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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

Christus Health Southeast Texas

Doing Business As

See Schedule O

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

3010 Harrison Street

Room/suite

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

Beaumont, TX 77702

D Employer identification number

76-0591590

E Telephone number

(713) 277-2405

G Gross receipts \$ 405,891,721

F Name and address of principal officer

Ellen Jones
3010 Harrison Street Ste 202
Beaumont, TX 77702

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:

www.christushealthsoutheasttexas.org

K Form of organization

☒ Corporation ☐ Trust ☐ Association ☐ Other

L Year of formation

1999

M State of legal domicile

TX

Part I

Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities Supporting the health care ministries of the Sponsoring Congregations in extending the healing ministry of Jesus Christ in conformity with the ethical and moral teachings of the Roman Catholic Church		
	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	16
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	13
	5	Total number of employees (Part V, line 2a)	5	2,970
Revenue	6	Total number of volunteers (estimate if necessary)	6	161
	7a	Total gross unrelated business revenue from Part VIII, column (C), line 12	7a	58,290
	b	Net unrelated business taxable income from Form 990-T, line 34	7b	11,941
Expenses	8	Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9	Program service revenue (Part VIII, line 2g)	1,762,177	1,160,716
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	390,855,843	400,803,674
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	3,025,283	-619,303
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	6,621,167	3,351,637
			402,264,470	404,696,724
	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	301,333	21,041,310
	14	Benefits paid to or for members (Part IX, column (A), line 4)		0
Net Assets or Fund Balances	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	156,039,819	154,826,973
	16a	Professional fundraising fees (Part IX, column (A), line 11e)		0
	b	Total fundraising expenses (Part IX, column (D), line 25) ☒ 15,418		
	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	235,586,756	214,898,116
	18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	391,927,908	390,766,399
	19	Revenue less expenses Subtract line 18 from line 12	10,336,562	13,930,325
			Beginning of Current Year	End of Year
	20	Total assets (Part X, line 16)	479,363,466	492,852,134
	21	Total liabilities (Part X, line 26)	117,034,485	116,236,686
	22	Net assets or fund balances Subtract line 21 from line 20	362,328,981	376,615,448

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

Signature of officer

2011-05-03

WILLIAM HECHT CFO

Type or print name and title

Paid Preparer's Use Only

Preparer's signature

Date

Check if self-employed ☐

Preparer's identifying number (see instructions)

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

ERNST & YOUNG US LLP
1401 MCKINNEY SUITE 1200
HOUSTON, TX 77010

EIN

Phone no (713) 750-1500

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

☐ Yes ☐ No

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

Cat No 11282Y

Form 990 (2009)

Part III Statement of Program Service Accomplishments

1

Briefly describe the organization’s mission

The Corporation is organized and shall be operated exclusively for charitable, scientific, educational and religious purposes of advancing, promoting and supporting the health care ministries of the Sponsoring Congregations which operate and are controlled in conformity with the ethical and moral teachings of the Roman Catholic Church, and promoting efficient governance and management, cooperative planning and the sharing of resources among such health care ministries Without limiting the generality of the foregoing, the Corporation's mission shall be to extend the healing ministry of Jesus Christ, and consistent therewith, shall operate according to the doctrines, resolutions, decrees and ethical principles of the Sponsoring Congregations, and the Ethical and Religious Directors for Catholic Health Care Services as promulgated or amended from time to time by the United States Conference of Catholic Bishops It is also a purpose of the Corporation to aid, lend financial support and as

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 \$ 236,696,995 including grants of \$ 0) (Revenue \$ 221,312,181)

COMMITMENT TO BENEFITING OUR COMMUNITIES - PATIENT CARE SERVICES CHRISTUS Health Southeast Texas is part of CHRISTUS Health, formed in 1999 to strengthen the 142-year-old, faith-based health care ministries of the Congregations of the Sisters of Charity of the Incarnate Word of Houston and San Antonio Founded on the mission "to extend the healing ministry of Jesus Chnst," CHRISTUS is challenged to reach out to, and beyond, the more than 60 communities we serve to help those in need The vision of CHRISTUS Health as a Catholic, faith-based ministry is to be a leader, a partner and an advocate in the creation of innovative health and wellness solutions that improve the lives of individuals and communities so that all may experience God's healing presence and love CHRISTUS Health Southeast Texas responds to the health care needs through services provided at CHRISTUS Hospital with three campuses, the 434-bed CHRISTUS Hospital - St Elizabeth in Beaumont, the 227-bed CHRISTUS Hospital - St Mary in Port Arthur, and CHRISTUS Jasper Memorial Hospital, a 59-bed hospital in Jasper Each of the facilities of CHRISTUS Health Southeast Texas shares one objective -- which is to lead the way to a healthier community CHRISTUS Health Southeast Texas is located in far southeast Texas, and its service area extends to the southeast coast of the state, into southwestern Louisiana and northward into east Texas, an area which includes a population of more than 495,000 individuals In Fiscal Year 2010 alone, we served hundreds of thousands of individuals in various ways including 77,072 visits to our emergency department, 6,678 inpatient surgery procedures, 9,803 outpatient surgery procedures, 23,225 patients who were admitted to our hospitals for care and 337,639 patients who received outpatient care at our facilities Touching the lives of the people around us is what makes CHRISTUS Health Southeast Texas stand apart Allowing others to touch us gives us a vision for the medically needy in each of the communities we serve Whether it is the life of a child expecting a future filled with miracles, the life of a man in need of a critical heart surgery, or the life of a woman about to give birth to her first child, CHRISTUS Health Southeast Texas' health care services work to provide the best care possible regardless of an individual's ability to pay By collaborating with communities, churches, businesses, and other health care organizations, CHRISTUS Health Southeast Texas' vanous entities have strengthened their roles as major providers of comprehensive, accessible health care services These partnerships with the community have been a blessing by helping CHRISTUS Health Southeast Texas further care for those in need Furthermore, investment in community services would not be possible without dedicated employees and volunteers They help to build strong relationships between the hospitals and other health care ministries and the communities, nurturing CHRISTUS' mission to meet the needs and make a difference in the lives of others Our employees work both inside and outside the walls of our health care facilities and are committed to reaching beyond the traditional hospital walls to help our communities maintain good health Understanding the need to provide access to health care to as much of our public as possible, CHRISTUS Health participates in government-sponsored health care programs, including Medicaid, Medicare, CHAMPUS, TRICARE and others In addition, we provide specific programs to provide discounted services to those in need who do not have medical insurance or who do not participate in government-sponsored programs CHRISTUS Health Southeast Texas provides a full range of inpatient and outpatient services to the people from the communities it serves It conducts its activities and serves its health care purpose without regard to race, color, creed, religion, gender, orientation, disability, age or national origin Each of the three hospitals of CHRISTUS Southeast Texas provides a 24-hour Emergency Department that is open to serve all those in need of emergent care, regardless of their ability to pay CHRISTUS Health Southeast Texas also supports many local community health services, including three rural clinics in Jasper, Kirbyville and Rayburn As a not-for-profit organization and as part of CHRISTUS Health, a regional governing board comprised largely of independent community members representing the makeup of the area we serve guides CHRISTUS Health Southeast Texas We have an open medical staff comprised of qualified physicians who work with us to provide care to our communities All qualified physicians who are granted privileges to serve with us in our hospitals must undergo a thorough and comprehensive credentialing process

4b

(Code) (Expenses \$ 53,604,995 including grants of \$ 0) (Revenue \$ 130,005,251)

OTHER GOVERNMENT SPONSORED SERVICES In addition to the provision of Chanty Care and other community services, CHRISTUS Health provides services to persons covered under government-sponsored programs, including Medicare and TRICARE The costs not reimbursed for these services are reported to the State of Texas They are not included in reports prepared following Catholic Health Association guidelines CHRISTUS Health Southeast Texas provides services to persons covered under the federal Medicare Program, and in fact, this is the largest single payor classification of patients served by this hospital The payment rate for inpatient services is on a per-case rate, calculated based on the diagnostic-related group (DRG) into which the patient is categorized Medicare reimburses outpatient services based on its fee schedule

4c

(Code) (Expenses \$ 19,672,852 including grants of \$ 0) (Revenue \$ 49,486,242)

COMMUNITY BENEFIT REPORTING - CHARITY CARE AND MEDICAID CHRISTUS adheres to the Catholic Health Association's A Guide for Planning and Reporting Community Benefit (2008), and complies with the State of Texas requirements for reporting Community Benefit, reported as unpaid costs, includes both Chanty Care and Community Services To the limits of its resources, CHRISTUS Health is an institution of purely public charity, thus, the most tangible expression of CHRISTUS Health's charitable purpose is the provision of health care services to those persons who are unable to pay This falls into two categoeges Charity Care and Unpaid Government Indigent Care In keeping with the mission, values, and vision of CHRISTUS Health, CHRISTUS Health provides Chanty Care services in a manner that respects the dignity of the patients and their families Charity Care is defined as services provided without charge or at a charge that is less than the usual charge for such services The determination as to the amount to charge, if any, is according to a patient's ability to pay as determined by the established eligibility criteria For uninsured patients whose economic circumstances place them at or under 200 percent of the Federal Poverty Guidelines (FPL), services are provided without any expectation of payment Uninsured patients whose economic circumstances place them between 200 and 400 percent of FPL are charged based on a sliding scale, and those above 400 percent receive discounts based on the uninsured fee schedule No patient is refused necessary medical care due to their inability to pay CHRISTUS Health is an active participant in the States of Texas and Louisiana Medicaid Programs Those programs seek to provide payment for health care services to individuals who meet certain financial and other requirements Financial requirements include evaluation of both assets and income

4d

Other program services (Describe in Schedule O)

(Expenses \$ 39,731,129 including grants of \$ 21,041,310) (Revenue \$ 0)

4e

Total program service expenses➤\$ 349,705,971

Form 990 (2009)

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)? <i>If "Yes," complete Schedule A.</i> 	1	Yes
2	Is the organization required to complete Schedule B, Schedule of Contributors? 	2	Yes
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I.</i> 	3	No
4	Section 501(c)(3) organizations. Did the organization engage in lobbying activities? <i>If "Yes," complete Schedule C, Part II.</i> 	4	Yes
5	Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations. Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? <i>If "Yes," complete Schedule C, Part III.</i>	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? <i>If "Yes," complete Schedule D, Part I.</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? <i>If "Yes," complete Schedule D, Part II.</i> 	7	No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III.</i> 	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? <i>If "Yes," complete Schedule D, Part IV.</i> 	9	No
10	Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V.</i> 	10	No
11	Is the organization's answer to any of the following questions "Yes"? <i>If so, complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.</i> 	11	Yes
	◆ Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI.</i>		
	◆ 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? <i>If "Yes," complete Schedule D, Part VII.</i>		
	◆ 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? <i>If "Yes," complete Schedule D, Part VIII.</i>		
	◆ 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? <i>If "Yes," complete Schedule D, Part IX.</i>		
	◆ Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X.</i>		
	◆ 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? <i>If "Yes," complete Schedule D, Part X.</i>		
12	Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI, XII, and XIII.</i> 	12	No
12A	Was the organization included in consolidated, independent audited financial statements for the tax year?	Yes	No
	<i>If "Yes," completing Schedule D, Parts XI, XII, and XIII is optional.</i> 	12A	Yes
13	Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E.</i>	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? <i>If "Yes," complete Schedule F, Part I.</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 ? <i>If "Yes," complete Schedule F, Part II.</i>	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 ? <i>If "Yes," complete Schedule F, Part III.</i>	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? <i>If "Yes," complete Schedule G, Part I.</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? <i>If "Yes," complete Schedule G, Part II.</i> 	18	Yes
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III.</i> 	19	No
20	Did the organization operate one or more hospitals? <i>If "Yes," complete Schedule H.</i> 	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? <i>If "Yes," complete Schedule I, Parts I and II</i>	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? <i>If "Yes," complete Schedule I, Parts I and III</i>	22	Yes	
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? <i>If "Yes," complete Schedule J</i>	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? <i>If "Yes," answer questions 24b–24d and complete Schedule K. If "No," go to line 25</i>	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? <i>If "Yes," complete Schedule L, Part I</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? <i>If "Yes," complete Schedule L, Part I</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? <i>If "Yes," complete Schedule L, Part II</i>	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? <i>If "Yes," complete Schedule L, Part III</i>	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? <i>If "Yes," complete Schedule L, Part IV</i>	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28b		No
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? <i>If "Yes," complete Schedule L, Part IV</i>	28c		No
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29	Yes	
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	33		No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>	34	Yes	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35	Yes	
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	36		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>	37		No
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, <i>Annual Summary and Transmittal of U.S. Information Returns</i> . Enter -0- if not applicable	1a350	1cYes	
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			
2a	Enter the number of employees reported on Form W-3, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return	2a2,970	2bYes	
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)			
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		3aYes	
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O		3bYes	
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?		7aYes	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		7bYes	
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	16	
b	Enter the number of voting members that are independent	1b	13	
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	Yes	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3		No
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	4		No
5	Did the organization become aware during the year of a material diversion of the organization's assets?	5		No
6	Does the organization have members or stockholders?	6	Yes	
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a	Yes	
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b	Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
a	The governing body?	8a	Yes	
b	Each committee with authority to act on behalf of the governing body?	8b	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9		No

Section B. Policies

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

			Yes	No
10a	Does the organization have local chapters, branches, or affiliates?	10a		No
b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	10b		
11	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	11	Yes	
11A	Describe in Schedule O the process, if any, used by the organization to review the Form 990			
12a	Does the organization have a written conflict of interest policy? If "No," go to line 13	12a	Yes	
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes	
c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	12c	Yes	
13	Does the organization have a written whistleblower policy?	13	Yes	
14	Does the organization have a written document retention and destruction policy?	14	Yes	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official	15a	Yes	
b	Other officers or key employees of the organization	15b	Yes	
	If "Yes" to line a or b, describe the process in Schedule O (See instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	Yes	
b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b	Yes	

