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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

2010

Open to Public Inspection

A For the 2010 calendar year, or tax year beginning 01-01-2010 and ending 12-31-2010

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

C Name of organization
OLMSTED MEDICAL CENTER

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
210 NINTH STREET SE

City or town, state or country, and ZIP + 4
ROCHESTER, MN 55904

D Employer identification number
41-0855367

E Telephone number
(507) 288-3443

G Gross receipts $ 149,656,678

F Name and address of principal officer
TIM WEIR
210 NINTH STREET SE
ROCHESTER, MN 55904

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

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

H(c) Group exemption number ▶

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

J Website: ▶ HTTP //WWW OLMMED ORG

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

L Year of formation 1949

M State of legal domicile MN

Part I Summary

1 Briefly describe the organization's mission or most significant activities
THE DELIVERY OF EXCEPTIONAL PATIENT CARE FOCUSING ON CARING, QUALITY, SAFETY AND SERVICE

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

Activities & Governance

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**	10
5	Total number of individuals employed in calendar year 2010 (Part V, line 2a)	**5**	1,136
6	Total number of volunteers (estimate if necessary)	**6**	80
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	0
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	0

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	565,772	1,086,174
9	Program service revenue (Part VIII, line 2g)	142,684,997	146,157,471
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	812,869	1,100,758
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	100,585	436,012
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	144,164,223	148,780,415
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	229,230	571,070
14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	85,073,908	88,288,949
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶204,927		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	46,517,794	47,475,721
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	131,820,932	136,335,740
19	Revenue less expenses Subtract line 18 from line 12	12,343,291	12,444,675

Revenue

Expenses

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	110,190,688	145,694,422
21	Total liabilities (Part X, line 26)	37,326,025	59,838,471
22	Net assets or fund balances Subtract line 21 from line 20	72,864,663	85,855,951

Net Assets or Fund Balances

Part II Signature Block

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

Sign Here

****** | 2011-10-06
Signature of officer | Date

TIM WEIR CHIEF EXECUTIVE OFFICER
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name VIRGINIA M STRIEGEL	Preparer's signature VIRGINIA M STRIEGEL	Date	Check if self-employed ▶☐	PTIN
Firm's name ▶ RSM MCGLADREY INC				Firm's EIN ▶
Firm's address ▶ 400 LOCUST ST STE 640 DES MOINES, IA 503092354				Phone no ▶ (515) 558-6600

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

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III . . . . . ☑

1 Briefly describe the organization's mission

THE DELIVERY OF EXCEPTIONAL PATIENT CARE FOCUSING ON CARING, QUALITY, SAFETY AND SERVICE

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 $ 123,933,982 including grants of $ 497,766) (Revenue $ 146,288,719)

PATIENT CARE OLMSTED MEDICAL CENTER (OMC) COMBINES A MULTI-SPECIALTY CLINIC PRACTICE WITH A COMMUNITY HOSPITAL THE CLINIC PRACTICES ARE LOCATED THROUGHOUT SOUTHEASTERN MINNESOTA WITH A MAIN CLINIC LOCATED IN SE ROCHESTER PROVIDING PRIMARY CARE AND SPECIALTY CARE AND 10 BRANCH CLINICS PROVIDING PRIMARY CARE SERVICES TO THE FOLLOWING COMMUNITIES BYRON, CHATFIELD, NW ROCHESTER, PINE ISLAND, PLAINVIEW, PRESTON, ST CHARLES, SPRING VALLEY, STEWARTVILLE, AND WANAMINGO IN 2010 OMC PROVIDED CARE TO 3,356 INPATIENTS FOR A TOTAL OF 7,901 PATIENT DAYS AND PROVIDED TREATMENT FOR 31,012 EMERGENCY/URGENT CARE CASES AND PROVIDED A TOTAL OF 283,896 CLINICAL ENCOUNTERS OMC IS WELL KNOWN FOR EXCEPTIONAL PRIMARY HEALTHCARE WE ALSO OFFER OUR PERSONAL APPROACH TO CARE THROUGH MORE THAN 25 SPECIALTIES ALL OF OUR SPECIALTY SERVICES COMPLIMENT PRIMARY CARE AND OFFER PATIENTS GREATER CONVENIENCE AND PEACE OF MIND OUR TARGETED GROWTH HAS BEEN BASED ON A STRATEGIC PLANNING PROCESS THAT INVOLVES MORE STAFF THAN EVER BEFORE AND, WE SAW POSITIVE RESULTS IN OUR PATIENT SATISFACTION AND CARE QUALITY REPORTS AS A RESULT OF OUR EFFORTS IN 2010 WE TOOK STEPS TOWARD A MUCH LARGER PLAN TO POSITION OMC AS A PREFERRED HEALTHCARE PROVIDER FOR PRIMARY AND SECONDARY CARE AMONG SOUTHEASTERN MINNESOTA RESIDENTS SOME IMPORTANT NEXT STEPS INCLUDE INCREASING THE AMOUNT OF DIRECT PATIENT INPUT IN IMPROVING EXPERIENCES AT OMC THROUGH PATIENT ADVISORY GROUPS THIS INPUT SUPPORTS OMC'S ON-GOING CUSTOMER SERVICE EXCELLENCE INIATIVE, WHICH INCREASINGLY GUIDES THE WAY OUR EMPLOYEES ARE EVALUATED FOR THEIR WORK WE CONTINUE TO MAKE CLINICAL SERVICES, FACILITIES, AND INFRASTRUCTURE UPGRADES IN OUR PATIENTS' BEST INTERESTS, AND WE PROUDLY CARRY ON OUR SUPPORT OF THE COMMUNITIES WE SERVE IN 2010 WE RECEIVED THE NATIONAL HEALTHGRADES AWARD FROM THE HOSPITAL CONSUMER ASSESSMENT OF HEALTHCARE PROVIDERS AND SYSTEMS OUR PATIENT SURVEY RANKED HIGHER THAN 14 OF 15 HOSPITALS IN THE REGION WE ARE RECOGNIZED BY THE MINNESOTA HOSPITAL ASSOCIATION FOR OUR CONTINUED SUCCESSFUL PARTICIPATION IN THE PATIENT SAFETY CAMPAIGNS WE ARE PARTICIPATING IN THE BEACON GRANT AIMED AT IMPROVING THE CARE OF DIABETIC AND ASTHMATIC PATIENTS OMC RECEIVED ITS FOURTH ANNUAL "BUSINESS GIVES" AWARD FROM THE MINNESOTA GOVERNOR'S OFFICE AND THE ROCHESTER AREA CHAMBER OF COMMERCE IN RECOGNITION OF OUR COMMITMENT TO BE AN ACTIVE, CONTRIBUTING PARTNER IN THE COMMUNITIES WE SERVE

4b (Code) (Expenses $ 129,557 including grants of $ 73,304) (Revenue $)

COMMUNITY OUTREACH AND SUPPORT ACTIVITIES OMC WELCOMES ITS MANY OPPORTUNITIES TO BE AN ACTIVE, CONTRIBUTING PARTNER TO SOUTHEASTERN MINNESOTA'S HEALTH AND WELLNESS EFFORTS OUR COMMUNITY INVESTMENT ACTIVITIES SUPPORTED 112 LOCAL AND REGIONAL ORGANIZATIONS OUR SUPPORT FOR THOSE ORGANIZATIONS IS CONSISTENT WITH THE PEOPLE, PLACES AND INITIATIVES OUR EMPLOYEES SERVE IN THEIR OWN VOLUNTEER WORK IN 2010 EMPLOYEES VOLUNTEERED AN AVERAGE OF 11 HOURS OF PERSONAL TIME AND UP TO SEVEN HOURS A MONTH ENGAGED IN VOLUNTEER SERVICE USING THE INDEPENDENT SECTOR'S ESTIMATED DOLLAR VALUE OF VOLUNTEER TIME ($21 36 PER HOUR FOR 2010, ACCORDING TO WWW INDEPENDENT-SECTOR ORG), THIS MEANS OMC EMPLOYEES WHO VOLUNTEER CONTRIBUTED $385 PER EMPLOYEE PER MONTH OR $4,620 PER EMPLOYEE PER YEAR THE 250+ EMPLOYEES SURVEYED CONTRIBUTED OVER $1 1 MILLION DOLLARS IN VOLUNTEER TIME AND EFFORTS OMC WAS ACTIVELY INVOLVED WITH MAYO CLINIC, OLMSTED COUNTY AND ROCHESTER PUBLIC SCHOOLS IN A FREE VACCINATION PROGRAM WE HELD MULTIPLE WALK-IN VACCINATION CLINICS WORKING CLOSELY WITH LOCAL PARTNERS TO EDUCATE OUR COMMUNITIES

4c (Code) (Expenses $ 1,059,460 including grants of $) (Revenue $)

