	0	0	0	0	0
	(II)	205,277	79,815	0	34,658	25,464	345,214	0
MICHAEL J MAHONEY	(I)	0	0	0	0	0	0	0
	(II)	188,769	32,254	0	36,990	10,727	268,740	0

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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
St Mary's Medical Center

Employer identification number
41-0695604

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	(c) Corrected? 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	(b) From	(c) Original principal amount	(d) Balance due	(e) In default? Yes	(e) No	(f) Approved by board or committee? Yes	(f) No	(g) Written agreement? Yes	(g) 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	(e) No
Ryan M Olson	Son of SMMC Officer	12,565	Employee of SMMC		No

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
St Mary's Medical Center

Employer identification number
41-0695604

Identifier	Return Reference	Explanation
SCHEDULE O EXPLANATIONS		FORM 990, PART III ORGANIZATION'S MISSION- St Mary's Medical Center exists to witness to the love of God through compassionate and competent health services for all, especially the poor and powerless As a Benedictine-sponsored Catholic organization, we promote the highest level of physical, emotional, and spiritual health and well-being for all persons, from the moment of conception until their providential end As a member of the SMDC Health System, we help bring the soul and science of healing to the people we serve STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS PART III LINE 4- St Mary's Medical Center is organized and operated exclusively for charitable, scientific, and educational purposes In furtherance of its purposes, St Mary's Medical Center provides health care services in Minnesota through its 380 bed medical center The hospital offers a broad range of inpatient and out patient state-of-art services for its patients, including Level II Emergency (trauma) services, intensive care units, neurosurgery, medical surgical care, orthopedics, neuroscience , digestive health, family and pediatrics services, and heart and vascular services In accordance with the Federal Emergency Medical Treatment and Active Labor Act, any person who presents at the hospital seeking treatment of an emergency medical condition is given a medical screening and necessary stabilizing treatment regardless of the person's ability to pay Beyond its hospital services, St Mary's Medical Center also offers educational programs for the community, such as parenting classes and child safety programs such as bicycle helmet fitting, bicycle safety, and pedestrian safety St Mary's Medical Center also participates in continuing education programs for health care professionals St Mary's Medical Center employs over 3,300 full time equivalents The hospital provided for over 73,500 hospital patient days and over 40,400 emergency visits St Mary's Medical Center provided over $2,550,000 in charity care as well as an additional $11,200,000 of costs incurred in excess of Medicaid payments received during the fiscal year ended June 30, 2010 Further community benefits provided during the fiscal year include community services of over $4, 500,000 and cash & in-kind donations of over $17,800 FORM 990 GOVERNANCE, MANAGEMENT, AND DISCLOSURE PART VI LINE 6- St Mary's Duluth Clinic Health System may elect one or more members of the governing body as described in Schedule O Part VI 7a Essentia Health and Benedictine Sisters Benevolent Association have reserved powers with respect to St Mary's Medical Center as described in Schedule O Part VI Line 7b FORM 990 GOVERNANCE, MANAGEMENT , AND DISCLOSURE PART VI LINE 7A- According to its Bylaws, St Mary's Duluth Clinic Health System shall appoint and remove St Mary's Medical Center's governing body FORM 990 GOVERNANCE, MANAGEMENT, AND DISCLOSURE PART VI LINE 7B- St Mary's Medical Center is a subsidiary of Essentia Health, whose Board of Directors has reserved powers with respect to this corporation and its subsidiaries, and all of the other direct and indirect subsidiaries of Essentia Health (collectively, the "System") Essentia Health's reserved powers are as follows Strategic and Business Plans Authority to create, and to approve, the System's strategic and business plans Mission Authority to create, and to approve, the mission, purpose and vision statements for all entities in the System by the affirmative vote of at least 67% of the Essentia Health board of directors Debt Approval of the incurrence of debt by, and the creation of all mortgages, liens, security interests, or other encumbrances on the assets of, all entities in the System in excess of the single or annual aggregate dollar limits prescribed in writing by the Essentia Health board of directors, and the authority to cause all entities in the System to participate in System borrowing Governing Instruments Authority to cause, and to approve, amendments of the articles of incorporation and bylaws of all entities in the System Mergers and Acquisitions Authority to cause, and to approve, all mergers, consolidations, and dissolutions of all entities in the System Affiliations and Joint Ventures Authority to cause, and to approve, all affiliations, joint ventures and other alliances with third parties of all entities in the System Transfer of Assets Within the System Authority to transfer assets, including cash, between and among entities within the System, provided, however, that Essentia Health shall not have authority to require any entity in the System to transfer assets (a) that would cause such entity to be in default of its covenants or obligations under any bond or other financing documents, (b) from the Catholic entities to the secular entities or from the secular entities to the Catholic entities in a manner or to an extent that would cause the Catholic entities to be in violation of the Ethical and Reli