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed▶
18	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c) (3)s only) available for public inspection. Indicate how you make these available. Check all that apply. ☐ Own website ☐ Another's website ☒ Upon request
19	Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public. See Additional Data Table.
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization ▶ William Hecht 3010 Harrison Street Suite 202 Beaumont, TX 77702 (409) 899-7105

1b	Total	3,248,045	630,664	1,009,037
-----------	------------------------	-----------	---------	-----------

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 **100**

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

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
Hospital Housekeeping Sys LTD 322 Congress Ave AUSTIN, TX 78701	Housekeeping	4,667,448
Sodexho Inc and Affiliates 10 Earhart Dr WILLIAMSVILLE, NY 14221	Food Services	4,109,105
Goss Building Inc 4240 Milam St BEAUMONT, TX 77726	Construction	3,526,896
HB Mechanical Services LP 25428 Loop 494 PORTER, TX 77365	Repairs & Maint	2,962,297
Quantum Plus Inc 5000 Hopyard Rd Ste 100 PLEASANTON, CA 94588	Hospitalist	2,653,398

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 **183**

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	13,686			
	d	Related organizations	1d	140,822			
	e	Government grants (contributions)	1e	300,000			
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	706,208			
	g	Noncash contributions included in lines 1a-1f \$ 667,311					
	h	Total. Add lines 1a-1f		1,160,716			
Program Service Revenue			Business Code				
	2a	Net Patient Service Revenue	621,990	390,119,691	390,119,691		
	b	Rent Related to Exempt Purpose	531,120	6,565,039	6,565,039		
	c	Community Health	621,990	2,848,063	2,848,063		
	d	Physician Interest Income	900,099	124,338	124,338		
	e	Program Related Investment Income	900,099	1,146,543	1,146,543		
	f	All other program service revenue					
	g	Total. Add lines 2a-2f		400,803,674			
Other Revenue	3	Investment income (including dividends, interest and other similar amounts)		11,312			11,312
	4	Income from investment of tax-exempt bond proceeds . .		0			
	5	Royalties		1,542			1,542
	6a	(i) Real					
		(ii) Personal					
	b	Less rental expenses					
	c	Rental income or (loss)					
	d	Net rental income or (loss)					
	7a	(i) Securities					
		(ii) Other					
	b	Less cost or other basis and sales expenses		1,187,473			
	c	Gain or (loss)		-630,615			
	d	Net gain or (loss)		-630,615			-630,615
	8a	Gross income from fundraising events (not including \$ 13,686 of contributions reported on line 1c) See Part IV, line 18		5,600			
b	Less direct expenses		7,524				
c	Net income or (loss) from fundraising events . .		-1,924			-1,924	
9a	Gross income from gaming activities See Part IV, line 19						
b	Less direct expenses						
c	Net income or (loss) from gaming activities . .		0				
10a	Gross sales of inventory, less returns and allowances						
b	Less cost of goods sold						
c	Net income or (loss) from sales of inventory . .		0				
Miscellaneous Revenue		Business Code					
11a	Food Service		722,320	1,639,155			1,639,155
b	Hurricane Business Interruption		900,099	816,749			816,749
c	Purchase Discounts		900,099	308,580			308,580
d	All other revenue			587,535	58,290		529,245
e	Total. Add lines 11a-11d		3,352,019				
12	Total revenue. See Instructions		404,696,724	400,803,674	58,290		2,674,044

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	20,916,210	20,916,210		
2	Grants and other assistance to individuals in the U S See Part IV, line 22	125,100	125,100		
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	2,705,621	2,469,477	236,144	
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	122,462,083	111,773,722	10,688,361	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	6,939,184	6,922,003	11,052	6,129
9	Other employee benefits	14,130,676	12,356,779	1,773,897	
10	Payroll taxes	8,589,409	8,051,354	528,766	9,289
11	Fees for services (non-employees)				
a	Management	698,352	446,258	252,094	
b	Legal	385,015	3,201	381,814	
c	Accounting	5,873	1,563	4,310	
d	Lobbying	0			
e	Professional fundraising See Part IV, line 17	0			
f	Investment management fees	0			
g	Other	38,582,458	22,447,998	16,134,460	
12	Advertising and promotion	1,491,560	116,299	1,375,261	
13	Office expenses	86,934,312	84,568,167	2,366,145	
14	Information technology	11,279,937	10,093,717	1,186,220	
15	Royalties	0			
16	Occupancy	8,917,520	5,752,222	3,165,298	
17	Travel	216,235	85,907	130,328	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19	Conferences, conventions, and meetings	423,316	110,784	312,532	
20	Interest	4,881,025	4,880,218	807	
21	Payments to affiliates	0			
22	Depreciation, depletion, and amortization	28,009,588	26,925,688	1,083,900	
23	Insurance	10,640,354	10,640,354		
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	PRVN FOR UNCOLLECTIBLE ACCTS	21,270,648	20,871,328	399,320	
b	AWARDS AND GIFTS-NON EMPLOYEE	57,073	14,695	42,378	
c	RECRUITMENT/PLACEMENT FEES	465,897	81,172	384,725	
d	DUES AND MEMBERSHIPS	235,199	27,062	208,137	
e	SUBSCRIPTIONS	61,731	24,693	37,038	
f	All other expenses	342,023		342,023	
25	Total functional expenses. Add lines 1 through 24f	390,766,399	349,705,971	41,045,010	15,418
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)		(B)
					Beginning of year		End of year
Assets	1	Cash—non-interest-bearing			214,148,169	1	242,504,226
	2	Savings and temporary cash investments			51,934	2	52,505
	3	Pledges and grants receivable, net				3	
	4	Accounts receivable, net			41,592,636	4	48,483,097
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L				5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) Complete Part II of Schedule L				6	
	7	Notes and loans receivable, net			1,598,903	7	532,841
	8	Inventories for sale or use			9,356,875	8	10,468,271
	9	Prepaid expenses and deferred charges			1,408,995	9	1,137,620
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a	616,292,572			
	b	Less accumulated depreciation	10b	432,060,340	204,824,272	10c	184,232,232
	11	Investments—publicly traded securities			1,201,268	11	832,034
	12	Investments—other securities See Part IV, line 11				12	
	13	Investments—program-related See Part IV, line 11			2,440,462	13	1,876,920
	14	Intangible assets			1,964,527	14	2,346,513
	15	Other assets See Part IV, line 11			775,425	15	385,875
	16	Total assets. Add lines 1 through 15 (must equal line 34)			479,363,466	16	492,852,134
Liabilities	17	Accounts payable and accrued expenses			27,218,759	17	28,888,581
	18	Grants payable				18	
	19	Deferred revenue			6,034	19	79,446
	20	Tax-exempt bond liabilities				20	
	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				23	
	24	Unsecured notes and loans payable to unrelated third parties				24	
	25	Other liabilities Complete Part X of Schedule D			89,809,692	25	87,268,659
	26	Total liabilities. Add lines 17 through 25			117,034,485	26	116,236,686
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			361,059,705	27	375,362,564
	28	Temporarily restricted net assets			1,269,276	28	1,252,884
	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			362,328,981	33	376,615,448
	34	Total liabilities and net assets/fund balances			479,363,466	34	492,852,134

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? . . .		No
b Were the organization's financial statements audited by an independent accountant?	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	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?	Yes	
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 . . .	Yes	

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 Christus Health Southeast Texas	Employer identification number 76-0591590
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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?

(i)

a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the the supported organization?

(ii)

a family member of a person described in (i) above?

(iii)

a 35% controlled entity of a person described in (i) or (ii) above?

h

☐

Provide the following information about the supported organization(s)

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

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

Part II

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3Gross receipts from activities that are not an unrelated trade or business under section 513						
4Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5The value of services or facilities furnished by a governmental unit to the organization without charge						
6Total. Add lines 1 through 5						
7aAmounts included on lines 1, 2, and 3 received from disqualified persons						
bAmounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
cAdd lines 7a and 7b						
8Public 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
9Amounts from line 6						
10aGross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
bUnrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
cAdd lines 10a and 10b						
11Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13Total support (Add lines 9, 10c, 11 and 12.)						

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

Section C. Computation of Public Support Percentage

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

Section D. Computation of Investment Income Percentage

17Investment income percentage for 2009 (line 10c column (f) divided by line 13 column (f))	17	
18Investment 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

SCHEDULE C

(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

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

▶ **Complete if the organization is described below.**
▶ **Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.**

OMB No 1545-0047

2009

Open to Public
Inspection

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

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

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

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

If the organization answered “Yes,” to Form 990, Part IV, Line 5 (Proxy Tax) or Form 990-EZ, line 35a (regarding proxy tax), then

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

Name of the organization Christus Health Southeast Texas	Employer identification number 76-0591590
---	--

Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

- 1

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

Political expenditures ▶ \$
- 3

Volunteer hours

Part I-B Complete if the organization is exempt under section 501(c)(3).

- 1

Enter the amount of any excise tax incurred by the organization under section 4955 ▶ \$
- 2

Enter the amount of any excise tax incurred by organization managers under section 4955 ▶ \$
- 3

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

☐ Yes ☐ No
- 4a

Was a correction made?

☐ Yes ☐ No
- b

If "Yes," describe in Part IV

Part I-C Complete if the organization is exempt under section 501(c) except section 501(c)(3).

- 1

Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ \$
- 2

Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt funtion activities ▶ \$
- 3

Total exempt function expenditures Add lines 1 and 2 Enter here and on Form 1120-POL, line 17b ▶ \$
- 4

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

☐ Yes ☐ No
- 5

State the names, addresses and employer identification number (EIN) of all section 527 political organizations to which payments were made For each organization listed, enter the amount paid from the filing organization's funds Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC) If additional space is needed, provide information in Part IV

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

Part II-A

Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).

A

Check

☐

if the filing organization belongs to an affiliated group

B

Check

☐

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

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Filing Organization's Totals	(b) Affiliated Group Totals												
1a Total lobbying expenditures to influence public opinion (grass roots lobbying)															
b Total lobbying expenditures to influence a legislative body (direct lobbying)															
c Total lobbying expenditures (add lines 1a and 1b)															
d Other exempt purpose expenditures															
e Total exempt purpose expenditures (add lines 1c and 1d)															
f Lobbying nontaxable amount Enter the amount from the following table in both columns															
<table><tr><td>If the amount on line 1e, column (a) or (b) is:</td><td>The lobbying nontaxable amount is:</td></tr><tr><td>Not over \$500,000</td><td>20% of the amount on line 1e</td></tr><tr><td>Over \$500,000 but not over \$1,000,000</td><td>\$100,000 plus 15% of the excess over \$500,000</td></tr><tr><td>Over \$1,000,000 but not over \$1,500,000</td><td>\$175,000 plus 10% of the excess over \$1,000,000</td></tr><tr><td>Over \$1,500,000 but not over \$17,000,000</td><td>\$225,000 plus 5% of the excess over \$1,500,000</td></tr><tr><td>Over \$17,000,000</td><td>\$1,000,000</td></tr></table>		If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000	Over \$17,000,000	\$1,000,000		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:														
Not over \$500,000	20% of the amount on line 1e														
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000														
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000														
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000														
Over \$17,000,000	\$1,000,000														
g Grassroots nontaxable amount (enter 25% of line 1f)															
h Subtract line 1g from line 1a If zero or less, enter -0-															
i Subtract line 1f from line 1c If zero or less, enter -0-															
j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?		☐ Yes	☐ No												

4-Year Averaging Period Under Section 501(h)
(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 2a through 2f on page 4.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) Total
2a Lobbying non-taxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots non-taxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Part II-B

Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).

		(a)		(b)
		Yes	No	Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?		No	
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		No	
c	Media advertisements?		No	
d	Mailings to members, legislators, or the public?	Yes		841
e	Publications, or published or broadcast statements?		No	
f	Grants to other organizations for lobbying purposes?		No	
g	Direct contact with legislators, their staffs, government officials, or a legislative body?	Yes		981
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?	Yes		701
i	Other activities? If "Yes," describe in Part IV	Yes		1,181
j	Total lines 1c through 1i			3,704
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A

Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).

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

Part III-B

Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) if BOTH Part III-A, lines 1 and 2 are answered "No" OR if Part III-A, line 3 is answered "Yes".

1	Dues, assessments and similar amounts from members	1	
2	Section 162(e) non-deductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).		
a	Current year	2a	
b	Carryover from last year	2b	
c	Total	2c	
3	Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	
4	If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4	
5	Taxable amount of lobbying and political expenditures (see instructions)	5	

Part IV

Supplemental Information

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

Identifier	Return Reference	Explanation
Lobbying Activities	Schedule C, Part II-B	HEALTH CARE POLICY IS CRITICAL TO ALL AMERICANS AND CHRISTUS HEALTH SOUTHEAST TEXAS BELIEVES THAT HEALTH CARE PROVIDERS MUST PARTICIPATE IN FORMING HEALTH CARE POLICY BY INTERACTING WITH NATIONAL, STATE AND LOCAL REPRESENTATIVES AND THEIR STAFF MEMBERS TO HELP THEM BETTER UNDERSTAND THE COMPLEXITIES AND RAMIFICATIONS OF KEY HEALTH CARE POLICIES. CHRISTUS HEALTH SOUTHEAST TEXAS HAD DIRECT CONTACT WITH MEMBERS AND STAFF OF THE TEXAS STATE LEGISLATURE, U S SENATORS OF TEXAS, U S CONGRESSIONAL DISTRICTS REPRESENTING THE SETX REGION, TEXAS GOVERNOR RICK PERRY AND THEIR STAFF THROUGH E-MAILS, PHONE CALLS AND MEETINGS ON SUCH ISSUES AS FMAP EXTENSION, HEALTH CARE REFORM LEGISLATION, REQUEST FOR AN EARMARK FOR AN EMERGENCY DEPARTMENT EXPANSION AT CHRISTUS JASPER MEMORIAL HOSPITAL, MEDICARE AND MEDICAID SERVICES, HEALTHCARE FOR THE UNINSURED AND UNDERINSURED, UNCOMPENSATED CARE, DISPROPORTIONATE SHARE, UPL & TRAUMA FUNDING. Schedule C, Part II-B, Line 1h A TOWN HALL MEETING FOR REPRESENTATIVE TED POE TO ANSWER QUESTIONS ON HEALTHCARE REFORM WAS HOSTED AT THE CHRISTUS HOSPITAL ST. ELIZABETH CAMPUS IN AUGUST 2009. SCHEDULE C, PART II-B, LINE 1I "Other Activities," reports the portion of professional and membership association dues allocated to lobbying efforts by the respective associations totalling \$1,181. THE REPORTED EXPENSES ASSOCIATED WITH THESE ACTIVITIES INCLUDE STAFF COMPENSATION AND RELATED ALLOCABLE OVERHEAD. CHRISTUS HEALTH SOUTHEAST TEXAS DID NOT SUBSTANTIALLY LOBBY DURING THE FISCAL YEAR 6-30-10.