AT OLMSTED MEDICAL CENTER, WE HAVE STUDIED SCREENING FOR ASTHMA, SCOLIOSIS, NEAR-SIGHTEDNESS, AND COPD WE HAVE LEARNED HOW TO IMPROVE CHILDHOOD IMMUNIZATION RATES, DEVELOPED WAYS TO FIND AND TREAT POSTPARTUM DEPRESSION, CREATED NEW TOOLS TO IMPROVE ASTHMA CARE, LOOKED AT TWO TYPES OF SURGERY FOR CARPAL TUNNEL PROBLEMS, AND STUDIED SHINGLES RESEARCH USING MEDICAL RECORDS IS VERY IMPORTANT TO MEDICAL SCIENCE AND MEDICAL CARE USE OF ANONYMOUS INFORMATION IN MEDICAL RECORDS HAS HELPED RESEARCHERS FIND BETTER WAYS TO TREAT HEART ATTACKS, LEARN ABOUT SIDE EFFECTS OF SEVERAL DRUGS, AND FIND RISK FACTORS FOR COMMON PROBLEMS SUCH AS STROKES, HEART ATTACKS, AND CANCER THE ROCHESTER EPIDEMIOLOGY PROJECT (REP) - THE ROCHESTER EPIDEMIOLOGY PROJECT IS AN INITIATIVE TO COLLECT, ARCHIVE, AND LINK MEDICAL INFORMATION FOR THE APPROXIMATELY 120,000 PEOPLE LIVING IN THE OLMSTED COUNTY, MN THIS PROJECT ALLOWS MEDICAL RESEARCHERS TO STUDY HEALTH AND ILLNESSES IN THE PEOPLE LIVING IN THIS COMMUNITY WE USE THE ACRONYM REP FOR BREVITY OLMSTED MEDICAL CENTER, THE MAYO CLINIC, THE ROCHESTER FAMILY MEDICINE CLINIC, AND OTHER MEDICAL CARE PROVIDERS IN OLMSTED COUNTY, MN, HAVE AGREED TO WORK TOGETHER AND SHARE THEIR MEDICAL RECORDS WITH RESEARCHERS TO BETTER UNDERSTAND THE CAUSES AND OUTCOMES OF DIFFERENT ILLNESSES AND TO IMPROVE THE HEALTH AND HEALTH CARE OF THE ENTIRE COUNTY THIS COLLARBORATION AND SHARING OF MEDICAL INFORMATION MAKES OLMSTED COUNTY ONE OF THE FEW PLACES IN THE UNITED STATES, AND ONE OF THE FEW PLACES IN THE WORLD, WHERE "POPULATION-BASED" RESEARCH CAN BE ACCOMPLISHED THIS IS VERY IMPORTANT BECAUSE HEALTH RESEARCH BASED ON PEOPLE WHO ARE SEEN BY A SINGLE DOCTOR OR AT A SINGLE CLINIC HAS LIMITATIONS AND CANNOT BE GENERALIZED USING THE ROCHESTER EPIDEMIOLOGY PROJECT, WE CAN FIGURE OUT THE TRUE FREQUENCY OF CERTAIN CONDITIONS (E G HOW MANY NEW PATIENTS DEVELOP HEART DISEASE EACH YEAR AMONG 100 PERSONS AGED 70 TO 79 YEARS) AND THE TRUE SUCCESS OF TREATMENTS (E G HOW MANY PERSONS WILL RESPOND POSITIVELY TO A NEW ANTI-DEPRESSANT MEDICATION) THIS PROJECT HAS BEEN SUPPORTED BY FUNDS FROM THE NATIONAL INSTITUTES OF HEALTH FOR OVER 40 YEARS

4d Other program services (Describe in Schedule O)

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

4e **Total program service expenses** ▶ $ 125,122,999

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	Yes	
2	Is the organization required to complete Schedule B, Schedule of Contributors (see instruction)?	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		No
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4		No
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		
6	Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? *If "Yes," complete Schedule D, Part II*	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		No
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		No
10	Did the organization, directly or through a related organization, hold assets in term, permanent,or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10		No
11	If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line10? *If "Yes," complete Schedule D, Part VI.*	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII.*	11b		No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII.*	11c		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX.*	11d		No
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X.*	11e	Yes	
f	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 (ASC 740)? *If "Yes," complete Schedule D, Part X.*	11f	Yes	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI, XII, and XIII*	12a		No
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional*	12b	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, and program service activities outside the United States? *If "Yes," complete Schedule F, Parts I and IV*	14b		No
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the U S ? *If "Yes," complete Schedule F, Parts II and IV*	15		No
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the U S ? *If "Yes," complete Schedule F, Parts III and IV*	16		No
17	Did the organization report a total of more than $15,000, of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I (see instructions)*	17		No
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18		No
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		No
20a	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20a	Yes	
b	If "Yes" to line 20a, did the organization attach its audited financial statement to this return? **Note.** Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions)	20b		No

Part IV Checklist of Required Schedules *(continued)*

21	Did the organization report more than $5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	**21**	Yes	
22	Did the organization report more than $5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	**22**		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	**23**	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b–24d and complete Schedule K. If "No," go to line 25*	**24a**	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	**24b**		No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	**24c**		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	**24d**		No
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	**25a**		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	**25b**		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	**26**	Yes	
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? *If "Yes," complete Schedule L, Part III*	**27**		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28a**		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28b**	Yes	
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	**28c**	Yes	
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	**32**		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	**33**		No
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1*	**34**	Yes	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)?	**35**	Yes	
a	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2* ☐ **Yes** ☑ **No**			
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	**36**		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	**37**		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? **Note.** All Form 990 filers are required to complete Schedule O	**38**	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V . . . . . ☐

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable . .	**1a**	190		
b	Enter the number of Forms W-2G included in line 1a *Enter -0-* if not applicable	**1b**	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			**1c** Yes	
2a	Enter the number of employees reported on Form W-3, *Transmittal of Wage and Tax Statements* filed for the calendar year ending with or within the year covered by this return	**2a**	1,136		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?			**2b** Yes	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)				
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?			**3a**	No
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*			**3b**	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?			**4a**	No
b	If "Yes," enter the name of the foreign country ▶ _____ See instructions for 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?			**5c**	
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible?			**6a**	No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			**6b**	
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?			**7a**	No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?			**7b**	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			**7c**	No
d	If "Yes," indicate the number of Forms 8282 filed during the year	**7d**			
e	Did the organization 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	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?			**7g**	
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?			**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**			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**				
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** See the instructions for additional information the organization must report on Schedule O			**13a**	
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	**13b**			
c	Enter the amount of reserves on hand	**13c**			
14a	Did the organization receive any payments for indoor tanning services during the tax year?			**14a**	No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O* . .			**14b**	

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.

Check if Schedule O contains a response to any question in this Part VI . . . . . ☑

Section A. Governing Body and Management

			Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	1a 16		
b	Enter the number of voting members included in line 1a, above, who are independent	1b 10		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2		No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? . .	3		No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4		No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .	5		No
6	Does the organization have members or stockholders?	6		No
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		No
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	Yes	
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	Yes	
11a	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	11a	Yes	
b	Describe in Schedule O the process, if any, used by the organization to review this 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 15a or 15b, describe the process in Schedule O (See instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		No
b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b		

Section C. Disclosure

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

18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection Indicate how you make these available Check all that apply

☐ Own website ☐ Another's website ☑ Upon request

19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public See Additional Data Table

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization ▶

KEVIN HIGGINS
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ROCHESTER, MN 55904
(507) 529-6600

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

Check if Schedule O contains a response to any question in this Part VII . . . . . ☑

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

1a Complete this table for all persons required to be listed Report compensation for the calendar year ending with or within the organization's tax year

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

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

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
See Additional Data Table										

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
See Additional Data Table										
1b **Sub-Total**										
c **Total from continuation sheets to Part VII, Section A**										
d **Total (add lines 1b and 1c)**								7,102,546	0	674,341

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 ▶ 129

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
WEIS BUILDERS INC 2227 7TH STREET NW ROCHESTER, MN 55901	CONSTRUCTION	5,230,355
CONSTRUCTION COLLABORATIVE 320 SOUTH BROADWAY ROCHESTER, MN 55904	CONSTRUCTION	2,060,311
MAYO COLLABORATIVE SERVICES PO BOX 9146 MINNEAPOLIS, MN 55480	LAB SERVICES	1,158,534
THE AFFILIATED GROUP PO BOX 7739 ROCHESTER, MN 55903	DEBT COLLECTION	592,649
MCKESSON INFORMATION SYSTEMS PO BOX 98347 CHICAGO, IL 60693	SOFTWARE SUPPORT	550,269

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 ▶ 33

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a Federated campaigns . .	1a				
	b Membership dues	1b				
	c Fundraising events	1c				
	d Related organizations . . .	1d	116,877			
	e Government grants (contributions)	1e	413,398			
	f All other contributions, gifts, grants, and similar amounts not included above	1f	555,899			
	g Noncash contributions included in lines 1a-1f $					
	h **Total.** Add lines 1a-1f . . . . . ▶		1,086,174			
Program Service Revenue		Business Code				
	2a NET PATIENT SERVICES	621110	146,157,471	146,157,471		
	b					
	c					
	d					
	e					
	f All other program service revenue					
	g **Total.** Add lines 2a–2f . . . . . ▶		146,157,471			
	3 Investment income (including dividends, interest and other similar amounts) . . . . . ▶		1,153,682			1,153,682
	4 Income from investment of tax-exempt bond proceeds . . ▶					
	5 Royalties . . . . . ▶					
		(i) Real	(ii) Personal			
	6a Gross Rents	93,781				
	b Less rental expenses					
	c Rental income or (loss)	93,781				
	d Net rental income or (loss) . . . . . ▶		93,781			93,781
		(i) Securities	(ii) Other			
	7a Gross amount from sales of assets other than inventory	823,339				
	b Less cost or other basis and sales expenses	826,415	49,848			
	c Gain or (loss)	-3,076	-49,848			
	d Net gain or (loss) . . . . . ▶		-52,924	-49,848		-3,076
Other Revenue	8a Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18 . . . a					
	b Less direct expenses . . . b					
	c Net income or (loss) from fundraising events . . ▶					
	9a Gross income from gaming activities See Part IV, line 19 . a					
	b Less direct expenses . . . . . b					
	c Net income or (loss) from gaming activities . . . ▶					
	10a Gross sales of inventory, less returns and allowances . a					
	b Less cost of goods sold . . b					
	c Net income or (loss) from sales of inventory . . ▶					
	Miscellaneous Revenue	Business Code				
	11a CAFETERIA REVENUE	722210	161,135			161,135
	b					
	c					
	d All other revenue		181,096	181,096		
	e **Total.** Add lines 11a–11d . . . . . ▶		342,231			
	12 **Total revenue.** See Instructions . . . ▶		148,780,415	146,288,719	0	1,405,522