Identifier	Return Reference	Explanation
SCHEDULE O EXPLANATIONS		gious Directives for Catholic Health Care Services in the judgment of the local ordinary, or (c) such that money generated by services at secular facilities within the System by procedures that are contrary to the Ethical and Religious Directives for Catholic Health Care Services would be used at the Catholic entities or money generated by Catholic entities would be used in the providing of services contrary to the Ethical and Religious Directives for Catholic Health Care Services at secular facilities within the System Transfer of Assets Outside the System Authority to cause, and to approve, the sale, lease or other transfer of assets of all entities in the System to parties outside of the System when the asset's value exceeds the single or annual aggregate dollar limits prescribed in writing by the Essentia Health board of directors Services Authority to cause, and to approve, the addition of new services and service locations and the discontinuance of services and service locations within all entities in the System Budgets Approval of capital and operating budgets of all entities in the System Professional Services Selection of the general legal counsel and external auditors of all entities in the System

Identifier	Return Reference	Explanation
SCHEDULE O EXPLANATION CONTINUED		Acquisitions Authority to cause, and to approve, all acquisitions by and formations of entities in the System Marketing, Authority to implement System-wide marketing and promotional activities Compliance Plans Authority to create, and to approve, corporate compliance, safety and risk management plans for entities within the System Quality Plan Authority to create, and to approve, the System's quality plan Non-Budgeted Purchases Approval of non-budgeted capital purchases and leases in excess of the single or annual aggregate dollar limits prescribed in writing by Essentia Health for entities within the System Human Resources Authority to create human resource policies and procedures within the System Reserved Powers Authority to create additional Essentia Health reserved powers by the affirmative vote of at least 80% of the Essentia Health board of directors (excluding the Essentia Health CEO), provided, however, that any additional Essentia Health reserved powers shall not contravene or hinder the reserved powers of Benedictine Sisters Benevolent Association The Benedictine Sisters Benevolent Association ("BSBA") also has certain reserved powers over all Catholic facilities within Essentia Health BSBA's reserved powers are as follows Subject to any approvals that are required under applicable canon law and the prior written notice to ECHC required by Section 2 10 of the Amended and Restated Affiliation Agreement by and among Benedictine Sisters Benevolent Association, Essentia Health, ECHC, and St Mary's Duluth Clinic Health System dated as of December 21, 2007 (the "Affiliation Agreement"), and to Essentia Health as required by Section 2 11 thereof, Benedictine Sisters Benevolent Association shall have the following powers which shall be exercised by action of the Benedictine Sisters Benevolent Association board of directors unless otherwise provided with respect to all ecclesiastical goods and Catholic facilities and entities within the System (as defined in the Affiliation Agreement, as amended) Mission Authority to approve the mission, purpose and vision statements for Catholic facilities and entities within the System Adherence to Ethical Religious Directives (ERDs) Authority to approve the methods, policies and procedures pertaining to the adherence of Catholic facilities and entities within the System to the ERDs, and to require the use of religious symbols, distinguishing elements and prayers Official Catholic Directory Authority to request the listing of qualified entities and facilities within the System in The Official Catholic Directory, subject to the approval of applicable Catholic authorities Catholic Health Association Authority to require Catholic facilities and entities within the System to join the membership of the Catholic Health Association of the United States Alienation of Stable Patrimony or Ecclesiastical Goods Authority to approve alienation of either stable patrimony or other ecclesiastical goods in the System if such goods involved in a specific transaction approved by Essentia Health pursuant to Section 2 8(g) or 2 8(h) of the Affiliation Agreement have a dollar value equal to or greater than 70% of the amount established from time to time that requires approval from the Holy See Amendments Authority to approve any amendments to the Articles of Incorporation or Bylaws of this corporation that would alter the number of Benedictine Sisters of St Scholastica Monastery of Duluth or Benedictine Sisters Benevolent Association board of director members serving as members of this corporation's board of directors, authority to approve any amendments to the Articles of Incorporation or Bylaws of the Supported Organizations, as well as the Catholic ECHC and SMDC Subsidiaries (as defined in the Affiliation Agreement), which could materially affect such entity's identity as a Catholic institution, including without limitation any amendment that would alter the number of Benedictine Sisters of St Scholastica Monastery of Duluth or Benedictine Sisters Benevolent Association board of director members serving as members of such entity's board of directors, and authority to cause Essentia Health to make amendments to the Articles of Incorporation or Bylaws of the Supported Organizations, as well as the Catholic ECHC and SMDC Subsidiaries, which amendments Benedictine Sisters Benevolent Association in good faith are necessary to preserve such entity's identity as a Catholic institution Mission Effectiveness Authority to approve annual plans and evaluations relating to mission effectiveness and chaplaincy for the Catholic facilities and entities within the System Mergers and Dissolution Subject to the approval of the Benedictine Sisters of St Scholastica Monastery of Duluth, authority to approve a proposed merger, consolidation, liquidation, dissolution, or the disposition of all or substantially all the assets