SCHEDULE D
(Form 990)

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

Department of the Treasury
Internal Revenue Service

Name of the organization
Christus Health Southeast Texas

Employer identification number
76-0591590

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

3

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

4

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

5

Does the organization have a written policy regarding the periodic monitoring, inspection, 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

▶ \$ _____

For Privacy Act and Paperwork Reduction Act Notice, see the Intructions for Form 990

Cat No 52283D

Schedule D (Form 990) 2009

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

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance

	Amount
1c	
1d	
1e	
1f	

2a

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

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIV

Part V

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

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

2

Provide the estimated percentage of the year end balance held as

a

Board designated or quasi-endowment ▶

b

Permanent endowment ▶

c

Term endowment ▶

3a

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

(i)

unrelated organizations

(ii)

related organizations

3a(i)

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		17,551,523		17,551,523
b Buildings		326,641,274	210,658,965	115,982,309
c Leasehold improvements		1,016,650	433,690	582,960
d Equipment		264,626,384	220,860,599	43,765,785
e Other		6,456,741	107,086	6,349,655
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) ▶				184,232,232

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
Cash - Non-Interest Bearing	Form 990, Schedule D, Part X, Line 1	Christus Health System maintains a centralized cash management system. This cash management system (CMS) includes a concentration account wherein deposits and disbursements for related Christus exempt organizations flow through this account and over to the managed investment accounts. Each participating organization reports a balance in the CMS reflective of its cumulative cash activity. Cash Balances for each Christus organization are reported on Form 990 in accordance with financial statement reporting. CMS ownership is maintained by Christus Health (EIN 76-0590551) and all associated investment income is properly reported on the Christus Health Form 990.
Uncertain Tax Positions Under FIN 48/ASC 740	Form 990, Schedule D, Part X, Line 2	Per footnote 3 in the Consolidated Financial Statements, there are no material unrecorded tax liabilities as of June 30, 2010 and 2009.

SCHEDULE G
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding
Fundraising or Gaming Activities

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19,
or if the organization entered more than \$15,000 on Form 990-EZ, line 6a.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization
Christus Health Southeast Texas

Employer identification number
76-0591590

Part I Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17.
Form 990-EZ filers are not required to complete this part.

- 1 Indicate whether the organization raised funds through any of the following activities. Check all that apply.
- a ☐ Mail solicitations

e ☐ Solicitation of non-government grants

b ☐ Internet and e-mail solicitations

f ☐ Solicitation of government grants

c ☐ Phone solicitations

g ☐ Special fundraising events

d ☐ In-person solicitations
- 2a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising activities? ☐ Yes ☐ No
- b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization. Form 990-EZ filers are not required to complete this table.

(i) Name of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
Total ▶						

3 List all states in which the organization is registered or licensed to solicit funds or has been notified it is exempt from registration or licensing.

Part II Fundraising Events. Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 on Form 990-EZ, line 6a. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other Events	(d) Total Events
		Golf Tournament (event type)	(event type)	0 (total number)	(Add col (a) through col (c))
Revenue	1	Gross receipts	19,286		19,286
	2	Less Charitable contributions	13,686		13,686
	3	Gross income (line 1 minus line 2)	5,600		5,600
Direct Expenses	4	Cash prizes	1,300		1,300
	5	Non-cash prizes	1,862		1,862
	6	Rent/facility costs	3,747		3,747
	7	Food and beverages			
	8	Entertainment	615		615
	9	Other direct expenses			
	10	Direct expense summary Add lines 4 through 9 in column (d) ▶			7,524
	11	Net income summary Combine lines 3, column d, and line 10. ▶			-1,924

Part III Gaming. Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming
					(Add col (a) through col (c))
Revenue	1	Gross revenue			
	2	Cash prizes			
Direct Expenses	3	Non-cash prizes			
	4	Rent/facility costs			
	5	Other direct expenses			
	6	Volunteer labor	☐ Yes _____ % ☐ No	☐ Yes _____ % ☐ No	
7 Direct expense summary Add lines 2 through 5 in column (d) ▶					
8 Net gaming income summary Combine lines 1, column d, and line 7 ▶					

		Yes	No
9	Enter the state(s) in which the organization operates gaming activities _____		
a	Is the organization licensed to operate gaming activities in each of these states?	9a	
b	If "No," Explain _____ _____		
10a	Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year?	10a	
b	If "Yes," Explain _____ _____		
11	Does the organization operate gaming activities with nonmembers?	11	
12	Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming?	12	

		Yes	No
13	Indicate the percentage of gaming activity operated in		
a	The organization's facility 13a		
b	An outside facility 13b		
14	Enter the name and address of the person who prepares the organization's gaming/special events books and records		
Name ► _____			
Address ► _____			
15a	Does the organization have a contract with a third party from whom the organization receives gaming revenue?	15a	
b	If "Yes," enter the amount of gaming revenue received by the organization ► \$ _____ and the amount of gaming revenue retained by the third party ► \$ _____		
c	If "Yes," enter name and address		
Name ► _____			
Address ► _____			
16	Gaming manager information		
Name ► _____			
Gaming manager compensation ► \$ _____			
Description of services provided ► _____			
☐ Director/officer ☐ Employee ☐ Independent contractor			
17	Mandatory distributions		
a	Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license?	17a	
b	Enter the amount of distributions required under state law distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ► \$ _____		

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
Christus Health Southeast Texas

Employer identification number
76-0591590

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

7

Charity Care and Certain Other Community Benefits at Cost

Charity Care and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Charity care at cost (from Worksheets 1 and 2)			30,954,746		30,954,746	8 300 %
b Unreimbursed Medicaid (from Worksheet 3, column a)			38,303,810	49,486,239	-11,182,429	3 000 %
c Unreimbursed costs—other means-tested government programs (from Worksheet 3, column b)			125,299	133,820	-8,521	0 %
d Total Charity Care and Means-Tested Government Programs			69,383,855	49,620,059	19,763,796	5 300 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)		1,228	78,694		78,694	0 020 %
f Health professions education (from Worksheet 5)			25,965		25,965	0 010 %
g Subsidized health services (from Worksheet 6)			204,580		204,580	0 050 %
h Research (from Worksheet 7)						
i Cash and in-kind contributions to community groups (from Worksheet 8)			19,852,868		19,852,868	5 320 %
j Total Other Benefits		1,228	20,162,107		20,162,107	5 400 %
k Total. Add lines 7d and 7j		1,228	89,545,962	49,620,059	39,925,903	10 700 %

Part IICommunity 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
1Physical improvements and housing	2		21,991		21,991	0.010 %
2Economic development	1		6,762		6,762	0 %
3Community support	1		4,677		4,677	0 %
4Environmental improvements						
5Leadership development and training for community members						
6Coalition building						
7Community health improvement advocacy	3		32,730		32,730	0.010 %
8Workforce development						
9Other						
10Total	7		66,160		66,160	0.020 %

Part IIIBad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

		Yes	No
1Does the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15?	1	Yes	
2Enter the amount of the organization's bad debt expense (at cost)	2	4,738,108	
3Enter the estimated amount of the organization's bad debt expense (at cost) attributable to patients eligible under the organization's charity care policy	3	21,963	
4Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense. In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including other bad debt amounts in community benefit.			

Section B. Medicare

5Enter total revenue received from Medicare (including DSH and IME)	5	101,655,948	
6Enter Medicare allowable costs of care relating to payments on line 5	6	119,621,507	
7Subtract line 6 from line 5. This is the surplus or (shortfall)	7	-17,965,559	
8Describe 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

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

Part IVManagement Companies and Joint Ventures

(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 %
1SETX PAIN MNGMT CTR	PAIN MANAGEMENT	51.000 %	24.500 %	24.500 %
2SETX BARIATRIC CTR	OBESITY PREVENTION & TREATMNT	80.000 %		20.000 %
3KATE DISHMAN REHAB H	Rehabilitation Services	51.000 %		43.000 %
4SETX CANCER CENTERS	CANCER TREATMENT	49.000 %		51.000 %
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				

[illegible]

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

See additional data

- 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 communities served

See additional data

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

TX

Schedule I
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization
Christus Health Southeast Texas

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

Employer identification number

76-0591590

Part I

General Information on Grants and Assistance

- 1

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

☒ Yes ☐ No
- 2

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

Part II

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

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
AMERICAN HEART ASSOCIATION1125 JUDSON ROAD SUITE 150 LONGVIEW,TX 75601	135613797	501(c)(3)	22,500				SUPPORT THE AMERICAN HEART ASSOCIATION
LAMAR UNIVERSITYPO BOX 10066 BEAUMONT,TX 77710	746000298	501(c)(3)	7,500				Healthcare Professions Education
GREATER BEAUMONT CHAMBER OF COMMERCE PO BOX 3150 BEAUMONT,TX 77704	760504300	501(c)(3)	8,950				
CHILDREN'S MIRACLE NETWORK3619 Professional Drive Port Arthur,TX 77642	870387205	501(c)(3)	16,548				
CHRISTUS Health Foundation of SETX2830 Calder BEAUMONT,TX 77662	760136274	501(c)(3)	19,000				
BURKE CENTER4101 SOUTH MEDFORD DRIVE LUFKIN,TX 75901	751442393	501(c)(3)	11,351				
Jefferson County Clinical Services Inc2801 Via Fortuna Ste 500 AUSTIN,TX 78746	264368737	501(C)(3)	499,999				Indigent Funding
Bexar County Clinical Services Inc2801 Via Fortuna Ste 500 AUSTIN,TX 78746	870781228	501(C)(3)	11,128,138				Indigent Funding
CHRISTUS Santa Rosa Health Care Corp333 N Santa Rosa SAN ANTONIO,TX 78207	741109665	501(C)(3)	1,472,020				INDIGENT FUNDING PROGRAMS
Golden Plains Community Hospital200 S McGee Borger,TX 79007	260328929		7,668,224				Indigent Funding for Hutchinson Cty

2

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

9

3

Enter total number of other organizations

1

Schedule J
(Form 990)

Compensation Information

OMB No 1545-0047

2009

Open to Public Inspection

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.

Name of the organization Christus Health Southeast Texas	Employer identification number 76-0591590
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Part I

Questions Regarding Compensation

	Yes	No
1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items		
☐ First-class or charter travel		
☐ Travel for companions		
☒ Tax idemnification and gross-up payments		
☐ Discretionary spending account		
☐ Housing allowance or residence for personal use		
☐ Payments for business use of personal residence		
☐ Health or social club dues or initiation fees		
☐ Personal services (e g , maid, chauffeur, chef)		
b If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all the expenses described above? If "No," complete Part III to explain	1b Yes	
2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	2 Yes	
3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply		
☐ Compensation committee		
☐ Independent compensation consultant		
☐ Form 990 of other organizations		
☐ Written employment contract		
☐ Compensation survey or study		
☐ Approval by the board or compensation committee		
4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a 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 accrued pursuant to a contract that was subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III	8	No
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				
Ellen Jones	(i)	385,238	47,873	48,942	169,297	23,897	675,247	0
	(ii)	42,503	5,047	5,159	18,811	0	71,520	0
William Hecht	(i)	241,839	22,539	57,131	70,898	23,951	416,358	0
	(ii)	27,832	2,439	6,183	7,877	0	44,331	0
D Wayne Moore	(i)	204,978	22,963	8,354	45,714	1,608	283,617	0
	(ii)	0	0	0	0	0	0	0
Deborah Wiegand	(i)	157,542	17,930	3,852	38,679	8,110	226,113	0
	(ii)	0	0	0	0	0	0	0
Mario Mudano	(i)	89,782	0	256,943	10,008	1,610	358,343	0
	(ii)	0	0	0	0	0	0	0
Mary Eagen	(i)	182,898	21,482	35,631	23,551	15,936	279,498	0
	(ii)	0	0	0	0	0	0	0
Richard Tyler MD	(i)	229,968	26,942	25,125	49,049	18,704	349,788	0
	(ii)	0	0	0	0	0	0	0
Bonni Stancoven	(i)	152,122	7,549	0	13,324	11,921	184,916	0
	(ii)	0	0	0	0	0	0	0
Charles Foster	(i)	183,156	14,656	200	72,646	20,005	290,663	0
	(ii)	0	0	0	0	0	0	0
Heather Boler	(i)	157,162	13,208	0	40,776	21,792	232,938	0
	(ii)	0	0	0	0	0	0	0
Thomas Welch	(i)	142,564	4,929	5,813	0	27,081	180,387	0
	(ii)	0	0	0	0	0	0	0
Paul Trevino	(i)	89,731	0	7,142	24,335	6,404	127,612	0
	(ii)	237,272	0	42,294	70,230	13,714	363,510	0
Tom Permetti	(i)	0	0	0	0	0	0	0
	(ii)	242,276	0	19,659	98,468	32,228	392,631	0
Dana Danielle Ashford	(i)	141,752	2,351	14,887	11,241	8,948	179,179	0
	(ii)	0	0	0	0	0	0	0
Joel Fagerstrom	(i)	0	0	100,874	1,275	0	102,149	0
	(ii)	0	0	0	0	0	0	0