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	571,070	571,070		
2 Grants and other assistance to individuals in the U S See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	4,166,229	2,771,896	1,394,333	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	65,048,030	60,748,885	4,138,138	161,007
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	5,838,125	5,342,950	478,397	16,778
9 Other employee benefits	8,341,199	7,568,986	756,715	15,498
10 Payroll taxes	4,895,366	4,589,925	293,797	11,644
a Fees for services (non-employees) Management	112,047		112,047	
b Legal	103,853		103,853	
c Accounting	115,693		115,693	
d Lobbying				
e Professional fundraising services *See Part IV, line 17*				
f Investment management fees	114,754	56,630	58,124	
g Other	4,254,608	3,545,932	708,676	
12 Advertising and promotion	262,554	8,603	253,951	
13 Office expenses	15,986,222	15,552,057	434,165	
14 Information technology	407,182	175,285	231,897	
15 Royalties				
16 Occupancy	4,144,966	3,728,166	416,800	
17 Travel	54,701	47,421	7,280	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	727,741	555,940	171,801	
20 Interest	980,103	980,103		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	4,048,511	4,048,511		
23 Insurance	655,353	655,353		
24 Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O)				
a PROVISION FOR BAD DEBTS	8,185,010	8,185,010		
b EQUIPMENT & SOFTWARE MA	2,621,131	1,809,349	811,782	
c MINNESOTACARE TAX	2,432,883	2,432,883		
d MISCELLANEOUS	2,268,409	1,748,044	520,365	
e				
f All other expenses				
25 **Total functional expenses.** Add lines 1 through 24f	136,335,740	125,122,999	11,007,814	204,927
26 **Joint costs.** Check here ▶ ☐ if following SOP 98-2 (ASC 958-720) Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

				(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing		25,585,222	1	
	2	Savings and temporary cash investments		4,449,379	2	61,172,009
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		19,826,053	4	20,221,700
	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)), persons described in section 4958(c)(3)(B), and contributing employers, and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Schedule L			6	
	7	Notes and loans receivable, net			7	
	8	Inventories for sale or use		1,306,012	8	1,205,462
	9	Prepaid expenses and deferred charges		1,043,953	9	1,503,567
	10a	Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D*	10a 83,500,897			
	b	Less accumulated depreciation	10b 32,378,266	41,530,661	10c	51,122,631
	11	Investments—publicly traded securities			11	9,558,116
	12	Investments—other securities See Part IV, line 11			12	
	13	Investments—program-related See Part IV, line 11			13	
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		16,449,408	15	910,937
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		110,190,688	16	145,694,422
Liabilities	17	Accounts payable and accrued expenses		2,041,254	17	4,346,489
	18	Grants payable			18	
	19	Deferred revenue		34,476	19	310,228
	20	Tax-exempt bond liabilities		13,978,068	20	28,077,043
	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	480,000
	23	Secured mortgages and notes payable to unrelated third parties		5,673,457	23	7,448,623
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities Complete Part X of Schedule D		15,598,770	25	19,176,088
	26	**Total liabilities.** Add lines 17 through 25		37,326,025	26	59,838,471
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		72,864,663	27	85,855,951
	28	Temporarily restricted net assets			28	
	29	Permanently restricted net assets			29	
		Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		72,864,663	33	85,855,951
	34	Total liabilities and net assets/fund balances		110,190,688	34	145,694,422

Part XI Reconcilliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI . . . . . ☑

1	Total revenue (must equal Part VIII, column (A), line 12) . . .	1	148,780,415
2	Total expenses (must equal Part IX, column (A), line 25)	2	136,335,740
3	Revenue less expenses Subtract line 2 from line 1	3	12,444,675
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) . .	4	72,864,663
5	Other changes in net assets or fund balances (explain in Schedule O)	5	546,613
6	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	85,855,951

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII . . . . . ☑

			Yes	No
1	Accounting method used to prepare the Form 990 ☐ Cash ☑ Accrual ☐ Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? . .	2a		No
b	Were the organization's financial statements audited by an independent accountant?	2b	Yes	
c	If "Yes," to 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	2c	Yes	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both ☐ Separate basis ☑ Consolidated basis ☐ Both consolidated and separated basis			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a	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 . .	3b	Yes	

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SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
OLMSTED MEDICAL CENTER

Employer identification number
41-0855367

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 described in **section 170(b)(1)(A)(i).**

2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E)

3 ☑ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**

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 331/3% 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 331/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III)

10 ☐ An organization organized and operated exclusively to test for public safety See **section 509(a)(4).**

11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h

a ☐ Type I **b** ☐ Type II **c** ☐ Type III - Functionally integrated **d** ☐ Type III - Other

e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)

f If the organization received a written determination from the IRS that it is a Type I, Type II or Type III supporting organization, check this box ☐

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

	Yes	No
(i) a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the the supported organization? **11g(i)**		
(ii) a family member of a person described in (i) above? **11g(ii)**		
(iii) a 35% controlled entity of a person described in (i) or (ii) above? **11g(iii)**		

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

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

Part II **Support Schedule for Organizations Described in Sections 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 or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(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) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
11 **Total support** (Add lines 7 through 10)						

12 Gross receipts from related activities, etc (See instructions) **12**

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

Section C. Computation of Public Support Percentage

14 Public Support Percentage for 2010 (line 6 column (f) divided by line 11 column (f)) **14**

15 Public Support Percentage for 2009 Schedule A, Part II, line 14 **15**

16a **33 1/3% support test—2010.** 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—2009.** 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—2010.** 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—2009.** If the organization did not check a box on line 13, 16a, 16b, or 17a and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization ▶☐

18 **Private Foundation** If the organization did not check a box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions ▶☐

Part III **Support Schedule for Organizations Described in Section 509(a)(2)**
(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 **Public Support** (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 **Total support** (Add lines 9, 10c, 11 and 12)						

14 **First Five Years** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section501(c)(3) organization, check this box and **stop here** ▶☐

Section C. Computation of Public Support Percentage

15	Public Support Percentage for 2010 (line 8 column (f) divided by line 13 column (f))	15
16	Public support percentage from 2009 Schedule A, Part III, line 15	16

Section D. Computation of Investment Income Percentage

17	Investment income percentage for **2010** (line 10c column (f) divided by line 13 column (f))	17
18	Investment income percentage from **2009** Schedule A, Part III, line 17	18

19a **33 1/3% support tests—2010.** 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—2009.** 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 explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

Facts And Circumstances Test

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SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
OLMSTED MEDICAL CENTER

Employer identification number
41-0855367

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

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate contributions to (during year)		
3	Aggregate grants from (during year)		
4	Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit ☐ Yes ☐ No

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

1 Purpose(s) of conservation easements held by the organization (check all that apply)
☐ Preservation of land for public use (e g , recreation or pleasure)
☐ Preservation of an historically importantly land area
☐ Protection of natural habitat
☐ Preservation of a certified historic structure
☐ Preservation of open space

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

		Held at the End of the Year
a	Total number of conservation easements	2a
b	Total acreage restricted by conservation easements	2b
c	Number of conservation easements on a certified historic structure included in (a)	2c
d	Number of conservation easements included in (c) acquired after 8/17/06	2d

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

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

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

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

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

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)? ☐ Yes ☐ No

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

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

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items

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

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

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

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

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

b Assets included in Form 990, Part X ▶ $ _____

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

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

- a ☐ Public exhibition
- b ☐ Scholarly research
- c ☐ Preservation for future generations
- d ☐ Loan or exchange programs
- e ☐ Other

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

5 During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

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

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

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

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

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

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

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

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

2 Provide the estimated percentage of the year end balance held as

- a Board designated or quasi-endowment ▶
- b Permanent endowment ▶
- c Term endowment ▶

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

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

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

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

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		4,390,500		4,390,500
b Buildings		49,451,309	12,566,402	36,884,907
c Leasehold improvements				
d Equipment		29,496,273	19,682,056	9,814,217
e Other		162,815	129,808	33,007
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				51,122,631

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

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
Other		
Total. *(Column (b) should equal Form 990, Part X, col (B) line 12)* ▶		

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

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

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

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

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

1 (a) Description of Liability	(b) Amount
Federal Income Taxes	
PAYROLL LIABILITY	11,882,552
OTHER ACCRUED LIABILITY	4,566,700
ACCRUED INTEREST	736,596
ACCRUED REAL ESTATE TAXES	543,376
THIRD PARTY PAYOR SETTLEMENTS	1,446,864
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	19,176,088