Identifier	Return Reference	Explanation
SCHEDULE O EXPLANATION CONTINUED		FORM 990 GOVERNANCE, MANAGEMENT, AND DISCLOSURE PART VI LINE 11A- The 2009 Form 990 inclu ding all schedules w ere reviewe d by St Mary's Medical Center's management and St Mary's Duluth Clinic Health System's governing body on May 4, 2011 prior to filing w ith the Inter nal Revenue Service Each current director of the governing body received a copy of the 20 09 Form 990 St Mary's Medical Center's CFO led the review of the forms and schedules and any questions w ere discussed FORM 990 GOVERNANCE, MANAGEMENT, AND DISCLOSURE PART VI LI NE 12C- Interested persons shall annually disclose relationships w hich might lead to a con flict of interest by completing a conflict of interest disclosure form Interested persons include any person in a position to exercise substantial influence over the organization It includes but is not limited to any director, officer, management, employee, or committ ee member of Essentia Health or any of its affiliates Essentia shall be responsible for t he annual distribution of conflict of interest forms and review of disclosures for the gov erning bodies of Essentia and Essentia Operating Members and for senior management employe es of Essentia Transactions w ith parties w ith w hom a conflict of interest exists may be u ndertaken only if all of the follow ing are observed the conflict of interest is fully dis closed, the interested person w ith the conflict of interest doesn't participate in the app roval of such transactions, if practical or appropriate, a competitive bid or comparable v aluation is obtained, and the board or committee of the board has determined that the tran saction is in the best interest of the organization Disclosure by any interested person o ther than a board or committee member should be made to the Chief Executive Officer (or if she/he is the one w ith the conflict, then to the board chair), w ho shall bring the matter to the attention of the board or an appropriate committee of the board Disclosure involv ing board or committee members shall be made to the board chair (or if she/he is the one w ith the conflict, then to the board vice chair), w ho shall bring these matters to the boar d or an appropriate committee of the board The board or committee of the board shall dete rmine w hether a conflict exists and if so, w hether the contemplated transaction may be aut horized as just, fair, and reasonable to Essentia or its affiliate(s) The decision of the board or a duly constituted committee of the board on these matters w ill be at its sole d iscretion, and its concern must be the w elfare of Essentia and its affiliate(s) and the ad vancement of its purposes The decision of the board is final If the board determines a c onflict does not exist, the interested person may proceed w ith the transaction, how ever, h e/she w ill not be eligible to vote on related issues should they arise If the board deter mines a conflict does exist, the interested person w ill be notified of the decision regard ing w hether the contemplated transaction w ill be authorized as just, fair, and reasonable OFFICES & POSITIONS FOR WHICH PROCESS WAS USED, & YEAR PROCESS WAS BEGUN PART VI, QUESTI ON 15A- The executive compensation committee of the board of directors of SMDC Health Syst em fulfills the board's responsibility regarding compensation of SMDC Health System's (SMD C) executives consistent w ith SMDC's mission, values, and tax exempt status The committee review s and makes decisions based on information presented by the SMDC President and Chie f Administrative Officer concerning the performance of the system and senior executives of SMDC The committee provides oversight for incentive compensation program(s) in a manner consistent w ith the executive compensation philosophy, annually they evaluate the performa nce of SMDC against approved corporate goals and objectives, including a review of system results and supporting documentation for all members covered by the SMDC incentive compens ation program and report such findings to the Essentia Health Executive Compensation Commi ttee The year this process w as last undertaken for SMDC w as 2008 OFFICES & POSITIONS FOR WHICH PROCESS WAS USED, & YEAR PROCESS WAS BEGUN PART VI, QUESTION 15B- The executive co mpensation committee of the board of directors of SMDC Health System fulfills the board's responsibility regarding compensation of SMDC Health System's (SMDC) executives consistent w ith SMDC's mission, values, and tax exempt status The committee review s and makes decis ions based on information presented by the SMDC President and Chief Administrative Officer concerning the performance of the system and senior executives of SMDC The committee pro vides oversight for incentive