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
FORM 990, PART VII, QUESTION 1A AND SCHEDULE J, PART II		SUPPLEMENTAL COMPENSATION INFORMATION DIRECTORS AND EX-OFFICIO DIRECTORS PROVIDE THEIR SERVICES AS MEMBERS OF THE BOARD WITHOUT COMPENSATION OR BENEFITS. ANY COMPENSATION AND BENEFITS DISCLOSED FOR SUCH PERSONS IS EARNED IN THE RESPECTIVE INDIVIDUAL'S ROLE AS AN OFFICER OR EMPLOYEE OF THE ORGANIZATION, NOT FOR THE INDIVIDUAL'S ROLE AS A BOARD MEMBER OR DIRECTOR. SISTERS' COMPENSATION IS PAID TO THE RELIGIOUS CONGREGATION AND NOT THE INDIVIDUAL OFFICERS, KEY EMPLOYEES AND HIGHEST PAID EMPLOYEES ARE FULL-TIME EMPLOYEES. BOARD MEMBERS SPEND TIME AS NEEDED FOR BOARD MEETINGS AND FUNCTIONS. GIRISH B. KANSARA, M.D., RECEIVED \$3,338 FOR SERVICES AS A MEDICAL DIRECTOR. SHE RECEIVED NO COMPENSATION FOR SERVING AS A DIRECTOR. TAMERLA D. CHAVIS, M.D., RECEIVED \$54,794 FOR PHYSICIAN CALL SERVICES. SHE RECEIVED NO COMPENSATION FOR SERVING AS A DIRECTOR. BERTON BROWN, M.D., RECEIVED \$13,680 FOR SERVICES AS A MEDICAL DIRECTOR. HE RECEIVED NO COMPENSATION FOR SERVING AS A DIRECTOR. FORM 990, PART VII AND SCHEDULE J, PART II COMPENSATION SISTER MARGARET SAVANT AND SISTER MARGARET MANNION, WHO ARE LISTED AS DIRECTORS ON PART VII, RECEIVE COMPENSATION FROM RELATED ORGANIZATIONS, BUT THEIR COMPENSATION IS PAID DIRECTLY TO THE RELIGIOUS CONGREGATION AND NOT TO THEM INDIVIDUALLY. SINCE THIS COMPENSATION GOES TO THE CONGREGATION, NO FORM W-2 IS ISSUED, AND THUS NO AMOUNTS ARE LISTED IN SCHEDULE J. FOR INFORMATIONAL PURPOSES, CHRISTUS Health Southwestern Louisiana on behalf of Sister Margaret Savant was \$24,487 for services as an Admitting Representative. Compensation paid from CHRISTUS Spohn Health System Corporation on behalf of Sister Margaret Savant was \$71,162 for services as the Coordinator of Mission Services. FORM 990, SCHEDULE J, PART I, QUESTIONS 1-2 SUPPLEMENTAL COMPENSATION INFORMATION PAUL TREVINO RECEIVED \$2,830 IN TAX ASSISTANCE FOR RELOCATION. FORM 990, SCHEDULE J, PART I, QUESTION 3 EXPLANATION OF RELATED ORGANIZATION DETERMINING CEO COMPENSATION: THE FILING ORGANIZATION'S CEO/EXECUTIVE DIRECTOR IS AN EMPLOYEE OF CHRISTUS HEALTH, A RELATED ORGANIZATION. AS A RESULT, COMPENSATION IS ESTABLISHED AT THE CHRISTUS HEALTH LEVEL AND THE FILING ORGANIZATION DOES NOT HAVE A ROLE IN IMPLEMENTING THE METHODS USED TO ESTABLISH COMPENSATION OR IN DETERMINING CEO/EXECUTIVE DIRECTOR COMPENSATION. CHRISTUS HEALTH USES AN EXECUTIVE COMPENSATION COMMITTEE TO ESTABLISH AND APPROVE THE COMPENSATION OF THE FILING ORGANIZATION'S CEO/EXECUTIVE DIRECTOR. THIS COMMITTEE USES AN INDEPENDENT COMPENSATION CONSULTANT WHO PERFORMS BI-ANNUAL COMPENSATION SURVEY. FORM 990, SCHEDULE J, PART I, QUESTION 4B SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN: DEFERRED COMPENSATION INCLUDES EXECUTIVE DEFERRED INCOME ACCOUNT, SUPPLEMENTAL EXECUTIVE RETIREMENT AND RETENTION PLAN, AND PENSION RESTORATION PLAN. ESTIMATED PENSION BENEFITS WERE CALCULATED BASED ON THE PROVISIONS OF THE CURRENT PENSION RESTORATION PLAN AT 6% OF PENSIONABLE EARNINGS WHICH ARE OVER THE IRS LEGISLATIVE COMPENSATION LIMIT. SOME ASSOCIATES ARE GRANDFATHERED UNDER AN EARLIER LEGACY PENSION PLAN. IF A PARTICIPANT HAS PROTECTED PENSION BENEFITS UNDER SUCH LEGACY PLANS, HIS/HER PERCENTAGE IS ZERO UNDER THE SUPPLEMENTAL EXECUTIVE RETIREMENT AND RETENTION PLAN, AS THE PROTECTED BENEFIT IS ALREADY EQUAL TO OR BETTER THAN CURRENT MARKET. FORM 990, SCHEDULE J, PART I, QUESTION 4A SEVERANCE OR CHANGE IN CONTROL: PAYMENT MARIO MUDANO RECEIVED \$159,145 IN SEVERANCE PAYMENT DURING CALENDAR YEAR 2009. FORM 990, SCHEDULE J, PART I, QUESTION 4B SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN: PAYMENT MARY EAGEN WAS PAID \$11,508 DURING CALENDAR YEAR 2009 UNDER A SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN. JOEL D. FAGERSTROM WAS PAID \$4,780 DURING CALENDAR YEAR 2009 UNDER A SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN. MARIO A. MUDANO WAS PAID \$48,350 DURING CALENDAR YEAR 2009 UNDER A SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN. William Hecht was paid \$56,114 during calendar year 2009 under a supplemental nonqualified retirement plan. FORM 990, SCHEDULE J, PART II, COLUMN B(II) SUPPLEMENTAL COMPENSATION INFORMATION: BONUS AND INCENTIVE COMPENSATION MAY INCLUDE AMOUNTS THAT WERE DEFERRED IN A PRIOR YEAR BUT PAID OUT IN CALENDAR YEAR 2009. FORM 990, SCHEDULE J, PART II, COLUMN C DEFERRED COMPENSATION: DEFERRED COMPENSATION INCLUDES EXECUTIVE DEFERRED INCOME ACCOUNT, SUPPLEMENTAL EXECUTIVE RETIREMENT AND RETENTION PLAN, EMPLOYER CONTRIBUTION TO 403(B) MATCHED SAVINGS PLAN, PENSION RESTORATION PLAN AND ESTIMATED PENSION BENEFITS UNDER CHRISTUS HEALTH CASH BALANCE PLAN. ESTIMATED PENSION BENEFITS WERE CALCULATED BASED ON THE PROVISIONS OF THE CURRENT CASH BALANCE PLAN AT 6% OF PENSIONABLE EARNINGS. SOME ASSOCIATES ARE GRANDFATHERED UNDER AN EARLIER PENSION PLAN. THESE GRANDFATHERED PARTICIPANTS, BASED ON COMPUTATION AT THE TIME OF THEIR RETIREMENT, WILL RECEIVE THE LARGER OF THE RETIREMENT BENEFIT COMPUTED UNDER THE CASH BALANCE PLAN COMPARED TO THE PREVIOUS PENSION PLAN. DUE TO THE COMPLEXITY OF CALCULATING AN ACCURATE BENEFIT COST FOR GRANDFATHERED PARTICIPANTS, THE FORM 990 REPORTS AS PENSION BENEFITS THEIR ANNUAL ESTIMATED CASH BALANCE PLAN ACCRUAL. FORM 990, SCHEDULE J, PART III SUPPLEMENTAL COMPENSATION INFORMATION: W-2 COMPENSATION MAY INCLUDE PAYMENTS RELATED TO COMPENSATION DEFERRED IN PRIOR YEARS. DEFERRED COMPENSATION MAY INCLUDE DEFERRALS OF CURRENT YEAR COMPENSATION UNDER EXECUTIVE DEFERRED INCOME ACCOUNT, SUPPLEMENTAL EXECUTIVE RETIREMENT AND RETENTION PLAN AND PENSION RESTORATION PLAN. COMPENSATION FOR Mario Mudano INCLUDES PAYMENTS FROM EXECUTIVE DEFERRED INCOME ACCOUNT, SUPPLEMENTAL EXECUTIVE RETENTION AND RETIREMENT PLAN and Pension Restoration Plan EARNED AND PAID IN 2009 UNDER TERMS OF THE AFOREMENTIONED PLANS. Compensation for Bill Hecht includes payments from Supplemental Executive Retention and Retirement Plan earned and paid in 2009 under terms of the aforementioned plan. Compensation for Mary Eagan includes payments from FROM EXECUTIVE DEFERRED INCOME ACCOUNT and SUPPLEMENTAL EXECUTIVE RETENTION AND RETIREMENT PLAN EARNED AND PAID IN 2009 UNDER TERMS OF THE AFOREMENTIONED PLANS. COMPENSATION FOR Joel Fagerstrom INCLUDES PAYMENTS FROM EXECUTIVE DEFERRED INCOME ACCOUNT and Pension Restoration Plan EARNED AND PAID IN 2009 UNDER TERMS OF THE AFOREMENTIONED PLANS. COMPENSATION FOR THE FOLLOWING PEOPLE INCLUDES PAYMENTS FROM EXECUTIVE DEFERRED INCOME ACCOUNT VESTED AND DUE IN 2009 UNDER TERMS OF THE PLAN: Ellen Jones, D. Wayne Moore, Deborah Wiegand, Richard Tyler, Paul Trevino and Tom Permetti.

SCHEDULE M
(Form 990)

Department of the Treasury
Internal Revenue Service

NonCash Contributions

►Complete if the organization answered "Yes" on Form 990, Part IV, lines 29 or 30.
► Attach to Form 990.

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
Christus Health Southeast Texas

Employer identification number
76-0591590

Part I Types of Property

	(a) Check if applicable	(b) Number of Contributions	(c) Revenues reported on Form 990, Part VIII, line 1g	(d) Method of determining revenues
1 Art—Works of art				
2 Art—Historical treasures				
3 Art—Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities—Publicly traded				
10 Securities—Closely held stock				
11 Securities—Partnership, LLC, or trust interests				
12 Securities—Miscellaneous				
13 Qualified conservation contribution—Historic structures				
14 Qualified conservation contribution—Other				
15 Real estate—Residential				
16 Real estate—Commercial				
17 Real estate—Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ► (Other - Hospital Supplies)	X	5	381,216	Cost / Selling Price
26 Other ► (Other - Hospital Supplies)	X	9	260,028	Cost / Selling Price
27 Other ► (Other - Hospital Supplies)	X	1	13,018	Cost / Selling Price
28 Other ► (Other - Hospital Supplies)	X	1	13,049	Cost / Selling Price
29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement	29			0
30a During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?	30a			No
b If "Yes," describe the arrangement in Part II				
31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?	31	Yes		
32a Does the organization hire or use third parties or related organizations to solicit, process, or sell non-cash contributions?	32a			No
b If "Yes," describe in Part II				
33 If the organization did not report revenues in column (c) for a type of property for which column (a) is checked, describe in Part II				

Part II

Supplemental Information. Complete this part to provide the information required by Part I, lines 30b, 32b, and 33. Also complete this part for any additional information.

Identifier	Return Reference	Explanation
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Software ID:
Software Version:
EIN: 76-0591590
Name: Christus Health Southeast Texas

efile GRAPHIC print - DO NOT PROCESS		As Filed Data -	DLN: 93493133033381
SCHEDULE O (Form 990)	Supplemental Information to Form 990	OMB No 1545-0047	
		2009	
Department of the Treasury Internal Revenue Service		Open to Public Inspection	
Name of the organization Christus Health Southeast Texas		Employer identification number 76-0591590	