2. Fin 48 (ASC 740) Footnote In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC740)

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	148,780,415
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	136,335,740
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	12,444,675
4	Net unrealized gains (losses) on investments	4	546,613
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	546,613
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	12,991,288

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
DESCRIPTION OF UNCERTAIN TAX POSITIONS UNDER FIN 48	PART X	THE ORGANIZATION AND THE FOUNDATION ARE EXEMPT FROM FEDERAL INCOME TAXES AS TAX-EXEMPT ORGANIZATIONS DESCRIBED IN SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE, EXCEPT FOR INCOME ON CERTAIN UNRELATED BUSINESS INCOME THERE IS NO MATERIAL UNRELATED BUSINESS INCOME FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009 THE ORGANIZATION AND THE FOUNDATION ARE ALSO EXEMPT FROM STATE INCOME TAXES UNDER APPLICABLE MINNESOTA STATUTES THE ORGANIZATION AND THE FOUNDATION FILE FEDERAL AND STATE INCOME TAX RETURNS GENERALLY, THE ORGANIZATION AND THE FOUNDATION ARE NO LONGER SUBJECT TO STATE AND FEDERAL INCOME TAX EXAMINATIONS BY TAX AUTHORITIES FOR THE YEAR ENDED DECEMBER 31, 2005, AND PRIOR

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SCHEDULE H (Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

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

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
OLMSTED MEDICAL CENTER

Employer identification number
41-0855367

Part I Financial Assistance and Certain Other Community Benefits at Cost

			Yes	No
1a	Did the organization have a financial assistance policy during the tax year? 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 financial assistance policy to its various hospital facilities during the tax year			
	☑ Applied uniformly to all hospitals ☐ Applied uniformly to most hospitals ☐ Generally tailored to individual hospitals			
3	Answer the following based on the the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year			
a	Does the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing *free* care to low income individuals? If "Yes," indicate which of the following is the FPG family income limit for eligibility for free care	3a	Yes	
	☐ 100% ☐ 150% ☑ 200% ☐ Other ____ %			
b	Does the organization use FPG to determine eligibility for providing *discounted* care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care	3b	Yes	
	☐ 200% ☐ 250% ☐ 300% ☐ 350% ☐ 400% ☑ Other 260.000000000000 %			
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	Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	4	Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a	Yes	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	5b	Yes	
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligibile for free or discounted care?	5c		No
6a	Does the organization prepare a community benefit report during the tax year?	6a	Yes	
6b	If "Yes," did 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 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance 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 Financial Assistance at cost (from Worksheets 1 and 2)			880,360		880,360	0 690 %
b Unreimbursed Medicaid (from Worksheet 3, column a)			24,403,763	15,041,384	9,362,379	7 310 %
c Unreimbursed costs—other means-tested government programs (from Worksheet 3, column b)			2,913,698	388,377	2,525,321	1 970 %
d **Total** Financial Assistance and Means-Tested Government Programs			28,197,821	15,429,761	12,768,060	9 970 %
Other Benefits						
e Community health improvement services and community benefit operations (from (Worksheet 4)			40,329		40,329	0 030 %
f Health professions education (from Worksheet 5)						
g Subsidized health services (from Worksheet 6)			789,391		789,391	0 620 %
h Research (from Worksheet 7)			1,059,460	875,333	184,127	0 140 %
i Cash and in-kind contributions to community groups (from Worksheet 8)			571,070		571,070	0 450 %
j **Total** Other Benefits			2,460,250	875,333	1,584,917	1 240 %
k **Total.** Add lines 7d and 7j			30,658,071	16,305,094	14,352,977	11 210 %

Part II **Community Building Activities** during the tax year, and describe in Part VI how its community building activities during the tax year, and describe in Part VI how its community building activities promoted the health of the communities it serves.

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

Part III **Bad Debt, Medicare, & Collection Practices**

Section A. Bad Debt Expense

				Yes	No
1	Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No 15?	1			No
2	Enter the amount of the organization's bad debt expense (at cost)	2	4,396,882		
3	Enter the estimated amount of the organization's bad debt expense (at cost) attributable to patients eligible under the organization's financial assistance policy	3	257,201		
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including a portion of bad debt amounts as community benefit				

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	9,710,977		
6	Enter Medicare allowable costs of care relating to payments on line 5	6	12,244,437		
7	Subtract line 6 from line 5 This is the surplus or (shortfall)	7	-2,533,460		
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6 Check the box that describes the method used				

☐ Cost accounting system ☑ Cost to charge ratio ☐ Other

Section C. Collection Practices

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

Part IV **Management Companies and Joint Ventures**

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

Part V Facility Information

Section A. Hospital Facilities

(list in order of size, measured by total revenue per facility, from largest to smallest)

How many hospital facilities did the organization operate during the tax year? 1

	Name and address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)
1	OLMSTED MEDICAL CENTER-HOSPITAL 1650 4TH STREET SE ROCHESTER, MN 55904	X	X				X	X	X	URGENT CARE

Part V **Facility Information** *(continued)*

Section C. Other Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility
(list in order of size, measured by total revenue per facility, from largest to smallest)

How many non-hospital facilities did the organization operate during the tax year? **16**

Name and address	Type of Facility (Describe)
1 See Additional Data Table	

Part VI Supplemental Information

Complete this part to provide the following information

1 **Required descriptions.** Provide the description required for Part I, lines 3c, 6a, and 7, Part II, Part III, lines 4, 8, and 9b, and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B

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 financial assistance policy

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

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities 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)

6 **Affiliated health care system.** 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