Identifier	Return Reference	Explanation
SCHEDULE O EXPLANATION CONTINUED		compensation program(s) in a manner consistent with the executive compensation philosophy, annually they evaluate the performance of SMDC against approved corporate goals and objectives, including a review of system results and supporting documentation for all members covered by the SMDC incentive compensation program and report such findings to the Essentia Health Executive Compensation Committee The year this process was last undertaken for SMDC was 2008 Essentia's Chief Financial Officer's compensation is determined by the Executive Compensation Committee of Essentia Health's Board of Directors The executive compensation committee of Essentia Health's Board of Directors is authorized to fulfill the Board's responsibilities regarding executive compensation consistent with Essentia's mission, values, tax-exempt status, and the executive compensation committee's charter The executive compensation committee meets at least twice annually to carry out its responsibilities, which include, but are not limited to, establishing, reviewing & modifying, as appropriate, reasonable compensation & benefits for Essentia's Chief Executive Officer The executive compensation committee engages qualified independent compensation advisors to provide objective & impartial comparative data & to express opinions on total compensation reasonablen ess The executive compensation committee may request its independent advisors to monitor comparability data & marketplace trends, make appropriate recommendations regarding salary ranges, & periodically review the market competitiveness of Essentia's executive compensation packages Prior to establishing or adjusting executive compensation, the executive compensation committee will obtain & rely upon appropriate data as to comparability of the proposed compensation or adjustments The executive compensation committee will adequately document the basis for its determination concurrently with making those determinations The executive compensation committee minutes shall include the terms of the approved compensation & the date approved, the executive compensation committee members present during the review, discussion & approval of the proposed compensation & those who voted on the proposed compensation, identification of the comparability data obtained & relied upon by the executive compensation committee & how the data was obtained, any actions by a member of the executive compensation committee having a conflict of interest, & documentation of the basis for the determination The year this process was last undertaken for Essentia's CFO was 2008 FORM 990 GOVERNANCE, MANAGEMENT, AND DISCLOSURE PART VI LINE 19-AVAILABILITY OF GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, & FINANCIAL STATEMENTS TO THE PUBLIC- St Mary's Medical Center makes its governing documents, conflict of interest policy, and financial statements available to the public St Mary's Medical Center's governing documents, conflict of interest policy, and financial statements are available to the public upon request St Mary's Medical Center is part of Essentia Health's consolidated financials statements which are included in Essentia Health's annual report posted on Essentia Health 's web site HOURS DEVOTED TO RELATED ORGANIZATIONS PART VII SECTION A LINE 1A COLUMN B- Robert Norman is employed by ECHC as Essentia Health's Chief Financial Officer 100% of his time is spent furthering the purpose of Essentia Health and all related organizations Barbara Johnson is employed by SMDC Medical Center as Chief Financial Officer 100% of her time is spent furthering the purpose of SMDC Health System and all of it's related organizations MariBeth Olson, is employed by St Mary's Medical Center as Chief Operating Officer 100% of her time is spent furthering the purpose of SMDC Health System and it's related organizations Sister Kathleen Hofer is employed by St Mary's Medical Center as Essentia Health's Senior Vice President, Benedictine Sponsorship 100% of her time is spent furthering the purpose of Essentia Health and all related organizations George Holliday, MD is employed by The Duluth Clinic, Ltd 100% of his time is spent furthering the purpose of SMDC Health System and it's related organizations Kevin Stephan, MD is employed by The Duluth Clinic, Ltd 100% of his time is spent furthering the purpose of SMDC Health System and it's related organizations Albert Deibele, MD is employed by The Duluth Clinic, Ltd 100% of his time is spent furthering the purpose of SMDC Health System and it's related organizations Rocklon Chapin, is employed by SMDC Medical Center as one of SMDC Health System's Executive Vice Presidents 100% of his time is spent furthering the purpose of SMDC Health System and it's related organizations Michael McAvoy, is employed by SMDC Medical Center as one of SMDC Health System's Vice Presidents 100% of his time is spent furthering the purpose of SMDC Health System and it's related o