Identifier	Return Reference	Explanation
Form 990, Part III, Line 4d	Description of Other Program Services	COMMUNITY SERVICES FOR THE POOR AND UNDERSERVED ROOTED IN OUR MISSION AND TRADITION, THE FOUNDERS AND SPONSORS OF CHRISTUS HEALTH AND THOSE WHO CO-MINISTER WITH THEM SEEK NEW AND INNOVATIVE WAYS OF DELIVERING QUALITY HEATH CARE THAT ARE BOTH AFFORDABLE AND ACCESSIBLE TO ALL. TODAY, MORE THAN EVER, WE MUST AIM TO IMPROVE THE TOTAL HEALTH STATUS OF THE COMMUNITY THROUGH PROGRAMS THAT PLACE OUR SERVICES WHERE THEY ARE NEEDED MOST, WITH SPECIAL ATTENTION AND PREFERENCE GIVEN TO PROGRAMS THAT SUPPORT AND BENEFIT THE HEALTH AND WELFARE OF THE POOR AND UNDERSERVED. COMMUNITY SERVICES FOR THE POOR AND UNDERSERVED REPRESENT THE UNPAID COST OF SERVICES PROVIDED FOR WHICH A PATIENT IS NOT BILLED, OR FOR WHICH A FEE HAS BEEN ASSESSED THAT RECOVERS ONLY A PORTION OF THE COST OF THE RENDERED SERVICE. THIS CATEGORY INCLUDES INITIATIVES THAT REACH OUT TO THOSE IN NEED THROUGH COMMUNITY HEALTH AND SOCIAL PROGRAMS. THESE PROGRAMS SEEK JUSTICE FOR THE VULNERABLE AND WORK TO BRING ABOUT CHANGES IN OUR POLITICAL AND ECONOMIC SYSTEMS. THE PROGRAMS COVER A BROAD SPECTRUM OF SERVICES FROM COMMUNITY CLINICS TO IMMUNIZATIONS FOR CHILDREN AND SENIORS, MEALS ON WHEELS, TRANSPORTATION SERVICES, HOME REPAIR PROJECTS AND A VARIETY OF OTHER SOCIAL SERVICES. SOME EXAMPLES OF CHRISTUS HEALTH COMMUNITY BENEFITS ACCOUNTED FOR UNDER COMMUNITY SERVICES FOR THE POOR AND UNDERSERVED INCLUDE THE CHRISTUS COMMUNITY DIRECT INVESTMENT PROGRAM (CDI) AND THE CHRISTUS FUND. THE CHRISTUS BOARD OF DIRECTORS APPROVED THE FUNDING OF A CDI LOAN PROGRAM TO ENSURE THAT THE WORK OF SOCIAL ACCOUNTABILITY AND MORAL AND ETHICAL STEWARDSHIP CONTINUES IN SPITE OF CHALLENGING FISCAL CONDITIONS FACED BY THE LOCAL OPERATING ENTITIES. THE PURPOSE OF THE CDI PROGRAM IS TO SUPPORT COMMUNITY-DRIVEN INITIATIVES PRIMARILY FOR AFFORDABLE HOUSING AND ECONOMIC DEVELOPMENT BY PROVIDING FINANCING AT BELOW-MARKET INTEREST RATES TO NONPROFIT ORGANIZATIONS AT TERMS NOT EXCEEDING MORE THAN FIVE YEARS. THE INCOME THAT IS LOST FROM THE MARKET RATE LESS OUR LOAN RATE (FOREGONE INCOME) IS CONSIDERED A COMMUNITY BENEFIT FOR REPORTING PURPOSES. THE COST OF THIS PROGRAM IS NOT INCLUDED IN THE PROGRAM SERVICE EXPENSES FOR CHRISTUS HEALTH SOUTHEAST TEXAS. THOUGH OUTSTANDING LOAN BALANCES VARY THROUGHOUT THE YEAR, THE OUTSTANDING LOAN BALANCE AT THE END OF FISCAL YEAR 2010 WAS \$693,202. THE FOREGONE INTEREST FOR CHRISTUS HEALTH SOUTHEAST TEXAS IN FY2010 WAS \$28,752. CHRISTUS HEALTH HAS ESTABLISHED THE CHRISTUS FUND TO PROVIDE RESOURCES TO NONPROFIT AGENCIES AND GROUPS WHOSE VISION, MISSION AND GOALS ARE CONSISTENT WITH CHRISTUS HEALTH'S MISSION, VALUES AND PHILOSOPHY OF A HEALTHY COMMUNITY. WE BELIEVE THAT BY WORKING TOGETHER, WE CAN MAKE A PROFOUND DIFFERENCE IN THE QUALITY OF PEOPLES' LIVES AND CREATE SUSTAINABLE HEALTH IN OUR COMMUNITIES. DURING FY2010, THE TOTAL GRANT MONEY DISTRIBUTED TO THE SOUTHEAST TEXAS REGION WAS \$323,050. THE COST OF THESE GRANTS IS NOT INCLUDED IN THE PROGRAM SERVICE EXPENSES FOR CHRISTUS HEALTH SOUTHEAST TEXAS. PROGRAM SERVICE EXPENSE = \$39,386,725. GRANTS = \$20,894,081. PROGRAM SERVICE REVENUE = \$0. FORM 990, PART III, LINE 4D DESCRIPTION OF OTHER PROGRAM SERVICES. COMMUNITY SERVICES FOR THE BROADER COMMUNITY. THE GREATEST SHARE OF THESE EXPENSES IS SPENT EDUCATING HEALTH PROFESSIONALS. HELPING TO PREPARE FUTURE HEALTH CARE PROFESSIONALS IS A DISTINGUISHING CHARACTERISTIC OF NONPROFIT HEALTH CARE AND CONSTITUTES A SIGNIFICANT COMMUNITY BENEFIT. THE THREE FACILITIES (CHRISTUS HOSPITAL - ST. ELIZABETH, CHRISTUS HOSPITAL - ST. MARY, AND CHRISTUS JASPER MEMORIAL HOSPITAL) PROVIDE A NUMBER OF SERVICES FOR THE BENEFIT OF THE COMMUNITY -- INCLUDING LEADERSHIP ACTIVITIES. CHRISTUS HEALTH ALSO USED CASH DONATIONS AS A VEHICLE TO HELP OUR COMMUNITIES. WE MADE CASH DONATIONS, IN ADDITION TO GRANTS AWARDED THROUGH THE CHRISTUS FUND, TO SUPPORT CAUSES LIKE THE FIGHT AGAINST CANCER, PROVISION OF A CONTINUUM OF CARE FOR OUR ELDERLY, HIV/AIDS, AND FOR MANY OTHER EQUALLY WORTHY PURPOSES. DURING FY 2010, CHRISTUS HEALTH ADVOCATED FOR IMPROVING PUBLIC POLICIES, WORKING TO ESTABLISH AND IN SOME INSTANCES AUGMENT GRASSROOTS ADVOCACY AND GREATER ACCESS TO HEALTH CARE SERVICES FOR THE CONSTITUENTS WE SERVE. SEVERAL CHRISTUS REGIONS PROVIDE INDIGENT FUNDING DONATIONS OR "GRANTS" TO AID THE COUNTIES IN WHICH THEY, OR ANOTHER CHRISTUS REGION, SERVE. SUCH GRANTS MAY BE PAID TO THE COUNTY DIRECTLY OR VIA ANOTHER HOSPITAL OR HEALTHCARE ORGANIZATION IN THE AREA. This charitable donation helps relieve the additional expense of healthcare for the indigent population within our communities that CHRISTUS may not directly serve in one of our hospitals. This is a result of our mission to extend the healing ministry of Jesus Christ, especially to the poor and underserved. PROGRAM SERVICE EXPENSE = \$344,404. GRANTS = \$147,229. PROGRAM SERVICE REVENUE = \$0.

Identifier	Return Reference	Explanation
Supplemental Information		FORM 990, PAGE 1, ITEM C DOING BUSINESS AS CHRISTUS HEALTH SOUTHEAST TEXAS OPERATES UNDER THE FOLLOWING NAMES: CHRISTUS ST. ELIZABETH HOSPITAL, CHRISTUS ST. MARY HOSPITAL, CHRISTUS JASPER MEMORIAL. FORM 990, PART VI, LINE 2 DESCRIPTION OF RELATIONSHIP: DIRECTORS ROY, STEINHAGEN AND TOM HERBST HAVE A FAMILY RELATIONSHIP. FORM 990, PART VI, LINE 6 DESCRIPTION OF CLASSES OF MEMBERS OR STOCKHOLDERS: CHRISTUS HEALTH IS THE SOLE CORPORATE MEMBER OF THE FILING ORGANIZATION. FORM 990, PART VI, LINE 7A DESCRIPTIONS OF CLASSES OF PERSONS AND THE NATURE OF THEIR RIGHTS: CHRISTUS HEALTH, THE SOLE CORPORATE MEMBER OF THE FILING ORGANIZATION, HAS THE POWER TO APPOINT ALL MEMBERS OF THE FILING ORGANIZATION'S GOVERNING BODY. FORM 990, PART VI, LINE 7B DECISIONS OF THE GOVERNING BODY: SUBJECT TO APPROVAL, CHRISTUS HEALTH'S BOARD OF DIRECTORS HAS THE FOLLOWING POWERS: APPROVE, CHANGE AND/OR INTERPRET THE FILING ORGANIZATION'S PHILOSOPHY, MISSION AND VISION; APPROVE THE ADOPTION OR AMENDMENT OF THE FILING ORGANIZATION'S ARTICLES OF INCORPORATION AND BYLAWS; APPOINT AND REMOVE MEMBERS OF THE FILING ORGANIZATION'S BOARD OF DIRECTORS; APPOINT AND REMOVE THE FILING ORGANIZATION'S CHAIR OF THE BOARD OF DIRECTORS AND VICE CHAIRPERSON OF BOARD OF DIRECTORS; APPROVE INCURRENCE OF DEBT THAT EXCEEDS \$5 MILLION PER INCURRENCE OR \$25 MILLION ANNUALLY; APPROVE ANY MERGER, CONSOLIDATION, ACQUISITION, DISSOLUTION OR LIQUIDATION BY THE FILING ORGANIZATION; APPROVE THE IMPLEMENTATION OF SYSTEM-WIDE POLICIES FOR THE FILING ORGANIZATION; APPROVE SYSTEM-WIDE CONSOLIDATED BUDGET AND PERFORMANCE INDICATORS FOR THE FILING ORGANIZATION; APPROVE THE INDEPENDENT AUDIT REPORTS OF THE FILING ORGANIZATION; APPROVE CAPITAL PROJECTS GREATER THAN \$10 MILLION FOR THE FILING ORGANIZATION; APPROVE ANY TRANSACTION BY THE FILING ORGANIZATION THE EFFECT OF WHICH IS TO CREATE A NEW LEGAL ENTITY OR JOINT VENTURE; ANY TRANSACTION INVOLVING A SYSTEM PARTICIPANT OR LOCAL ENTITY WHICH CREATES A NEW LEGAL ENTITY OR JOINT VENTURE, OR CHANGES IN BUSINESS PURPOSE OR RELATIONSHIP OF ANY LOCAL ENTITY; AND APPROVE AND AUTHORIZE ACTIONS RESERVED IN ORGANIZATION DOCUMENTS OR SIMILAR GOVERNANCE DOCUMENTS. THE CHRISTUS HEALTH CEO HAS THE FOLLOWING POWERS: POWER TO APPOINT AND REMOVE THE PRESIDENT OF THE FILING ORGANIZATION; APPROVE THE SALE, LEASE, MORTGAGE, TRANSFER, EASEMENT OR ENCUMBRANCE OF THE FILING ORGANIZATION'S REAL PROPERTY DESIGNATED AS NON-DESIGNATED MINISTRY PROPERTY UNDER \$5 MILLION BUT MORE THAN \$1 MILLION; APPROVE THE INCURRENCE OF DEBT UP TO A \$5 MILLION CAP OR \$25 MILLION ANNUALLY BY THE FILING ORGANIZATION; APPROVE STRATEGIC PLANS OF THE FILING ORGANIZATION; APPROVE THE FILING ORGANIZATION'S BUDGET; SET THE THRESHOLD OF CAPITAL PROJECTS LESS THAN \$10 MILLION BY THE FILING ORGANIZATION; AND APPROVE MANAGEMENT DIRECTIVES FOR THE FILING ORGANIZATION. THE CHRISTUS HEALTH MEMBERS ARE THE CONGREGATION OF SISTERS OF CHARITY OF THE INCARNATE WORD, HOUSTON, TEXAS AND THE CONGREGATION OF SISTERS OF CHARITY OF THE INCARNATE WORD (OF SAN ANTONIO). THE CHRISTUS HEALTH MEMBERS HAVE THE FOLLOWING POWERS: APPROVE THE ADOPTION AND AMENDMENT OF ARTICLES OF INCORPORATION AND BYLAWS OF THE FILING ORGANIZATION IF THE CHANGE IS RELATED TO RESERVED POWERS OF MEMBERS; APPROVE THE SALE, LEASE, MORTGAGE, TRANSFER, EASEMENT OR ENCUMBRANCE OF REAL PROPERTY IN EXCESS OF A \$5 MILLION THRESHOLD DOLLAR AMOUNT REQUIRED BY CANON LAW FOR THE FILING ORGANIZATION; APPROVE THE SALE, LEASE, MORTGAGE, TRANSFER, EASEMENT, OR ENCUMBRANCE OF REAL PROPERTY DESIGNATED AS DESIGNATED MINISTRY PROPERTY BY THE FILING ORGANIZATION, BUT NOT IN EXCESS OF \$5 MILLION; APPROVE THE CHANGE OF OWNERSHIP; MANAGEMENT OR CONTROL, (EXCEPT IN THE ORDINARY COURSE OF BUSINESS OFFICE AND SPACE LEASES) THE FUNDAMENTAL USE BY CHANGE IN LICENSE THAT WOULD SIGNIFICANTLY CHANGE A FACILITY; OR THE ELIMINATION OF OB, PED, PSYCH OR EMERGENCY SERVICES ON REAL PROPERTY PROVIDED IN CONNECTION WITH DESIGNATED MINISTRY PROPERTY OWNED BY THE FILING ORGANIZATION; AND APPROVE THE MERGER, CONSOLIDATION, ACQUISITION, DISSOLUTION OR LIQUIDATION OF THE FILING ORGANIZATION IF IT OWNS DESIGNATED MINISTRY PROPERTY. FORM 990, PART VI, LINE 11 PROCESS USED TO REVIEW FORM 990: THE FORM 990 IS PREPARED AND REVIEWED BY THE ORGANIZATION'S EXTERNAL INDEPENDENT ACCOUNTANTS. THE CHRISTUS HEALTH ACCOUNTING DEPARTMENT WORKS WITH AN EXTERNAL ACCOUNTING FIRM IN PREPARATION AND REVIEW OF THE FORM 990. THE FILING ORGANIZATION'S CFO, OR OTHER DESIGNEE, REVIEWS THE FORM 990. THE FINAL FORM 990 THAT WILL BE FILED WITH THE IRS IS POSTED TO A SECURE INTERNET PORTAL FOR ALL MEMBERS OF THE BOARD OF DIRECTORS TO VIEW. REVIEW OF THE FINAL FORM 990 OCCURS PRIOR TO FILING WITH THE IRS IN THE SPRING 2011 VIA EITHER MEETING, CONFERENCE CALL OR WEB PORTAL POLLING TOOL BY THE AUDIT AND/OR FINANCE SUBCOMMITTEES OF THE RESPECTIVE CHRISTUS ORGANIZATION'S BOARD, BASED ON A SET OF SUGGESTED REVIEW PROCESSES DEVELOPED BY CHRISTUS HEALTH. FORM 990, PART VI, LINE 12C DESCRIPTION OF PROCESS TO MONITOR TRANSACTIONS FOR CONFLICT OF INTEREST AT THE END OF EACH CALENDAR YEAR: THE CHRISTUS HEALTH CORPORATE SECRETARY DISTRIBUTES A CONFLICT OF INTEREST QUESTIONNAIRE TO ALL OF THE ORGANIZATION'S BOARD AND COMMITTEE MEMBERS FOR COMPLETION PRIOR TO THE 1ST OF JANUARY IN THE NEXT YEAR. THE CORPORATE SECRETARY THOROUGHLY REVIEWS ALL COMPLETED AND EXECUTED CONFLICT OF INTEREST QUESTIONNAIRE FORMS TO ENSURE ACCURACY AND THAT NO POTENTIAL OR IDENTIFIED CONFLICT IS DISCLOSED OR EXISTS. THE ORGANIZATION'S BOARD OF DIRECTORS IS RESPONSIBLE FOR ENFORCEMENT OF THE CONFLICT OF INTEREST POLICY OF THE ORGANIZATION.