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report

Identifier	ReturnReference	Explanation
		PART I, LINE 7 THE ORGANIZATION CALCULATED THE COST AMOUNTS NOTED IN PART I, LINE 7 BY UTILIZING ITS CURRENT COST ACCOUNTING SYSTEM IRS WORKSHEETS ARE UTILIZED TO REPORT AMOUNTS SHOWN
		PART I, LINE 7G AMOUNTS INCLUDED IN THIS LINE WERE ATTRIBUTABLE TO PHYSICIAN CLINICS
		PART I, LINE 7, COLUMN (F) THE BAD DEBT EXPENSE INCLUDED ON FORM 990, PART IX, LINE 25, COLUMN (A), BUT SUBTRACTED FOR PURPOSES OF CALCULATING THE PERCENTAGE IN THIS COLUMN IS $ 8185010
		PART III, LINE 4 THE FOOTNOTE FROM THE ORGANIZATION'S FINANCIAL STATEMENTS THAT DESCRIBES BAD DEBT EXPENSE IS AS FOLLOWS PATIENT ACCOUNTS RECEIVABLE DUE DIRECTLY FROM THE PATIENTS ARE CARRIED AT THE ORIGINAL CHARGE FOR THE SERVICE PROVIDED, LESS AMOUNTS COVERED BY THIRD-PARTY PAYORS AND LESS AN ESTIMATED ALLOWANCE FOR DOUBTFUL RECEIVABLES MANAGEMENT DETERMINES THE ALLOWANCE FOR DOUBTFUL ACCOUNTS BY IDENTIFYING TROUBLED ACCOUNTS AND BY HISTORICAL EXPERIENCE APPLIED TO AN AGING OF ACCOUNTS PATIENT ACCOUNTS RECEIVABLE ARE WRITTEN OFF WHEN DEEMED UNCOLLECTIBLE RECOVERIES OF PATIENT ACCOUNTS RECEIVABLE PREVIOUSLY WRITTEN OFF ARE RECORDED WHEN RECEIVED THE ORGANIZATION USED A COST TO CHARGE RATIO TO DETERMINE THE COST AMOUNT OF THE BAD DEBT EXPENSE WORKSHEET 2, RATIO OF PATIENT CARE COST TO CHARGES, AS PROVIDED IN THE IRS INSTRUCTIONS WAS USED TO DETERMINE THE APPROPRIATE RATIO
		PART III, LINE 8 THE ORGANIZATION DERIVED ITS COSTING METHODOLOGY USED TO DETERMINE THE MEDICARE ALLOWABLE COSTS REPORTED IN THE ORGANIZATION'S MEDICARE COST REPORT BY USING COST REPORT WORKSHEETS MEDICARE COSTS ARE DETERMINED THROUGH THE MEDICARE COST FINDING PROCESS WHICH ALLOCATES GENERAL SERVICE CENTER COSTS TO REVENUE DEPARTMENTS THE METHODOLOGY DESCRIBED IN THE INSTRUCTIONS TO SCHEDULE H, PART III, SECTION B, LINE 6 DOES NOT TAKE INTO ACCOUNT ALL COSTS INCURRED BY THE HOSPITAL AND DOES NOT REPRESENT THE TOTAL COMMUNITY BENEFIT CONFERRED IN THIS AREA THE REASONS MEDICARE SHORTFALL SHOULD BE TREATED AS A COMMUNITY BENEFIT ARE ABSENT THE MEDICARE PROGRAM, IT IS LIKELY MANY OF THE INDIVIDUALS WOULD QUALIFY FOR FINANCIAL ASSISTANCE OR OTHER NEEDS-BASED GOVERNMENT PROGRAMS, BY ACCEPTING PAYMENT BELOW COST TO TREAT THESE INDIVIDUALS, THE BURDENS OF GOVERNMENT ARE RELIEVED WITH RESPECT TO THESE INDIVIDUALS, THERE IS A SIGNIFICANT POSSIBILITY THAT CONTINUED REDUCTION IN REIMBURSEMENT MAY ACTUALLY CREATE DIFFICULTIES IN ACCESS FOR THESE INDIVIDUALS, AND THE AMOUNT SPENT TO COVER MEDICARE SHORTFALL IS MONEY NOT AVAILABLE TO COVER FINANCIAL ASSISTANCE AND OTHER COMMUNITY BENEFIT NEEDS AS REPORTED ON THE AUDITED FINANCIAL STATEMENTS, THE COMMUNITY BENEFIT OF COSTS IN EXCESS OF MEDICARE PAYMENTS WAS $10,483,348
		PART III, LINE 9B PATIENT FINANCIAL HARDSHIP POLICY TO SUPPORT THE ORGANIZATION'S MISSION AND PHILOSOPHY IN THAT THE PATIENT COMES FIRST AND PROVIDE A GUIDELINE IN IDENTIFYING PATIENT'S WHO HAVE AN EXCEPTIONAL PERSONAL FINANCIAL HARDSHIP AND REQUIRED NEEDED AND NECESSARY MEDICAL CARE AND THERE IS REMOTE OR NEGLIBLE CHANCE THAT THE INDIVIDUAL WILL BE ABLE TO REPAY PROCEDURE FACTORS THAT MAY CONTRIBUTE TO EXCEPTIONAL FINANCIAL HARDSHIP INCLUDE 1) UNEMPLOYMENT OR UNDEREMPLOYMENT THROUGH NO FAULT OF THE PATIENT AND/OR FAMILY, 2) THREATENED LOSS OF SHELTER THROUGH FORECLOSURE, ETC, 3) LOSS OF INCOME FROM FEDERAL, STATE OR OTHER GOVERNMENT BENEFITS INCLUDING, BUT NOT LIMITED TO SOCIAL SECURITY, SUPPLEMENTAL SECURITY INCOME, PUBLIC ASSISTANCE, ETC, 4) LOSS OF INCOME DUE TO DEATH OR DISABILITY, 5) EXCEPTIONAL EXPENSES INCURRED BECAUSE OF UNINSURED PROPERTY DAMAGE OR COSTLY REPAIRS TO PRINCIPAL RESIDENCE, 6) EXCEPTIONAL EXPENSES DUE TO TEMPORARY OR CHRONIC ILLNESS, 7) EXCEPTIONAL EXPENSES DUE TO INCREASE IN LIVING EXPENSES BECAUSE OF A DIVORCE, ABANDONMENT OR SEPARATION FROM SPOUSE OR INCOME EARNER, 8) LOSS OF INCOME DUE TO DECLARATION OF INCOMPETENCE OR IN PROCESS OF BEING DECLARED INCOMPETENT, 9) PATIENT OR FAMILY MEMBER IS CONFINED TO A CONVALESCENT HOME OR OTHER RESIDENCE OTHER THAN THEIR PRINCIPAL RESIDENCE, 10) NATURAL DISASTERS SUCH AS FLOODS, FIRES, HURRICANES AND EARTHQUAKES, 11) EVICTION, HOMELESSNESS, LOSS OF OWNED RESIDENCE, ARSON, THEFT, ETC, 12) DISCONTINUANCE OF UTILITIES OR HEAT, OR UNSAFE OR UNHEALTHY LIVING CONDITIONS, 13) ANY OTHER CONDITION CONSIDERED LIFE THREATENING DUE TO EXCEPTIONAL FINANCIAL HARDSHIP APPLICATION PROCESS THE FINANCIAL HARDSHIP APPLICATION, UTILIZING OMC'S FINANCIAL ASSISTANCE APPLICATION, CONTAINS THE NECESSARY INFORMATION TO DETERMINE ELIGIBILITY FOR THE OMC FINANCIAL HARDSHIP PROGRAM NO SEPARATE APPLICATION IS NECESSARY SUPPORTING DOCUMENTATION REQUIRED TO MAKE AN ELIGIBILITY DETERMINATION ARE 1) MOST RECENT TAX RETURNS, 2) CURRENT FAMILY PAYROLL STUB SHOWING YEAR-TO-DATE INCOME, 3) CURRENT TRANSUNION CREDIT REPORT AND OTHER FINANCIAL HARDSHIP DOCUMENTATION TO SUPPORT HARDSHIP, 4) EXPLANATION OF HARDSHIP SITUATION/NECESSITY AND RARE COMPLICATIONS ELIGIBILITY DETERMINATION BASED UPON PATIENT'S/FAMILY'S INCOME AND ASSETS AND COMPLETED FINANCIAL ASSISTANCE APPLICATION BASED UPON TAKING INTO CONSIDERATION ALL PERSONAL FACTORS IN DETERMINING EXCEPTIONAL FINANCIAL HARDSHIP THE BUSINESS SERVICES DEPARTMENT EVALUATES THE APPLICATIONS MEETING THE CRITERIA AND PRESENTS TO ADMINISTRATION FOR APPROVAL OMC RESERVES THE RIGHT TO MAKE ADJUSTMENT DETERMINATIONS ON A CASE-BY-CASE BASIS
		PART I, LINE 6A THE MARKETING AND COMMUNICATION DEPARTMENTS PREPARE AN ANNUAL REPORT WHICH INCLUDES A SECTION ON COMMUNITY BENEFIT THIS REPORT IS SENT TO SPECIFIC INDIVIDUALS WITHIN THE COMMUNITY AND IS AVAILABLE ON THE ORGANIZATIONS' WEBSITE PART III, SECTION A, LINE 1 THE FILING ORGANIZATION REPORTS BAD DEBT IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) HFMA STATEMENT 15 IS FOLLOWED TO THE EXTENT THAT IT ALIGNS WITH THE GUIDELINES SET FORTH BY GAAP PART VI, LINE 7 NOT PROVIDED TO STATE
		PART VI, LINE 2 OMC ACTIVELY WORKS WITH LOCAL GOVERNMENT IN ASSESSING AND ADDRESSING COMMUNITY NEEDS THROUGH MEETINGS, WORKSHOPS, AND COMMUNITY INPUT IN ADDITION, OMC IS ACTIVELY INVOLVED WITH LOCAL GOVERNMENTS IN EMERGENCY PREPAREDNESS AND DISEASE MANAGEMENT
		PART VI, LINE 3 OMC INFORMS PATIENTS OF THE FINANCIAL ASSISTANCE PROGRAMS AVAILABLE AND ASSISTS PATIENTS WHO INDICATE AN INABILITY TO PAY OMC INFORMS PATIENTS OF THE FINANCIAL ASSISTANCE PROGRAMS BY PROVIDING THE FINANCIAL ASSISTANCE POLICY ON BROCHURES IN THE NEW PATIENT PACKET AND AT THE FRONT DESK FOR ALL PATIENTS THE POLICY IS ALSO PROVIDED ON THE BACK OF THE HOSPITAL BILL STATEMENTS, ON THE HOSPITAL WEBSITE AND ON THE HOSPITAL'S ONLINE BILL-PAY SYSTEM OMC PATIENT FINANCIAL COUNSELORS PROVIDE INFORMATION TO PATIENTS REGARDING AVAILABLE HEALTHCARE FINANCIAL COVERAGE OPTIONS, SUCH AS 1) MEDICAL ASSISTANCE, 2) MINNESOTA CARE, 3) OTHER FINANCIAL SERVICES AVAILABLE FOR LOW INCOME FAMILIES IN THE COMMUNITY, 4) OMC'S FINANCIAL ASSISTANCE PROGRAM THE PATIENT FINANCIAL COUNSELORS ASSIST OMC PATIENTS IN THE APPLICATION PROCESS ALL APPLICATIONS ARE PROCESSED IN A TIMELY MANNER PATIENT APPLICATIONS ARE CONSIDERED FOR CURRENT PATIENT RESPONSIBLE BALANCES, AS WELL AS NEAR FUTURE SCHEDULED MEDICAL SERVICES PATIENTS MAY QUALIFY FOR FULL OR PARTIAL FINANCIAL ASSISTANCE PATIENT FINANCIAL COUNSELORS NOTE PATIENT'S ACCOUNT VIA ON-LINE NOTES REGARDING APPLICATIONS SENT, APPLICATIONS IN PROCESS, AND WHETHER APPLICATIONS HAVE BEEN APPROVED, DENIED, OR ADDITIONAL INFORMATION IS REQUIRED THE PATIENT FINANCIAL COUNSELORS INFORM THE PATIENT VIA A LETTER REGARDING THE DETERMINATION (APPROVED, DENIED, OR PARTIAL COVERAGE APPROVED) OF THE RECEIVED AND COMPLETED APPLICATION PRIOR TO TURNING ACCOUNTS OVER THE THIRD PARTY COLLECTION, THE ACCOUNT WILL BE REVIEWED FOR POSSIBLE FINANCIAL ASSISTANCE PROGRAM QUALIFICATION THROUGH THE E-BUREAU PROCESS
		PART VI, LINE 4 OMC IS A REGIONAL HEALTH CARE FACILITY SERVING PATIENTS WITHIN A FORTY FIVE MILE RADIUS OF ROCHESTER, MN
		PART VI, LINE 6 THE FILING ORGANIZATION MAINTAINS AN EMERGENCY ROOM 24 HOURS A DAY, 7 DAYS A WEEK WHICH IS OPEN TO ALL WITHOUT REGARD TO THE ABILITY TO PAY MEDICAL STAFF PRIVILEGES ARE OPEN TO ALL QUALIFIED PHYSICIANS IN THE AREA THE ORGANIZATION UTILIZES ITS SURPLUS FUNDS TO INCREASE THE SERVICES OFFERED TO ITS PATIENTS THE ORGANIZATION HAS EXPANDED THE OPERATIONS AT FASTCARE FACILITIES AND ADDED CARDIOLOGY AND ENDOCRINOLOGY SERVICES FOR ITS PATIENTS
		PART VI, LINE 7 N/A