Identifier	Return Reference	Explanation
SCHEDULE O EXPLANATION CONTINUED		rganızatıons Terrı Ruberg, ıs employed by St Mary's Medıcal Center as one of SMDC Health System's Vıce Presıdents 100% of her tıme ıs spent furtherıng the purpose of SMDC Health System and ıt's related organızatıons Mıchael Metcalf, ıs employed by SMDC Medıcal Cente r as one of SMDC Health System's Executıve Vıce Presıdents 100% of hıs tıme ıs spent furt herıng the purpose of SMDC Health System and ıt's related organızatıons Hugh Renıer, MD, ıs employed by St Mary's Medıcal Center as Vıce Presıdent of Medıcal Affaırs for St Mary 's Medıcal Center 100% of hıs tıme ıs spent furtherıng the purpose of SMDC Health System and ıt's related organızatıons SCHEDULE R, PART V COLUMN C METHOD USED TO DETERMINE VALU E OF SERVICES, CASH, AND OTHER ASSETS- The methods used to determine the amounts ın Schedu le R Part V Column C w ere -Reımbursement of actual costs -Fee Based upon expected costs

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493132034891

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
St Mary's Medical Center

Employer identification number
41-0695604

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

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
See Additional Data Table					

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
PMC GATEWAY IMAGING LLC 109 COURT AVE SANDSTONE, MN55072 26-1634864	IMAGING SERVICES	MN	NA	NONE	0	0			0		

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
ESSENTIA HLTH INS SVCE SPC LTD BUCKINGHAM SQ 720W BAY RD POBX 69 GRAND CAYMAN, CAYMAN ISLANDS KY1 1102 CJ 000000000	INSURANCE	CJ	NA	FOREIGN CORP	0	0	0 %
EAST RANGE CLINICS LTD 910 6TH AVE N VIRGINIA, MN55792 41-0909915	CLINICS	MN	NA	C CORP	0	0	0 %

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

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

		Yes	No
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		No
b Gift, grant, or capital contribution to other organization(s)	1b	Yes	
c Gift, grant, or capital contribution from other organization(s)	1c		No
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		No
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		No
o Reimbursement paid to other organization for expenses	1o	Yes	
p Reimbursement paid by other organization for expenses	1p	Yes	
q Other transfer of cash or property to other organization(s)	1q	Yes	
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) See Additional Data Table		
(2)		
(3)		
(4)		
(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?		(e) Share of end-of-year assets	(f) Disproprtionate allocations?		(g) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(h) General or managing partner?	
			Yes	No		Yes	No		Yes	No