Identifier	Return Reference	Explanation
FORM 990, PART VI, LINES 15A & 15B	COMPENSATION DETERMINATION PROCESS	THE EXECUTIVE COMPENSATION COMMITTEE OF CHRISTUS HEALTH DETERMINES THE COMPENSATION OF THE CEO (OR EXECUTIVE DIRECTOR, AS APPLICABLE), OFFICERS AND KEY EMPLOYEES OF CHRISTUS HEALTH AND CERTAIN OTHER OFFICERS AND KEY EMPLOYEES OF RELATED ORGANIZATIONS, including CHRISTUS Health Southeast Texas. THE EXECUTIVE COMPENSATION COMMITTEE IS COMPOSED OF INDIVIDUALS WHO HAVE NO CONFLICT OF INTEREST WITH THE COMPENSATION ARRANGEMENTS AT HAND. CHRISTUS HEALTH CEO'S COMPENSATION IS SUBJECT TO APPROVAL BY THE CHRISTUS HEALTH BOARD, AFTER DISCUSSION BY THE EXECUTIVE COMPENSATION COMMITTEE. THE EXECUTIVE COMPENSATION COMMITTEE OF THE CHRISTUS HEALTH BOARD SELECTS AN INDEPENDENT EXTERNAL FIRM TO PERFORM AN INDEPENDENT COMPENSATION REVIEW, TO ENSURE THAT ALL COMPENSATION IS REASONABLE AND COMPARABLE TO OTHER SIMILARLY SITUATED ORGANIZATIONS, FOR SIMILARLY QUALIFIED PERSONS IN FUNCTIONALLY COMPARABLE POSITIONS, AND TO PROVIDE SUPPORTING INFORMATION OF COMPENSATION DECISIONS. ON AN ANNUAL BASIS THE EXTERNAL CONSULTANT 1. COMPLETES A REVIEW OF THE COMPENSATION AND BENEFITS OF THE CHRISTUS HEALTH CEO AND PROVIDES A WRITTEN REPORT, AND APPEARS IN PERSON WITH THE COMMITTEE TO ADDRESS THE ANNUAL COMPENSATION REVIEW AND ANY DECISIONS RELATED TO SUCH COMPENSATION FOR THE CEO. THE CONSULTANT ALSO PROVIDES ALL OF THE COMPARABLE MARKET DATA TO SUPPORT RECOMMENDATIONS AND DECISIONS. 2. DEVELOPS THE MERIT INCREASE RECOMMENDATIONS FOR ALL DESIGNATED SYSTEM EXECUTIVES BASED ON MARKET COMPARABILITY. 3. RECOMMENDS THE CHANGES IN THE COMPENSATION STRUCTURE (GRADES) BASED ON THE MARKET CHANGES. 4. COMPLETES A REVIEW AND EVALUATION OF NEWLY CREATED POSITIONS TO RECOMMEND A GRADE PLACEMENT TO THE COMMITTEE FOR ITS DISCUSSION AND APPROVAL. ON A BI-ANNUAL BASIS, THE EXTERNAL CONSULTANT COMPLETES A DETAILED REVIEW OF ALL OTHER DESIGNATED SYSTEM EXECUTIVES' COMPENSATION AND BENEFITS. THIS GROUP INCLUDES ALL TOP MANAGEMENT OFFICIALS, OTHER OFFICERS AND KEY LEADERS OF THE ORGANIZATION. THE REVIEW INCLUDES RECOMMENDATIONS TO THE COMMITTEE ON ANY CHANGES NECESSARY IN EITHER SPECIFIC COMPENSATION OR COMPENSATION STRUCTURE TO ENSURE MARKET COMPETITIVENESS, REASONABLENESS AND INTERNAL EQUITY. UPON RECOMMENDATIONS FROM THE INDEPENDENT EXTERNAL FIRM, THE EXECUTIVE COMPENSATION COMMITTEE MAKES FINAL COMPENSATION DECISIONS. ADDITIONALLY, THE EXECUTIVE COMPENSATION COMMITTEE REVIEWS ALL COMPENSATION PAYMENTS FOR EXCESS BENEFIT TRANSACTIONS. THE DISCUSSION AND DECISIONS OF THE COMMITTEE ARE DOCUMENTED AND FORMALIZED IN THE COMMITTEE MINUTES AND MAINTAINED ON RECORD. THE FILING ORGANIZATION DETERMINES THE COMPENSATION OF THE SECRETARY BY USE OF AN INDEPENDENT AND EXTERNAL CONSULTANT. THE CONSULTANT HELPS DETERMINE PAY RATES FOR THE ASSOCIATES OF THE FILING ORGANIZATION, TAKING INTO ACCOUNT MARKET DATA AND SHIFT DIFFERENTIAL. THE COMPENSATION RATES ARE APPROVED BY THE FILING ORGANIZATION. BASED ON THE AFOREMENTIONED PROCEDURE, THE SECRETARY'S COMPENSATION IS NOT REVIEWED BY A COMPENSATION COMMITTEE. FORM 990, PART VI, LINE 18 PUBLIC DISCLOSURE OF 1023 AND FORMS 990 & 990-T: CHRISTUS HEALTH AND MOST OF ITS AFFILIATED ENTITIES DO NOT HAVE FORMS 1023 BECAUSE OF THEIR INCLUSION IN THE IRS GROUP RULING WITH THE UNITED STATES CONFERENCE OF CATHOLIC BISHOPS, WHICH COVERS THE ORGANIZATION LISTED IN THE ANNUAL OFFICIAL CATHOLIC DIRECTORY. CHRISTUS HEALTH'S WEBSITE DISPLAYS THE IRS GROUP RULING AND RELEVANT ANNUAL OFFICIAL CATHOLIC DIRECTORY PAGES FOR THE ORGANIZATIONS RELATED TO CHRISTUS HEALTH. FORMS 990 AND 990-T ARE MADE AVAILABLE UPON REQUEST. FORM 990, PART VI, LINE 19 AVERAGE OF GOVERNING DOCS, CONFLICT OF INTEREST POLICY AND FIN STMTS: THE CONSOLIDATED AUDITED FINANCIAL STATEMENTS OF CHRISTUS HEALTH ARE MADE AVAILABLE TO THE PUBLIC VIA THE CHRISTUS HEALTH WEBSITE. THE ORGANIZATION'S GOVERNING DOCUMENTS AND CONFLICT OF INTEREST POLICY ARE NOT MADE AVAILABLE TO THE PUBLIC. FORM 990, PART VII HOURS WORKED FOR A RELATED ORGANIZATION: Average hours per week listed on Form 990, Part VII, Section A are the average hours devoted to the respective person's position while serving the organization. Through 2/27/10, ELLEN JONES DEVOTED AN AVERAGE OF 5.5 HOURS PER WEEK AT CHRISTUS HEALTH SOUTHWESTERN LOUISIANA, A RELATED ORGANIZATION OF THE FILING ENTITY. ELLEN WAS THE PRESIDENT & CEO OF CHRISTUS HEALTH SOUTHWESTERN LOUISIANA. Through 2/27/10, Ellen devoted an average of 50 hours per week to CHRISTUS Health Southeast Texas as its President/CEO. Effective 2/28/10, Ellen devotes an average of 22 hours per week to CHRISTUS Health Gulf Coast, a related organization of the filing entity. Ellen is the President/CEO of CHRISTUS Health Gulf Coast. Through 5/8/10, WILLIAM HECHT DEVOTED AN AVERAGE OF 6.5 HOURS PER WEEK AT CHRISTUS HEALTH SOUTHWESTERN LOUISIANA, A RELATED ORGANIZATION OF THE FILING ENTITY. WILLIAM WAS THE CHIEF FINANCIAL OFFICER OF CHRISTUS HEALTH SOUTHWESTERN LOUISIANA. Through 5/8/10, William devoted an average of 58 hours per week to CHRISTUS Health Southeast Texas as its CFO. Effective 5/9/10, William devotes an average of 26 hours per week to CHRISTUS Health Gulf Coast, a related organization of the filing entity. William is the CFO of CHRISTUS Health Gulf Coast. Through 9/1/09, PAUL TREVINO DEVOTED AN AVERAGE OF 55 HOURS PER WEEK AT CHRISTUS SPOHN HEALTH SYSTEM, A RELATED ORGANIZATION OF THE FILING ENTITY. PAUL WAS THE SVP, ADMINISTRATIVE AND AMBULATORY SERVICES OF CHRISTUS SPOHN HEALTH SYSTEM. Through 10/24/09, Tom Permetti devoted an average of 56 hours per week to CHRISTUS Health Gulf Coast, a related organization of the filing entity. Tom was the Administrator of St. John Hospital for CHRISTUS Health Gulf Coast. From 10/25/09 through 5/8/10, Tom devoted an average of 45 hours to CHRISTUS Health Gulf Coast as its Administrator of St. John Hospital. From 10/25/09 through 5/8/10, Tom devoted an average of 11 hours to CHRISTUS Continuing Care, a related organization of the filing entity. Tom was the Facility Administrator/VP of Strategy for CHRISTUS Continuing Care. Effective 5/8/10, Tom devotes an average of 34 hours per week to CHRISTUS Health Gulf Coast as its Regional COO and Administrator. Effective 5/10/10, Charles Foster devotes an average of 40 hours per week to CHRISTUS Health Gulf Coast, a related organization of the filing entity. Charles is the VP of Human Resources for CHRISTUS Health Gulf Coast. Effective 5/10/10, Heather Boler devotes an average of 40 hours per week to CHRISTUS Health Gulf Coast, a related organization of the filing entity. Heather is the VP of Business Development and Marketing for CHRISTUS Health Gulf Coast.

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
Christus Health Southeast Texas

Employer identification number
76-0591590

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) Disproprtionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?	
							Yes	No		Yes	No
SETX BARIATRIC CTR 3050 LIBERTY ST BEAUMONT, TX77702 20-8358548	BARIATRIC HLT SRV	TX	NA	Related	-63,014	0		No	0	Yes	
ST ELIZABETH REHAB PARTNERS LLP 2830 CALDER BEAUMONT, TX777021809 20-5657181	HEALTHCARE SRvcs	TX	NA	N/A				No			No
SOUTHEAST TEXAS PAIN MNGMNT LLC PO BOX 5405 BEAUMONT, TX77726 26-1678856	PAIN MGMT Hlth Sv	TX	NA	Related	325,535	1,147,624		No	0	Yes	

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
CHRISTUS SOUTHEAST TX PHYS HOSP ORG 3010 HARRISON STREET SUITE 202 BEAUMONT, TX77702 76-0429902	MEDICAL SERVICES	TX	N/A	C Corp	261,079	726,641	100 000 %
HEALTH VENTURES OF SOUTHEAST TEXAS INC 1700 WEST LOOP SOUTH SUITE 400A HOUSTON, TX77027 76-0397263	BUILDING RENTAL	TX	N/A	C Corp	44,074	2,096,730	100 000 %
CHRISTUS Muguerza SAPI de CV	HEALTHCARE SRVRS	MX	N/A	C Corp			
EMERALD ASSURANCE CAYMAN LTD PO BOX 1051 GRAND CAYMAN KY1-1102 CJ 98-0407545	INSURANCE	CJ	NA	C CORP			

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

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

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

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

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

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

e Loans or loan guarantees by other organization(s)

f Sale of assets to other organization(s)

g Purchase of assets from other organization(s)

h Exchange of assets

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

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

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

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

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

n Sharing of paid employees

o Reimbursement paid to other organization for expenses

p Reimbursement paid by other organization for expenses

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

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

Yes

No

1a Yes

1b Yes

1c Yes

1d

1e

1f

1g

1h

1i Yes

1j

1k Yes

1l Yes

1m

1n Yes

1o Yes

1p Yes

1q Yes

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)		

Schedule R (Form 990) 2009

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

[illegible]

Software ID:

Software Version:

EIN: 76-0591590

Name: Christus Health Southeast Texas

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
CHRISTUS HEALTH ARK-LA-TEX 2600 ST MICHAEL DRIVE TEXARKANA, TX75503 75-2796815	HLTHCARE SVC	TX	501(C)(3)	3	N/A
CHRISTUS HEALTH CENTRAL LOUISIANA 3330 MASONIC DRIVE ALEXANDRIA, LA71301 72-0408984	HLTHCARE SVC	LA	501(C)(3)	3	N/A
CHRISTUS HEALTH GULF COAST PO BOX 922037 HOUSTON, TX77292 76-0591592	HLTHCARE SVC	TX	501(C)(3)	3	N/A
CHRISTUS HEALTH NORTHERN LOUISIANA ONE SAINT MARY PLACE SHREVEPORT, LA71101 72-0408982	HLTHCARE SVC	LA	501(C)(3)	3	N/A
CHRISTUS SPOHN HEALTH SYSTEM CORPORATION 600 ELIZABETH STREET CORPUS CHRISTI, TX78404 74-1109836	HLTHCARE SVC	TX	501(C)(3)	3	N/A
CHRISTUS Health 2707 NORTH LOOP WEST HOUSTON, TX77008 76-0590551	SUPT HLTH SVC	TX	501(C)(3)	11-Type I	N/A
CHRISTUS HEALTH SOUTHWESTERN LOUISIANA 524 DR MICHAEL DEBAKEY DRIVE LAKE CHARLES, LA70601 72-0411322	HLTHCARE SVC	LA	501(C)(3)	3	N/A
CHRISTUS SANTA ROSA HEALTH CARE CORP 333 N SANTA ROSA STREET SAN ANTONIO, TX78207 74-1109665	HLTHCARE SVC	TX	501(C)(3)	3	N/A
CHRISTUS HEALTH UTAH 451 BISHOP FEDERAL LANE SALT LAKE CITY, UT84115 87-0231682	HLTHCARE SVC	UT	501(C)(3)	9	N/A
CHRISTUS Continuing Care 1700 West Loop South Ste 1100A HOUSTON, TX77027 74-2898615	HLTHCARE SVC	TX	501(C)(3)	3	N/A
CH WILKINSON PHYSICIAN NETWORK 1700 WEST LOOP SOUTH STE 400B HOUSTON, TX77027 76-0422435	HLTHCARE SVC	TX	501(C)(3)	11-TYPE 1	N/A
ST JOSEPH COMMUNITY FOUNDATION 2800 LAMAR AVE CAPITAL ONE 2ND F PARIS, TX75460 42-1619230	SUPT HLTH SV	TX	501(C)(3)	11-TYPE 1	N/A
CHRISTUS ST JOSEPH'S HEALTH SYSTEM 2707 NORTH LOOP WEST HOUSTON, TX77008 75-0800674	HLTHCARE SVC	TX	501(C)(3)	3	N/A
CHRISTUS STEHLIN FND FOR CANCER RESEARCH 10301 STELLA LINK SUITE A HOUSTON, TX77025 74-1622404	CANCER RSCH	TX	501(C)(3)	9	N/A
DUBUIS HEALTH SYSTEM INC 10333 RICHMOND AVE SUITE 300 HOUSTON, TX77042 72-1270964	HLTHCARE SVC	TX	501(C)(3)	3	N/A
CHRISTUS HEALTH FOUNDATION 2707 NORTH LOOP WEST HOUSTON, TX77008 61-1500100	SUPT HLTH SV	TX	501(C)(3)	11-TYPE 1	N/A
CHRISTUS HEALTH FND OF SETX 2830 CALDER BEAUMONT, TX77702 76-0136274	SUPT HLTH SV	TX	501(C)(3)	11-TYPE 1	SETX
Christus Health Liability Retention TRST 2707 North Loop West Houston, TX77008 76-0259623	Insurance	TX	501(C)(3)	11-TYPE 1	N/A

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

(a) Name of other organization		(b) Transaction type(a-r)	(c) Amount Involved (\$)
(1)	CH Wilkinson Physician Network	I	58,334
(2)	CH Wilkinson Physician Network	L	995,313
(3)	CHRISTUS Health Foundation of Southeast Texas	N	192,968
(4)	CHRISTUS Health Gulf Coast	N	1,007,275
(5)	CHRISTUS Health Gulf Coast	O	633,690
(6)	CHRISTUS Health Gulf Coast	P	94,890
(7)	CHRISTUS Health Liability Retention Trust	O	2,027,319
(8)	Dubuis Health System Inc	I	1,405,120
(9)	Dubuis Health System Inc	K	19,465,840
(10)	Dubuis Health System Inc	P	388,547
(11)	Southeast Texas Bariatric Center LLC	L	1,178,490
(12)	Southeast Texas Bariatric Center LLC	N	86,051
(13)	Southeast Texas Pain Management Center LLC	A	22,707
(14)	Southeast Texas Pain Management Center LLC	N	112,234
(15)	Southeast Texas Pain Management Center LLC	O	987,639
(16)	Southeast Texas Pain Management Center LLC	P	1,173,943
(17)	St Elizabeth Rehab Partners LLP	O	121,397
(18)	St Elizabeth Rehab Partners LLP	P	166,678
(19)	CHRISTUS Southeast TX Physician Hospital Org	A	21,540
(20)	CHRISTUS Southeast TX Physician Hospital Org	L	124,200
(21)	CHRISTUS Southeast TX Physician Hospital Org	N	167,165
(22)	CHRISTUS Santa Rosa Health Care Corporation	Q	1,472,020

Additional Data

Software ID:

Software Version:

EIN: 76-0591590

Name: Christus Health Southeast Texas

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			
Dale Staggemeier MD Board Member (Term 12/31/09)	1 0	X						0	0	0
J Coffy Prieternelle MD Board Member	1 0	X						0	0	0
Berton Brown MD Board Member (Term 12/31/09)	1 0	X						13,680	0	0
Arsenio Martin MD Board Member	1 0	X						0	0	0
Sr Ann Margaret Savant Board Member	1 0	X						0	0	0
Jolene Ortego Board Member (Term 12/31/09)	1 0	X						0	0	0
Tom Herbst Board Member	1 0	X						0	0	0
Judge Lupe Flores Board Member	1 0	X						0	0	0
Mary Ann Reid Board Member	1 0	X						0	0	0
Roy Steinhagen Board Member	1 0	X						0	0	0
Martin Broussard Board Member	1 0	X						0	0	0
Sr Margaret Mannion Board Member	1 0	X						0	0	0
Joe Domino Chairperson	1 0	X		X				0	0	0
Ellen Jones President/CEO	33 0	X		X				482,053	52,709	212,005
J Denton Harris MD Vice Chair	1 0	X		X				0	0	0
Stephanie Baggett MD Board Member (Eff 1/1/10)	1 0	X						0	0	0
Pat Avery Board Member (Eff 1/1/10)	1 0	X						0	0	0
Girish Kansara MD Board Member (Eff 1/1/10)	1 0	X						3,338	0	0
Tamerla Chavis MD Board Member (Eff 1/1/10)	1 0	X						54,794	0	0
Cheryl Larson Secretary	40 0			X				50,185	0	6,949
William Hecht Chief Financial Officer	39 0			X				321,509	36,454	102,726
D Wayne Moore Hospital Administrator	40 0				X			236,295	0	47,322
Deborah Wiegand Hospital Administrator	40 0				X			179,324	0	46,789
Mario Mudano Hospital Admstr (Term 4/29/09)	40 0				X			346,725	0	11,618
Mary Eagen Regional CNE	40 0				X			240,011	0	39,487

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			
Richard Tyler MD Regional VP Medical Affairs	50 0				X			282,035	0	67,753
Paul Trevino Hospital Admstr (Eff 09/01/09)	55 0				X			96,873	279,566	114,683
Tom Permetti Regional COO (Eff 05/08/10)	22 0				X			0	261,935	130,696
Bonni Stancoven CRNA	40 0					X		159,671	0	25,245
Charles Foster VP HR	40 0					X		198,012	0	92,651
Heather Boler VP Bus Devlpmt & Marketing	40 0					X		170,370	0	62,568
Thomas Welch Director Regional Pharmacy	41 0					X		153,306	0	27,081
Dana Danielle Ashford Pharmacist	49 0					X		158,990	0	20,189
Joel Fagerstrom CEO / President							X	100,874	0	1,275

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

	Business Code	(A) Total Revenue	(B) Related or Exempt Function Revenue	(C) Unrelated Business Revenue	(D) Revenue Excluded from Tax under IRC 512, 513, or 514
Net Patient Service Revenue	621,990	390,119,691	390,119,691		
Rent Related to Exempt Purpose	531,120	6,565,039	6,565,039		
Community Health	621,990	2,848,063	2,848,063		
Physician Interest Income	900,099	124,338	124,338		
Program Related Investment Income	900,099	1,146,543	1,146,543		

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

<i>Do not include amounts reported on line 6b, 8b, 9b, and 10b of Part VIII.</i>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
PRVN FOR UNCOLLECTIBLE ACCTS	21,270,648	20,871,328	399,320	
AWARDS AND GIFTS-NON EMPLOYEE	57,073	14,695	42,378	
RECRUITMENT/PLACEMENT FEES	465,897	81,172	384,725	
DUES AND MEMBERSHIPS	235,199	27,062	208,137	
SUBSCRIPTIONS	61,731	24,693	37,038	

Additional Data

Software ID:
Software Version:
EIN: 76-0591590
Name: Christus Health Southeast Texas

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

N/A

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

A report of community benefit is included in a written Annual Report for CHRISTUS Health, the organization's parent company CHRISTUS Health is an international Catholic, faith based, nonprofit health system formed in 1999 with a mission "to extend the healing ministry of Jesus Christ " The annual community benefit report summarizes activities and programs conducted during the past year to improve health which includes proactive community health services However, the Annual Report is only a snapshot of how the organization is distinguished by its vision to be a leader, a partner, and an advocate in creating innovative health and wellness solutions that improve the lives of individuals and communities Part I, Line 7b & 7C Unreimbursed Medicaid AND OTHER GOVERNMENT SERVICES CHRISTUS Health SouthEast Texas reinvests all surplus funds back in to the communities we serve through expanded health services, new technologies, and better facilities

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

Line 7a Ratio of patient care cost to charges based on Schedule H, worksheet 2 Line 7b Ratio of patient care cost to charges based on Schedule H, worksheet 2 Line 7c Ratio of patient care cost to charges based on Schedule H, worksheet 2 Line 7e Actual expenses less any direct offsetting revenue Line 7f Actual expenses less any direct offsetting revenue Line 7g Ratio of patient care cost to charges based on Schedule H, worksheet 2 Line 7i Actual expense of the contributions

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

Reported at Schedule H, Part I, Line 7 g Subsidized health services are the unreimbursed patient account balances at cost with patient income of greater than 200% and less than 400% of the Federal Poverty Level (FPL) The reported amount is calculated using the cost-to-charge ratio determined at Schedule H, worksheet 2 These accounts do not qualify as charity care as defined by the organization's charity care guidelines because the patients' income is above 200% FPL The patient account balances were multiplied by the cost to charge ratio computed using Schedule H, worksheet 2

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

Total expense from Form 990, Part IX, line 25, column (A) is \$390,766,399 The bad debt expense included in this amount is \$20,753,868 The prorate share of the filing organization's operating expenses is \$2,843,765 The bad debt included in this amount is \$0 Therefore, total expense of \$372,856,296 is used for purposes of calculating line 7, column (f) Part I, Line 7, Column (f) description of Gross Charity Care as % of total costs The organization's total community benefit expense as reported on Part I, Line 7k, column (c) as a percentage of total expense is 24.02% which exceeds the amount reported on Part I, Line 7k column (f) which is computed using net community benefit expense

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

The footnote to the CHRISTUS Health consolidated financial statements says, "The preparation of financial statements in conformity with generally accepted accounting principles in the United States requires management of the system to make assumptions, estimates, and adjustments that affect the amounts reported in the financial statements, including the notes thereto, and related disclosures of commitments and contingencies, if any. The system considers critical accounting policies to be those that require more significant judgments and estimates in the preparation of its financial statements, including the following: recognition of net patient revenues, which includes contractual allowances, provisions for bad debt, reserves for losses and expenses related to health care professional and general liabilities, determination of fair values of certain financial instruments, and risks and assumptions for measurement of pension and retiree medical liabilities. Management relies on historical experience and on other assumptions and believed to be reasonable under the circumstances in making its judgment and estimates. Actual results could differ materially from these estimates. In order to determine the bad debt expense at cost (Schedule H, Part III, Section A, Line 2), the organization's total bad debt expense (total of all hospital facilities) in accordance with the organization's financial statements was multiplied by the cost-to-charge ratio.

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

The shortfall on Part III, Line 7 is not counted as a community benefit. The amount on Schedule H, Part III, Line 6 is determined by calculating Medicare Allowable costs using Worksheet A of the Medicare Cost Report. Worksheet A of the Medicare cost Report requires the organization to remove non-allowable expenses from total expenses via the Adjustments to Expenses worksheets within the Medicare Cost Report. The amount reported on Schedule H, Part III, Line 6 does not take into account all costs incurred by the filing organization associated with the filing organization's provision of services to Medicare patients. Schedule H, Part III, Line 7 would equal a shortfall of \$(38,644,388) if total expenses ALLOCABLE TO MEDICARE SERVICES were substituted on Schedule H, Part III, Line 6.

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

Collection activity occurs for a minimum of 60 days on self-pay accounts before the presumptive charity process is completed if no contact with the patient/guarantor is made. If the 60-day period expires and no contact with the patient/guarantor is made or there is insufficient information to document eligibility for charity care, a presumption of eligibility may be made based on statistical data and other reliable assumptions. Accounts with a balance of less than \$2,000 are screened for charity care qualification based on systematic screening criteria unless a patient contact is made. Accounts with a balance of \$2,000 or greater are manually reviewed to determine if any potential eligibility programs are applicable based upon front-end screening tool documentation and a review of the diagnoses and services provided. If a patient completes a financial aid application and qualifies for charity care or falls under a charity care account based on the presumptive charity test, all debt collection activities cease. Accounts that are not deemed eligible for charity care or medical indigence will continue the collection cycle until they are written off as bad debt.

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

N/A

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

The organization budgets charity care for internal financial purposes only. The provision of charity care is not limited to amounts established for budgetary purposes. Cash and In-Kind Contributions to Community Groups PART I, LINE 7I CHRISTUS Southeast Texas made over \$19,850,000 in cash and in kind contributions in FY2010. The aforementioned amount is determined in accordance with reporting rules for Schedule H, Worksheet 8. As such this amount differs from grants reported at Form 990, Schedule I, Grants and Other Assistance to Organizations, Governments, and Individuals and Part IX, Lines 1 through 3 Grants and Other Assistance. CHRISTUS Health established the CHRISTUS Fund, a grant fund to provide resources to nonprofit agencies and groups whose vision, mission, and goals are consistent with CHRISTUS Health's mission, values and philosophy of a healthy community. CHRISTUS Fund grants totaling \$323,050 benefitted the communities that CHRISTUS Health Southeast Texas serves. The grant dollars were used by the region to support programs that promote the health of the communities. The CHRISTUS Fund grant amount also includes grants made by CHRISTUS Health to nonprofit organizations located in the communities served by the Southeast Texas region, as well as grants made by CHRISTUS Health Southeast Texas to other nonprofit organizations. All grants made to outside organizations through the CHRISTUS Fund are made to nonprofit organizations that support the health of the community. CHRISTUS Health has also established an Education and Research Fund. CHRISTUS Health Southeast Texas received \$22,500 from the fund and used such resources to benefit the community by providing research and educational programs sponsored by the region. Indigent Funding Expense to nonprofit organizations of \$19,296,960 is included in Schedule H, Part I, Line 7(i). Indigent Funding Expense to for profit organizations of \$1,472,020 is not included in Schedule H, Part I, Line 7(i).