Additional Data

Software ID:
Software Version:
EIN: 41-0855367
Name: OLMSTED MEDICAL CENTER

Form 990 Schedule H, Part V Section C. Other Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility

Section C. Other Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility (list in order of size, measured by total revenue per facility, from largest to smallest) How many non-hospital facilities did the organization operate during the tax year? **16** Name and address	Type of Facility (Describe)
OLMSTED MEDICAL CENTER - MAIN CLINIC 210 NINTH STREET SE ROCHESTER,MN 55904	MAIN CLINIC - OUTPATIENT PHYSICIAN CLINIC
OLMSTED MEDICAL - BYRON CLINIC 846 HIGH POINT DR NE BYRON,MN 55920	OUTPATIENT PHYSICIAN CLINIC
OLMSTED MEDICAL - CHATFIELD CLINI 207 TWIFORD STREET SW CHATFIELD,MN 55923	OUTPATIENT PHYSICIAN CLINIC
OLMSTED MEDICAL - NORTHWEST CLINIC 4303 HIGHWAY 52N ROCHESTER,MN 55901	OUTPATIENT PHYSICIAN CLINIC
OLMSTED MEDICAL - PINE ISLAND CLINIC 111 COUNTY ROAD 11 NW PINE ISLAND,MN 55963	OUTPATIENT PHYSICIAN CLINIC
OLMSTED MEDICAL - PLAINVIEW CLINIC 20 2ND AVENUE NE PLAINVIEW,MN 55964	OUTPATIENT PHYSICIAN CLINIC
OLMSTED MEDICAL - PRESTON CLINIC 405 KANSAS STREET NW PRESTON,MN 55965	OUTPATIENT PHYSICIAN CLINIC
OLMSTED MEDICAL - ST CHARLES CLINIC 403 W FOURTH STREET ST CHARLES,MN 55972	OUTPATIENT PHYSICIAN CLINIC
OLMSTED MEDICAL - SPRING VALLEY CLINIC 302 WEST TRACY ROAD SPRING VALLEY,MN 55975	OUTPATIENT PHYSICIAN CLINIC
OLMSTED MEDICAL - STEWARTVILLE CLINIC 208 CENTERTOWN PLAZA STEWARTVILLE,MN 55976	OUTPATIENT PHYSICIAN CLINIC
OLMSTED MEDICAL - WANAMINGO CLINIC 217 MAIN STREET STE B WANAMINGO,MN 55983	OUTPATIENT PHYSICIAN CLINIC
OLMSTED MEDICAL - FASTCARE NORTH CLINIC 3708 HIGHWAY 63N ROCHESTER,MN 55906	OUTPATIENT PHYSICIAN CLINIC
OLMSTED MEDICAL - FASTCARE SOUTH CLINIC 2820 S BROADWAY ROCHESTER,MN 55904	OUTPATIENT PHYSICIAN CLINIC
OLMSTED MEDICAL - CENTER FOR WELLNESS 821 THIRD AVENUE SE ROCHESTER,MN 55904	WELLNESS CENTER
OLMSTED MEDICAL - PHYSICAL THERAPY 102 ELTON HILLS DRIVE ROCHESTER,MN 55901	PHYSICAL THERAPY CENTER
OLMSTED MEDICAL - RESEARCH DEPT 829 3RD AVE SE KINGS ROW ROCHESTER,MN 55904	RESEARCH FACILITY

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Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
OLMSTED MEDICAL CENTER

Employer identification number
41-0855367

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. Part II can be duplicated if additional space is needed. . . . . ▶ ☐

1 (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
(1) OLMSTED MEDICAL CENTER REGIONAL FOUNDATION210 9TH STREET SE ROCHESTER, MN 55904	26-0022777	501(C)(3)	497,766				PROVIDE FUNDING TO OMC REGIONAL FOUNDATION FOR HEALTHCARE EDUCATION AND COMMUNITY PURPOSES
(2) ROCHESTER AREA CHAMBER OF COMMERCE 220 SOUTH BROADWAY 100 ROCHESTER, MN 55904	40-0506950	501(C)(6)	6,450				MUSEUM, GOLD/SILVER SPONSORSHIP, MLK BREAKFAST, GOLF OUTINGS
(3) AMERICAN NATIONAL RED CROSS2025 E STREET NW WASHINGTON, DC 20006	53-0196605	501(C)(3)	6,000				PROVIDE RELIEF TO VICTIMS OF DISASTER, HEROES CAMPAIGN AND STORE OF HOPE

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

3 Enter total number of other organizations . . . . . ▶ 1

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

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance

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

Identifier	Return Reference	Explanation
PROCEDURE FOR MONITORING GRANTS IN THE U S	PART I, LINE 2	SCHEDULE I, PART I, LINE 2 MOST OF GRANT EXPENDITURES ARE PROVIDED TO OLMSTED MEDICAL CENTER REGIONAL FOUNDATION, A RELATED ORGANIZATION OMC PROVIDES FUNDS TO THE FOUNDATION FOR HEALTHCARE EDUCATION AND COMMUNITY PURPOSES AS NEEDED THERE ARE NUMEROUS WAYS TO MONITOR THE USE OF THE GRANT FUNDS MANY OF THE EVENTS ARE OPEN TO THE PUBLIC AND EASILY VERIFIABLE STAFF OFTEN ASSIST AS VOLUNTEERS FOR OTHER DONATIONS, LETTERS ARE RECEIVED FROM THE BENEFACTORS INDICATING USE OF FUNDS AND THANKING US FOR OUR GENEROUS DONATIONS

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Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

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

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 23.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
OLMSTED MEDICAL CENTER

Employer identification number
41-0855367

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropiate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items ☐ First-class or charter travel ☐ Housing allowance or residence for personal use ☐ Travel for companions ☐ Payments for business use of personal residence ☐ Tax idemnification and gross-up payments ☐ Health or social club dues or initiation fees ☐ Discretionary spending account ☐ Personal services (e g , maid, chauffeur, chef)			
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement orprovision of all the expenses described above? If "No," complete Part III to explain	**1b**		
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	**2**		
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply ☑ Compensation committee ☑ Written employment contract ☑ Independent compensation consultant ☑ Compensation survey or study ☐ Form 990 of other organizations ☑ Approval by the board or compensation committee			
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization			
a	Receive a severance payment or change-of-control payment from the organization or a related organization?	**4a**		No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	**4b**	Yes	
c	Participate in, or receive payment from, an equity-based compensation arrangement?	**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**	Yes	
b	Any related organization?	**6b**		No
	If "Yes," to line 6a or 6b, describe in Part III			
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	**7**		No
8	Were any amounts reported in Form 990, Part VII, paid or accured pursuant to a contract that was subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III	**8**		No
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	**9**		

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is 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				
(1) CHARLES BRANCH MD	(i)	645,278	0	1,000	26,950	20,026	693,254	0
	(ii)	0	0	0	0	0	0	0
(2) RANDY HEMANN MD	(i)	259,798	9,647	1,000	26,950	16,185	313,580	0
	(ii)	0	0	0	0	0	0	0
(3) JAMES HOFFMANN MD	(i)	370,310	5,255	500	26,950	18,788	421,803	0
	(ii)	0	0	0	0	0	0	0
(4) LINDA WILLIAMS MD	(i)	181,839	5,752	800	20,528	6,485	215,404	0
	(ii)	0	0	0	0	0	0	0
(5) ROY A YAWN MD	(i)	342,951	52,788	900	26,950	8,513	432,102	0
	(ii)	0	0	0	0	0	0	0
(6) JAY MYERS	(i)	397,991	5,946	0	26,950	18,849	449,736	0
	(ii)	0	0	0	0	0	0	0
(7) TIM WEIR	(i)	325,937	82,400	0	26,950	17,273	452,560	0
	(ii)	0	0	0	0	0	0	0
(8) KEVIN HIGGINS	(i)	211,288	37,079	6,654	26,950	16,460	298,431	0
	(ii)	0	0	0	0	0	0	0
(9) DAVID WESTGARD MD	(i)	310,766	75,448	0	26,950	14,128	427,292	0
	(ii)	0	0	0	0	0	0	0
(10) DR SRDAN BABOVIC	(i)	644,844	75	0	26,950	8,680	680,549	0
	(ii)	0	0	0	0	0	0	0
(11) DR DAVID LOWE	(i)	602,013	75	0	26,950	24,220	653,258	0
	(ii)	0	0	0	0	0	0	0
(12) DR VIDHAN CHANDRA	(i)	574,137	75	0	26,950	7,659	608,821	0
	(ii)	0	0	0	0	0	0	0
(13) DR MARCO SANTAMARIA	(i)	537,093	75	1,000	26,950	22,603	587,721	0
	(ii)	0	0	0	0	0	0	0
(14) DR JEFFERY BECKENBAUGH	(i)	584,930	75	0	26,950	26,102	638,057	0
	(ii)	0	0	0	0	0	0	0
(15) DR KATHRYN LOMBARDO	(i)	406,036	75	500	26,950	6,633	440,194	0
	(ii)	0	0	0	0	0	0	0
(16) DR THOMAS ERBACH	(i)	419,141	75	1,000	26,950	16,959	464,125	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
	PART I, LINE 4B	THE ORGANIZATION FORMERLY HAD A NONQUALIFIED DEFERRED COMPENSATION PLAN FOR THE BENEFIT OF CERTAIN EMPLOYEES WHO MET QUALIFICATION REQUIREMENTS AS DEFINED IN THE PLAN THE BENEFIT AVAILABLE TO A PARTICIPANT UPON MEETING THE VESTING REQUIREMENTS WAS THE AMOUNT THAT WAS ALLOCATED TO THE PARTICIPANT'S ACCOUNT ANY AMOUNTS ACCUMULATED IN THE PLAN THAT WERE FORFEITED BY A PARTICIPANT REVERTED TO THE ORGANIZATION IN OCTOBER 2008, THE BOARD OF TRUSTEES VOTED TO TERMINATE THE PLAN ONE-HALF OF THE AMOUNT DUE TO PLAN PARTICIPANTS WAS PAID OUT, IN ACCORDANCE WITH THE PROVISIONS OF THE TERMINATION, DURING 2009 THE REMAINING AMOUNT WAS PAID OUT IN 2010
	PART I, LINE 6	THE RETIREMENT SAVINGS PLAN CONTRIBUTION, WHICH IS A DEFERRED COMPENSATION PLAN, IS BASED ON THE PROFITABILITY OF THE ORGANIZATION SUBJECT TO IRS LIMITATIONS AND SUBJECT TO BOARD OF GOVERNORS DISCRETION