Additional Data Return to Form

Software ID:
Software Version:
EIN: 41-0695604
Name: St Mary's Medical Center

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

(a) Name, address, and EIN of related organization	(b) Primary Activity	(c) Legal Domicile (State or Foreign Country)	(d) Exempt Code section	(e) Public charity status (if 501(c)(3))	(f) Direct Controlling Entity
BRAINERD LAKES INTEGRATED HEALTH SYSTEM 2024 S 6TH ST BRAINERD, MN56401 37-1532145	SUPPORT ORG	MN	501 C 3	11 II	ECHC
BRAINERD MEDICAL CENTER INC 2024 S 6TH ST BRAINERD, MN56401 37-1532148	CLINIC	MN	501 C 3	3	BLIHS
BRIDGES MEDICAL CENTER 201 9TH ST W ADA, MN56510 20-0479568	CLINIC HOSPIT	MN	501 C 3	3	ECHC
CLEARWATER VALLEY HOSPITAL & CLINICS INC 301 CEDAR OROFINO, ID83544 82-0497771	CLINIC HOSPIT	ID	501 C 3	3	ECHC
DIVINE MEDICAL SERVICES 709 N LINCOLN JEROME, ID83338 20-2773717	EMERGENCY SER	ID	501 C 3	3	SBFMC
DL SURGERY CENTER 1027 WASHINGTON AVE DETROIT LAKES, MN56501 26-3837203	ASC	MN	501 C 3	3	ECHC
ECHC FOUNDATION 502 E 2ND ST DULUTH, MN55805 26-3359418	FOUNDATION	MN	501 C 3	11 I	ECHC
FIRST CARE MEDICAL SERVICES 900 HILLIGROSS BLVD SE FOSSTON, MN56542 41-0706143	CLINIC HOSPIT	MN	501 C 3	3	ECHC
MINNESOTA VALLEY HEALTH CENTER 621 S 4TH ST LE SUEUR MN, MN56058 41-0837659	HOSPITAL NURS	MN	501 C 3	3	ECHC
ST BENEDICTS FAMILY MEDICAL CENTER 709 N LINCOLN JEROME, ID83338 82-0227163	CLINIC HOSPIT	ID	501 C 3	3	ECHC
ST JOSEPHS MEDICAL CENTER 523 N 3RD ST BRAINERD, MN56401 41-0695602	HOSPITAL	MN	501 C 3	3	BLIHS
ST MARYS EMS 1027 WASHINGTON AVE DETROIT LAKES, MN56501 41-1805811	EMERG HOSPITA	MN	501 C 3	9	SMRHC
ST MARYS HOSPITAL AND CLINICS INC P O BOX 137 COTTONWOOD, ID83522 82-0226453	CLINIC HOSPIT	ID	501 C 3	3	ECHC
ST MARYS INNOVIS HEALTH 1027 WASHINGTON AVE DETROIT, MN56501 26-2861321	CLINIC	MN	501 C 3	3	ECHC
ST MARYS REG HLTH CTR DBA INNOVIS HLTH 1027 WASHINGTON AVE DETROIT LAKES, MN56501 41-1620386	CLINIC HOSPIT	MN	501 C 3	3	ECHC
ESSENTIA HEALTH 502 E 2ND ST DULUTH, MN55805 20-0360007	SUPPORT ORG	MN	501 C 3	11 III FI	NA
ESSENTIA INSTITUTE OF RURAL HEALTH 502 E 2ND ST DULUTH, MN55805 27-1291124	RESEARCH	MN	501 C 3	4	ESSENTIA
INNOVIS HEALTH LLC 1702 S UNIVERSITY DR FARGO, ND58103 26-1175213	CLINIC HOSPIT	DE	501 C 3	3	ESSENTIA
INNOVIS HEALTH FOUNDATION 502 E 2ND ST DULUTH, MN55805 27-1984704	FOUNDATION	MN	501 C 3	7	INNOVIS
MIDWEST MEDICAL EQUIP & SUPPLY INC 4418 HAINES ROAD DULUTH, MN55811 41-1674021	MEDICAL EQUIP	MN	501 C 3	9	SMDC
PINE MEDICAL CENTER 109 COURT AVE S SANDSTONE, MN55072 41-1884597	CLINIC HOSPIT	MN	501 C 3	3	SMDC
POLINSKY MEDICAL REHABILITATION CENTER 530 E 2ND ST DULUTH, MN55805 41-0691275	CLINIC HOSPIT	MN	501 C 3	3	SMMC
SMDC MEDICAL CENTER 502 E 2ND ST DULUTH, MN55805 41-1878730	CLINIC HOSPIT	MN	501 C 3	3	SMDC
ST MARYS DULUTH CLINIC FOUNDATION 400 E 3RD ST DULUTH, MN55805 41-2016979	FOUNDATION	MN	501 C 3	7	SMDC
ST MARYS DULUTH CLINIC HEALTH SYSTEM 407 E 3RD ST DULUTH, MN55805 41-1836633	CLINIC HOSPIT	MN	501 C 3	3	ESSENTIA
ST MARYS HOSPITAL OF SUPERIOR 3500 TOWER AVE SUPERIOR, WI54880 41-1811073	CLINIC HOSPIT	WI	501 C 3	3	SMMC
THE DULUTH CLINIC LTD 400 E 3RD ST DULUTH, MN55805 41-0883623	CLINIC HOSPIT	MN	501 C 3	3	SMDC

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

	(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount Involved ($)
(1)	MIDWEST MEDICAL EQUIP & SUPPLY INC 41-1674021	P	3,308,491
(2)	THE DULUTH CLINIC LTD 41-0883623	R	322,000,000
(3)	THE DULUTH CLINIC LTD 41-0883623	P	85,092
(4)	ST MARYS DULUTH CLINIC FOUND 41-2016979	P	507,491
(5)	POLINSKY MEDICAL REH CTR 41-169275	P	11,402,266
(6)	SMDC MEDICAL CENTER 41-01878730	R	69,000,000
(7)	ST MARYS HOSPITAL OF SUPERIOR 41-1811073	Q	32,288,812
(8)	ST MARYS HOSPITAL OF SUPERIOR 41-1811073	R	26,700,000
(9)	ST MARYS HOSPITAL OF SUPERIOR 41-1811073	P	128,583
(10)	THE DULUTH CLINIC LTD 41-0883623	O	86,639
(11)	SMDC MEDICAL CENTER 41-01878730	O	461,733
(12)	ESSENTIA INSTITUTE OF RURAL HEALTH 27-1291124	P	637,375