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

CHRISTUS Health follows in principle Healthcare Financial Management Association Statement No 15 The system has adopted an uncompensated care policy where revenue from services provided to the uninsured is recognized at the time of payment, rather than at the time of service This policy is the result of a lack of reasonable assurance of collection for services provided to the uninsured due to the system's historically low collection rate Management has estimated that the difference between recording revenue from uninsured on a cash basis, rather than the accrual basis, is immaterial Accordingly, all accounts receivable from the uninsured have been fully reserved in the allowance for uncompensated care

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

The organization uses Form 990, Schedule H, Worksheet A to determine the bad debt expense at cost reported at Schedule H, Part III, Section A, Line 2 using the cost-to-charge ratio calculated at Form 990, Schedule H, worksheet 2, Line 11 The organization's total bad debt expense attributable to patient charges (total of all hospital facilities) is in accordance with the organization's financial statements
Bad debt expense is net of (1) contractual allowances,(2) payments received and (3) recoveries of bad debt previously written off

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

Part III, Section A, Line 3 In order to accurately estimate the amount of the organization's bad debt expense (at cost) attributable to patients who are eligible under the organization's charity care policy, the following criteria were used to determine the inclusion of a patient account (1) The accounts had no patient payments noted (2) The accounts are all true self-pay in cases where the individual lacks insurance coverage (3) The patients/ guarantor are unemployed for the most part (4) The accounts have limited contact information with repeated return mail and a possible phone number or no phone number with an address (5) The accounts in the BRONZE category of the organization's scoring model indicates that the accounts have little to no contact information and score very low on the collectability/probability scale The BRONZE section usually represents only 5 percent of all monies recovered The amount of the organization's bad debt expense at cost attributable to patients who are eligible under the organization's charity care policy, is determined using the cost-to-charge ratio calculated in Form 990, Schedule H, Worksheet 2 In addition to screening patients to determine the applicability of financial assistance and charity care at the time of admission and discharge, CHRISTUS Health follows a policy and supporting procedures for reviewing all active self-pay patient receivables The screening procedures subsequent to discharge to determine charity care and discount applicability include reviewing the attending hospital's records including patient submitted charity care applications or other financial information, making contact with patients through mailed notice followed by phone call, using a financial assistance questionnaire, using software that provides household/income data statistics and credit reports As a result of the aforementioned steps, the amount reported as bad debt expense at cost attributable to patients who are eligible under the organization's charity care policy is relatively small

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

A community benefit report is filed for the State of Texas in the form of the Annual Statement of Community Benefits Standard (ASCBS) form as required by the Health and Safety Code, Sections 311.045 and 311.046, nonprofit hospitals are required to file the ASCBS form and annual report of the Community Benefits Plan with the Texas Department of State Health Services (DSHS). The 2009 ASCBS form is expanded to collect the information on charity care policies and community benefits in a standardized format. All CHRISTUS Health entities including facilities located in states that do not require annual community benefit reporting (i.e., Louisiana, and New Mexico), follow the same reporting rules as outlined in the Catholic Health Association Guide to Planning and Reporting Community Benefit, copyright 2008. Total community benefit for CHRISTUS Health is also reported in the annual report prepared and distributed by the system office.

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

Part VI, Line 2 CHRISTUS Southeast Texas' FY2009 Community Benefit Plan is based on the community health needs assessment conducted in conjunction with the Southeast Texas Regional Planning Commission and Southeast Texas Access Network (SETHAN) in 2002 through 2004. CHRISTUS Southeast Texas started working in conjunction with community groups and leaders to conduct an updated community health needs assessment in FY2010. The community health priorities of CHRISTUS Southeast Texas are to respond to the health care needs through its three-campus hospital system, health care clinics, physician practices, outpatient services and community based programs. Counties located in Southeast Texas were considered to be medically underserved. According to the 2002 Center for Health Statistics data, counties in Southeast Texas have higher than state averages for cardiovascular disease, chronic lower respiratory disease, and diabetes. All data is available to the public. Community delivery will continue to focus on the uninsured with added emphasis on chronic illnesses. Services are based on best practice development and implementation of evidence-based community health services.

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

Part VI, Line 3 CHRISTUS Health Southeast Texas makes every effort to educate patients on its Charity and Discount Policy and about their eligibility for assistance under federal, state, or local government programs during registration, pre registration (for scheduled tests and surgeries), post registration (during their hospitalization) and following discharge (telephone or written inquiry) in languages appropriate for the population being served. Patients are given information and forms by a financial counselor who helps them complete the forms during their inpatient and outpatient visits. Patients are asked to bring or mail supporting documentation to determine income, assets and household expenses. The Business Office reviews the application based on the information provided by the patient. If the patient qualifies for charity care or a discount, a new bill is generated. Patients who do not provide the required documentation are considered ineligible and are billed accordingly. If the documentation is provided at a later time, the patient may then be determined to be eligible for charity care or a discount. Documentation is retained by the billing office for seven years. A public notice regarding the charity care policy is posted in prominent places throughout the hospital, including but not limited to the emergency room waiting area, and the admissions office waiting area as required by both the State of Texas Community Benefit Standard (which addresses the duties and responsibilities of nonprofit hospitals) and CHRISTUS Health Community Benefit Guidelines #050. In addition, a public notice regarding the charity care policy and information on financial assistance are also posted on the CHRISTUS HEALTH Website. The information on financial assistance includes explanations on the availability of financial assistance, who qualifies, and how to apply for financial assistance.

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

Part VI, Line 4 CHRISTUS Southeast Texas is located in far southeast Texas and its nine county service area extends to the southeast coast of the state, into southwestern Louisiana and northward into east Texas. The nine county service areas include Chambers, Hardin, Jasper, Jefferson, Liberty, Newton, Orange, Sabine and Tyler and are comprised of a population of more than 557,973 individuals. CHRISTUS Southeast Texas has a higher percentage of senior citizens compared to state and national benchmarks. The largest population growth is anticipated in the age 65 and older population. In the nine county service areas, 52% of Households are at or below the 200% of poverty. The population consists of 66 percent Caucasian, 21 percent African American, and 15 percent Hispanic. The health care payor mix is 15 percent Medicaid and 20 percent Medicare. Other health systems in the nine county areas include Baptist hospital of Southeast Texas, Memorial Health System of East Texas, Memorial Hermann Baptist Orange, the Medical Center of Southeast Texas, and the Woodland Heights Medical Center.

Form 990 Schedule H, Part VI - Supplemental Information, Line 5

Part VI, Line 5 The CHRISTUS Health Board of Directors approved funding of a Community Direct Investment (CDI) loan program to ensure that the work of social accountability and moral and ethical stewardship continues in spite of challenging fiscal conditions faced by local operating entities. The purpose of the CDI program is to support community driven initiatives, primarily for affordable housing and economic development by providing financing at below market interest rates to nonprofit organizations at terms not exceeding more than five years. The income earned at the market rate less our loan rate (foregone income) is considered a community benefit for reporting purposes. Though outstanding loan balances vary throughout the year, the outstanding loan balance at the end of Fiscal Year 2010 was \$693,202. The foregone interest for CHRISTUS Southeast Texas in fiscal year ending June 30, 2010 was over \$28,000. During FY2010, CHRISTUS Health advocated for improving public policies, worked to establish, and in some instances, augment grassroots advocacy and greater access to health care services for the communities we serve.

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

Part VI, Line 6 The CHRISTUS Southeast Texas region provides health care services at CHRIS TUS Hospital with three campuses, including the 434-bed CHRISTUS Hospital-St Elizabeth in Beaumont, Texas, the 227-bed CHRISTUS Hospital-St Mary in Port Arthur, Texas and CHRISTU S Jasper Memorial Hospital, a 59-bed hospital in Jasper, Texas Each of the three hospital s in the CHRISTUS Southeast Texas region provides a 24 hour Emergency Department that is o pen to serve those in need of emergency care, regardless of their ability to pay CHRISTUS Southeast Texas provides a full range of inpatient and outpatient services to the people in the communities it serves It conducts its activities and serves its health care purpos e without regard to race, color, creed, religion, gender, orientation, disability, age or national origin CHRISTUS Southeast Texas also supports many local community health servic es, including three rural clinics in Jasper, Texas, Kirbyville, Texas and Rayburn, Texas CHRISTUS Health Southeast Texas has part ownership in Jefferson Country Clinical Services, Inc providing physician health care services to Medicaid patients In addition, the orga nization has partial ownership in one pain management facility- Southeast Texas Pain mana gement, L L C , one rehabilitation center -St Elizabeth Rehabilitation Partners, L L P , one cancer treatment organization-Southeast Texas Cancer Centers, L P , and for a portion of the FYE 6-30-2010 one obesity prevention & treatment center- Southeast Texas Bariatric Center CHRISTUS Southeast Texas shares one objective, which is to lead the way to a healt hier community CHRISTUS Southeast Texas collaborates with communities, churches, business es, and other health care organizations to facilitate and strengthen accessibility of qual ity comprehensive health care services for all, including the most vulnerable and underser ved populations In an effort to meet and address the identified health care needs in the communities we serve, CHRISTUS Southeast Texas provides access to health care services thr ough programs and local community partners and service organizations CHRISTUS Southeast T exas also provides services for the broader community as a part of the overall community b enefit A large share of these expenses is for educating health professionals including nu rsing students and other allied health professionals Helping to prepare future health car e professionals is a distinguishing characteristic of nonprofit health care and constitute s a significant community benefit Understanding the need to provide access to health care to as much of the public as possible, CHRISTUS Health participates in government sponsore d health care programs, including Medicaid, Medicare, CHAMPUS, TRICARE and other governmen t programs In addition, CHRISTUS Southeast Texas provides specific programs to provide di scounted services to those in need who lack medical insurance or who do not participate in government sponsored programs CHRISTUS Southeast Texas believes that by working together , we can make a profound difference in the quality of peoples' lives and create sustainabl e health in our communities By collaborating with communities, churches, businesses, and other health care organizations, CHRISTUS Southeast Texas' various entities have strengthe ned their roles as major providers of comprehensive, accessible health care services CHRI STUS Southeast Texas also used cash donations as a vehicle to help our communities We mad e cash donations in addition to grants awarded through the CHRISTUS Fund, to help the figh t against cancer, diabetes, heart disease, continuum of care for our elderly and those suf fering from HIV/AIDS CHRISTUS Health Southeast Texas has an open medical staff comprised of qualified physicians who work to provide care to our communities All medical staff mus t undergo a thorough and comprehensive credentialing and orientation process Helping to p repare future health care professionals is a distinguishing characteristic of not for prof it health care and constitutes a significant community benefit The three facilities of CH RISTUS Southeast Texas (CHRISTUS Hospital - St Elizabeth and St Mary and Jasper Memorial Hospital) provide a number of services for the benefit of the community including leaders hip activities CHRISTUS Health also used cash donations as a vehicle to help our communit ies We made cash donations, in addition to grants awarded through the CHRISTUS Fund, to s upport causes like the fight against cancer, provision of a continuum of care for our elde rly, HIV/AIDS, and for many other equally worthy purposes CHRISTUS Health has established the CHRISTUS Fund to provide resources to nonprofit agencies and groups whose vision, mis sion and goals are consistent with CHRISTUS Health's mission, values and philosophy of a h ealthy community The CHRISTUS Board of Directors approved the funding of a Community Dire ct Investment (CDI) loan program to ensure that th

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

e work of social accountability, moral and ethical stewardship continues in spite of chall enging fiscal conditions faced by the local operating entities The purpose of the CDI pro gram is to support community driven initiatives primarily for affordable housing and econo mic development by providing financing at below market interest rates to nonprofit organiz ations at terms not exceeding more than five years The income that is lost from the marke t rate less our loan rate (foregone income) is considered a community benefit for reportin g purposes As a nonprofit organization and as a part of CHRISTUS Health, a regional gover ning board comprised largely of independent community members representing the make-up of the area we serve guides CHRISTUS Southeast Texas All persons employed and affiliated wit h CHRISTUS Southeast Texas are required to complete annual conflict of interest statements

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

Part VI, Line 7 CHRISTUS Southeast Texas is part of CHRISTUS Health, a Catholic, faith based, nonprofit health system comprised of almost 350 services and facilities including more than 50 hospitals and long term care facilities, 175 clinics and outpatient centers, and other community health ministries and community development ventures. CHRISTUS services can be found in Arkansas, Georgia, Iowa, Louisiana, Missouri, New Mexico, Texas, and in six provinces of Mexico. A common mission, core values and vision unite the allied health system. Each region, including CHRISTUS Southeast Texas, develops five- year and 10-year strategic plans that help set the yearly operational plans and budgets. Regional strategic goals are set in collaboration with CHRISTUS Health including metrics that will be used to measure community benefit, clinical outcomes, patient satisfaction and Associate engagement. CHRISTUS Health provides updated market, demographics, and health indicator data on an annual basis. In addition, the CHRISTUS Southeast Texas region works closely with the CHRISTUS Community Health Council to meet system wide initiatives for addressing community needs. Currently, these initiatives include increasing access to primary care, avoiding over-utilization of Emergency Departments, preventable hospitalizations, a case management program for patients of our clinics with chronic illnesses, diabetes education, and creating affordable senior housing opportunities in the region. The data supplied from CHRISTUS Health along with the system wide strategic initiatives are consistent with the community needs assessment of the region. CHRISTUS Southeast Texas, in turn, partners with other nonprofit groups (churches, health care providers, and government agencies) to create collaborations where health needs can be addressed and the general health of individuals and the community is improved.