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 41-0855367
Name: OLMSTED MEDICAL CENTER

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
CHARLES BRANCH MD	(I)	645,278	0	1,000	26,950	20,026	693,254	0
	(II)	0	0	0	0	0	0	0
RANDY HEMANN MD	(I)	259,798	9,647	1,000	26,950	16,185	313,580	0
	(II)	0	0	0	0	0	0	0
JAMES HOFFMANN MD	(I)	370,310	5,255	500	26,950	18,788	421,803	0
	(II)	0	0	0	0	0	0	0
LINDA WILLIAMS MD	(I)	181,839	5,752	800	20,528	6,485	215,404	0
	(II)	0	0	0	0	0	0	0
ROY A YAWN MD	(I)	342,951	52,788	900	26,950	8,513	432,102	0
	(II)	0	0	0	0	0	0	0
JAY MYERS	(I)	397,991	5,946	0	26,950	18,849	449,736	0
	(II)	0	0	0	0	0	0	0
TIM WEIR	(I)	325,937	82,400	0	26,950	17,273	452,560	0
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	(II)	0	0	0	0	0	0	0
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	(II)	0	0	0	0	0	0	0
DR SRDAN BABOVIC	(I)	644,844	75	0	26,950	8,680	680,549	0
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DR DAVID LOWE	(I)	602,013	75	0	26,950	24,220	653,258	0
	(II)	0	0	0	0	0	0	0
DR VIDHAN CHANDRA	(I)	574,137	75	0	26,950	7,659	608,821	0
	(II)	0	0	0	0	0	0	0
DR MARCO SANTAMARIA	(I)	537,093	75	1,000	26,950	22,603	587,721	0
	(II)	0	0	0	0	0	0	0
DR JEFFERY BECKENBAUGH	(I)	584,930	75	0	26,950	26,102	638,057	0
	(II)	0	0	0	0	0	0	0
DR KATHRYN LOMBARDO	(I)	406,036	75	500	26,950	6,633	440,194	0
	(II)	0	0	0	0	0	0	0
DR THOMAS ERBACH	(I)	419,141	75	1,000	26,950	16,959	464,125	0
	(II)	0	0	0	0	0	0	0

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Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

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

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
OLMSTED MEDICAL CENTER

Employer identification number
41-0855367

Part I Bond Issues

	(a) Issuer Name	(b) Issuer EIN	(c) CUSIP #	(d) Date Issued	(e) Issue Price	(f) Description of Purpose	(g) Defeased		(h) On Behalf of Issuer		(i) Pool financing	
							Yes	No	Yes	No	Yes	No
A	CITY OF CHATFIELD MINNESOTA	41-6005045	161817CE9	11-15-2004	8,000,000	HOSPITAL CONSTRUCTION		X		X		X
B	CITY OF CHATFIELD MINNESOTA	41-6005045		04-13-2006	2,651,915	HOSPITAL CONSTRUCTION		X		X		X
C	CITY OF ROCHESTER MINESOTA	41-6005494	771902FY4	07-07-2010	20,202,546	CLINIC CONSTRUCTION		X		X		X

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired				
2	Amount of bonds legally defeased				
3	Total proceeds of issue	8,000,000	2,651,915	20,202,546	
4	Gross proceeds in reserve funds	753,700		1,709,215	
5	Capitalized interest from proceeds				
6	Proceeds in refunding escrow				
7	Issuance costs from proceeds	160,000	51,915	403,128	
8	Credit enhancement from proceeds				
9	Working capital expenditures from proceeds				
10	Capital expenditures from proceeds	7,086,300	2,600,000	6,727,649	
11	Other spent proceeds				
12	Other unspent proceeds	11,351,225		11,351,225	
13	Year of substantial completion	2005	2006		

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

Part III Private Business Use

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

Part III Private Business Use *(Continued)*

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts that may result in private business use?		X		X		X		
b	Are there any research agreements that may result in private business use of bond-financed property?		X		X		X		
c	Does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts or research agreements relating to the financed property?								
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶	0 %		0 %		0 %			
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶	0 %		0 %		0 %			
6	Total of lines 4 and 5	0 %		0 %		0 %			
7	Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	X		X		X			

Part IV Arbitrage

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

Part V Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule K (see instructions)

Identifier	Return Reference	Explanation

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Schedule L (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

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

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

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
OLMSTED MEDICAL CENTER

Employer identification number
41-0855367

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

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b

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

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

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

Part II Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 26, or Form 990-EZ, Part V, line 38a

(a) Name of interested person and purpose	(b) Loan to or from the organization? To	From	(c) Original principal amount	(d) Balance due	(e) In default? Yes	No	(f) Approved by board or committee? Yes	No	(g) Written agreement? Yes	No
(1) STERLING STATE BANK - SEE BELOW	X		800,000	480,000		No	Yes		Yes	
Total . . . . . ▶ $				480,000						

Part III Grants or Assistance Benefitting Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

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

Part IV Business Transactions Involving Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) JULIE WINKELS	FAMILY MEMBER OF THOMAS WINKELS, TRUSTEE	40,412	EMPLOYEE OF ORGANIZATION		No
(2) DR LOUIS WAGNER	FAMILY MEMBER OF DR LINDA WILLIAMS, TRUSTEE	514,072	EMPLOYEE OF ORGANIZATION		No
(3) DR BARBARA YAWN	FAMILY MEMBER OF DR ROY YAWN, PRESIDENT	156,529	EMPLOYEE OF ORGANIZATION		No
(4) MERCHANTS BANK	JOHN DOYLE, BOARD CHAIR, SERVES AS PRESIDENT OF MERCHANTS BANK	531,412	OPERATING LEASE PAYMENTS ON RIS/PACS SYSTEM		No

Part V Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule L (see instructions)

Identifier	Return Reference	Explanation
PART II	INTERESTED PERSON DESCRIPTION	STERLING STATE BANK - JUSTIN MCNEILUS, TRUSTEE, IS FAMILY MEMBER OF MAJORITY OWNER OF BANK, ROY YAWN, PRESIDENT, IS BOARD MEMBER OF BANK, TOM WINKELS, TRUSTEE, IS PRESIDENT OF BANK

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SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
OLMSTED MEDICAL CENTER

Employer identification number
41-0855367

Identifier	Return Reference	Explanation
	FORM 990, PART IV, LINE 20B	THE AUDITED FINANCIAL STATEMENTS HAVE NOT BEEN ATTACHED TO THIS RETURN IN COMPLIANCE WITH IRS INSTRUCTIONS FOR TAX YEARS BEGINNING BEFORE MARCH 23, 2010

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7A		THE BOARD OF GOVERNORS IS ELECTED BY PHYSICIAN VOTE

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11		THE FORM 990 IS PREPARED BY AN EXTERNAL ACCOUNTANT A DRAFT OF THE FORM 990 IS REVIEWED IN DETAIL BY THE FINANCIAL SERVICES MANAGER, CONTROLLER AND CFO ANY NECESSARY CORRECTIONS AND ADJUSTMENTS ARE MADE THE FORM 990 IS REVIEWED BY THE CEO AND CFO AND PRESENTED TO THE COMPENSATION COMMITTEE THE FINAL FORM 990 IS MADE AVAILABLE TO THE BOARD MEMBERS FOR THEIR REVIEW PRIOR TO FILING WITH THE IRS

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 12C	PER OMC POLICY THE BOARD OF TRUSTEES AND PRINCIPAL OFFICERS ANNUALLY SIGN CONFLICT OF INTEREST STATEMENTS SIGNED CONFLICT OF INTEREST STATEMENTS ARE OBTAINED AND REVIEWED BY SENIOR MANAGEMENT ANNUALLY

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 15	IN ORDER TO ENSURE THAT ALL OLMSTED MEDICAL CENTER (OMC) EXECUTIVE COMPENSATION DECISIONS ARE COMPETITIVE, EQUITABLE, UNIFORMLY ADMINISTERED, AND CONSISTENT WITH MARKET PRACTICES, OMC FOLLOWS RECOMMENDED BEST PRACTICES THE GOALS OF EXECUTIVE COMPENSATION ARE TO ATTRACT AND RETAIN HIGHLY QUALIFIED PERSONNEL, TO MAINTAIN COMPENSATION LEVELS COMMENSURATE WITH THE SCOPE OF RESPONSIBILITIES FOR EACH POSITION, AND TO REWARD OUTSTANDING PERFORMANCE OMC WILL SEEK MANAGEMENT TALENT BY CONDUCTING NATIONAL SEARCHES FOR QUALIFIED APPLICANTS FOR ANY VACANCIES AT THE CMO AND CEO POSITIONS IN ADDITION TO VICE PRESIDENT POSITIONS AS NECESSARY THE SAME PHILOSOPHY IS APPLICABLE TO THE POSITION OF OMC PRESIDENT PEER GROUPS FOR EXECUTIVE COMPENSATION, WHICH INCLUDES BASE SALARIES, INCENTIVE AND BENEFITS, WILL BE INTEGRATED HEALTH DELIVERY SYSTEMS WITH A MINIMUM OF A HOSPITAL AND AN EMPLOYED PHYSICIAN NETWORK AND NET REVENUES ROUGHLY SIMILAR TO THE REVENUES OF OLMSTED MEDICAL CENTER OMC ENGAGES AN EXTERNAL CONSULTANT WHO COMPILES A PEER GROUP COMPENSATION AND BENEFIT ANALYSIS ON A TWO YEAR BASIS MOST RECENTLY IN 2010, A COMPENSATION PEER REVIEW STUDY WAS COMPLETED FOR THE CEO, PRESIDENT AND CMO AND PRESENTED TO THE BOARD OF GOVERNORS THE EXECUTIVE COMPENSATION COMMITTEE OF THE OLMSTED MEDICAL CENTER CONSISTS OF FIVE ELECTED MEMBER OF THE BOARD OF GOVENORS THE EXECUTIVE COMPENSATION COMMITTEE WILL SET THE COMPENSATION OF THE PRESIDENT, CEO AND CMO AND MINUTES ARE KEPT OF THESE DISCUSSIONS THE BOARD OF TRUSTEES, ACTING THROUGH THE BOARD OF TRUSTEES COMPENSATION COMMITTEE, MUST APPROVE THE EXECUTIVE COMPENSATION POLICY AND PROCESS OF DETERMINING EXECUTIVE COMPENSATION AND BENEFITS THESE DISCUSSIONS ARE NOTED IN MINUTES OF THIS ANNUAL MEETING THE BOARD OF TRUSTEES COMPENSATION COMMITTEE REPORTS TO THE FULL BOARD OF TRUSTEES ON AN ANNUAL BASIS THE COMPLETION OF SUCH DUTIES AND ARE ALSO NOTED IN THE MINUTES

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION C, LINE 19	THE GOVERNING DOCUMENTS, FINANCIAL STATEMENTS, AND CONFLICT OF INTEREST STATEMENTS ARE NOT MADE AVAILABLE TO THE PUBLIC THE ANNUAL FORM 990 REPORT IS AVAILABLE FOR PUBLIC VIEWING BY APPOINTMENT

Identifier	Return Reference	Explanation
	FORM 990, PART VII, SECTION A	BOARD MEMBERS ARE NOT COMPENSATED FOR THEIR SERVICES TO THE ORGANIZATION COMPENSATION SHOWN FOR PHYSICIAN TRUSTEES IS RELATED TO THEIR POSITION AS EMPLOYED PHYSICIANS OF THE ORGANIZATION

Identifier	Return Reference	Explanation
CHANGES IN NET ASSETS OR FUND BALANCES	FORM 990, PART XI, LINE 5	NET UNREALIZED GAINS ON INVESTMENTS 546,613

Identifier	Return Reference	Explanation
	FORM 990, PART XI, LINE 2C	THE ORGANIZATION HAS A COMMITTEE THAT ASSUMES RESPONSIBILITY FOR OVERSIGHT OF THE AUDIT OF ITS FINANCIAL STATEMENTS AND SELECTION OF AN INDEPENDENT ACCOUNTANT THE PROCESS HAS NOT CHANGED FROM THE PRIOR YEAR THE FINANCE COMMITTEE MEETS WITH MANAGEMENT BI-MONTHLY TO REVIEW FINANCIAL PERFORMANCE AS WELL AS KEY FINANCIAL ISSUES IN ADDITION, THEY REVIEW THE RFP SUMMARIES WHEN A NEW INDEPENDENT AUDIT TEAM IS BEING SELECTED

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SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
OLMSTED MEDICAL CENTER

Employer identification number
41-0855367

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	(g) Section 512(b)(13) controlled organization	
						Yes	No
(1) OLMSTED MEDICAL CENTER REGIONAL FOUNDATION 210 9TH STREET SE ROCHESTER, MN 55904 26-0022777	HEALTHCARE EDUCATION AND COMMUNITY PURPOSES	MN	501(C)(3)	LINE 11A, I	OLMSTED MEDICAL CENTER	Yes	
(2) OLMSTED MEDICAL CENTER AUXILIARY 1650 4TH STREET SE ROCHESTER, MN 55904 36-3382873	SUPPORT OLMSTED MEDICAL CENTER	MN	501(C)(3)	LINE 11A, I	OLMSTED MEDICAL CENTER	Yes	

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? Yes	(h) No	(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership

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

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

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

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

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	(d) Method of determining amount involved
(1) OLMSTED MEDICAL CENTER REGIONAL FOUNDATION	B	497,766	GAAP
(2) OLMSTED MEDICAL CENTER REGIONAL FOUNDATION	C	110,342	GAAP
(3) OLMSTED MEDICAL CENTER REGIONAL FOUNDATION	N	196,271	GAAP
(4) OLMSTED MEDICAL CENTER AUXILIARY	C	6,535	GAAP
(5)			
(6)			

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

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

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

Part VII Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule R (see instructions)

Identifier	Return Reference	Explanation

Additional Data

Software ID:
Software Version:
EIN: 41-0855367
Name: OLMSTED MEDICAL CENTER

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
CHARLES BRANCH MD PHYSICIAN TRUSTEE	40 00	X						646,278	0	46,976
RANDY HEMANN MD PHYSICIAN TRUSTEE	40 00	X						270,445	0	43,135
JAMES HOFFMANN MD PHYSICIAN TRUSTEE	40 00	X						376,065	0	45,738
LINDA WILLIAMS MD PHYSICIAN TRUSTEE	30 00	X						188,391	0	27,013
NORM DOTY PUBLIC TRUSTEE	1 00	X						0	0	0
JOHN DOYLE 2010 BOARD TRUSTEE CHAIR	1 00	X		X				0	0	0
DENNIS MCDONOUGH PUBLIC TRUSTEE	1 00	X						0	0	0
SUSAN MADDEN PUBLIC TRUSTEE	1 00	X						0	0	0
DON SUDOR PUBLIC TRUSTEE	1 00	X						0	0	0
TOM WINKELS 2009 BOARD OF TRUSTEE CHAIR	1 00	X						0	0	0
ROY A YAWN MD PRESIDENT/PHYS TRUSTEE	40 00	X		X				396,639	0	35,463
WENDY SHANNON PUBLIC TRUSTEE	1 00	X						0	0	0
JIM GANDER PUBLIC TRUSTEE	1 00	X						0	0	0
JAY HESLEY PUBLIC TRUSTEE	1 00	X						0	0	0
KATIE RYAN PUBLIC TRUSTEE	1 00	X						0	0	0
JUSTIN MCNEILUS PUBLIC TRUSTEE	1 00	X						0	0	0
JAMES MCPEAK JR PUBLIC TRUSTEE	1 00	X						0	0	0
JULIE ANDERSON PUBLIC TRUSTEE	1 00	X						0	0	0
MARY BENIKE KISILEWSKI PUBLIC TRUSTEE	1 00	X						0	0	0
JAY MYERS PHYSICIAN TRUSTEE/SEC/TREASURER	40 00	X		X				403,937	0	45,799
TIM WEIR CEO	40 00			X				408,337	0	44,223
KEVIN HIGGINS CFO	40 00			X				255,021	0	43,410
DAVID WESTGARD MD CHIEF MEDICAL OFFICER	40 00				X			386,214	0	41,078
DR SRDAN BABOVIC PHYSICIAN	40 00					X		644,919	0	35,630
DR DAVID LOWE PHYSICIAN	40 00					X		602,088	0	51,170

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			
DR VIDHAN CHANDRA PHYSICIAN	40 00					X		574,212	0	34,609
DR MARCO SANTAMARIA PHYSICIAN	40 00					X		538,168	0	49,553
DR JEFFERY BECKENBAUGH PHYSICIAN	40 00					X		585,005	0	53,052
DR KATHRYN LOMBARDO FMR TRUSTEE, PSYCHOLOGY DPMT CHAIR	40 00						X	406,611	0	33,583
DR THOMAS ERBACH FMR TRUSTEE, SURGERY DPMT CHAIR	40 00						X	420,216	0	43,909